

Grand Parkway Transportation Corporation  
125 East 11<sup>th</sup> Street, Austin, Texas 78701



## MEMORANDUM

**DATE:** December 16, 2016

**RE:** Voluntary Filing Regarding TIFIA Disbursement, Refunding of Series 2014B Bonds and Retirement of Series 2014A Bond Anticipation Notes and Series 2014C Bonds

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### **SUBSEQUENT EVENTS UPDATE**

#### *TIFIA Loan Disbursement*

As previously disclosed, the Grand Parkway Transportation Corporation (“Corporation”), effective February 6, 2014, entered into a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan agreement with the United States Department of Transportation (“USDOT”) in an amount up to \$840,645,000. Such loan is further evidenced by the Corporation’s Second Tier Toll Revenue Promissory Note held by USDOT (“Promissory Note”). On December 13, 2016, the Corporation requisitioned \$840,645,000 pursuant to the TIFIA loan agreement which proceeds were used to pay on the maturity date of December 15, 2016, the Corporation’s \$733,465,000 Subordinate Tier Toll Revenue Refunding Bond Anticipation Notes, Series 2014A and \$107,180,000 Subordinate Tier Toll Revenue Refunding Bonds, Series 2014C (TELA Supported). The TIFIA loan agreement and the related Promissory Note are now outstanding in the aggregate principal amount of \$840,645,000.

#### *Private Placement of Series 2016 Refunding Bonds*

On November 30, 2016, the Corporation priced, and on December 7, 2016, the Corporation issued, its \$83,775,000 Subordinate Tier Toll Revenue Refunding Bonds, Series 2016 (TELA Supported) (“Series 2016 Bonds”) to refund its \$83,550,000 Subordinate Tier Toll Revenue Refunding Bonds, Series 2014B (TELA Supported) which were redeemed on December 7, 2016. The Series 2016 Bonds were privately placed with Banc of America Preferred Funding Corporation. Interest is payable commencing April 1, 2017, and each April 1 and October 1 thereafter and at maturity.

The Series 2016 Bonds mature on October 2, 2023 and bear interest at 2.20% except during any period the taxable rate or default rate may be applicable. The Series 2016 Bonds are not subject to redemption prior to maturity.

**NOTICE OF REDEMPTION**

**GRAND PARKWAY TRANSPORTATION CORPORATION**

**NOTICE IS HEREBY GIVEN** that the Grand Parkway Transportation Corporation (the "Corporation") has called for redemption its Grand Parkway System Subordinate Tier Toll Revenue Refunding Bonds, Series 2014B (TELA Supported) set forth below (the "Bonds"):

<u>Maturity</u>	<u>Redemption Date</u>	<u>Outstanding Principal Amount</u>	<u>Principal Amount Being Redeemed</u>	<u>Interest Rate</u>	<u>Redemption Price</u>	<u>Original CUSIP Number*</u>
December 15, 2016	December 7, 2016	\$83,550,000	\$83,550,000	Variable	100%	38611TBD8

The Redemption Price for the above Bonds is par plus accrued interest to the Redemption Date. Such Bonds shall be redeemed and shall no longer bear interest after the Redemption Date. The Redemption Price for such Bonds shall be paid upon presentation to U.S. Bank National Association, the Trustee, at the following address:

**Delivery Instructions**

U.S. Bank  
Global Corporate Trust Services  
111 Fillmore Ave E  
St. Paul, MN 55107

For further information, please contact the Trustee, Attention Bondholder Services, at (800) 275-2048.

In compliance with Section 3406 of the Internal Revenue Code of 1986, as amended, payors making certain payments due on debt securities may be obligated to deduct and withhold a portion of such payment from the remittance to any payee who has failed to provide such payor with a valid taxpayer identification number. To avoid the imposition of this withholding tax, such payees should submit a certified taxpayer identification number when surrendering the Bonds to be redeemed for redemption.

**GRAND PARKWAY TRANSPORTATION CORPORATION**

\*The CUSIP Numbers have been assigned to this issue by the CUSIP Service Bureau and is included solely for the convenience of the owners of the Bond. The Corporation shall not be responsible for the selection or the correctness of the CUSIP numbers set forth herein.