

**SAMPLE
BID FORM FOR OPEN MARKET ESCROW SECURITIES**

To: U.S. Treasury Securities Dealers

From:

Date:

Re: Request for Competitive Bids of U.S. Treasury Securities

ABC Capital Markets, Inc., as agent for the North Carolina Medical Care Commission (the "Commission"), is soliciting competitive bids for direct, noncallable U.S. Treasury Securities (the "Escrow Securities") to be held in a defeasance escrow purchased with proceeds derived from the disposition of certain hospital facilities (the "Disposition") by XYZ (the "System"). The competitive bid will be conducted according to the following terms and conditions:

General Requirements

Bid Information: Bids Due: 1:00 PM (EST) on 11/12/2009
Bids Firm Until: 2:00 PM (EST) on 11/12/2009
Winner will be advised by 2:00 PM (EST)

Award: 4:00 PM (EST) or earlier on
11/12/2009

Settlement: December 3, 2009

Bids should be made by completing and faxing the appropriate Bid Request Forms, for both portfolios, to John Doe at ABC Capital Markets at (919) _____ and to Christopher B. (Chris) Taylor at (919) 855-3750.

Terms of Bid:

- a. Securities offered must be direct, noncallable U.S. Treasury Securities.
- b. Portfolio cash flows must be sufficient to meet cash flow requirements on each cash flow date.
- c. Basis of the award for the portfolio is the lowest total cost of the Escrow Securities for the portfolio (plus the procurement fee and any cash deposit required).

Confirmation: The successful bidder must provide a written confirmation of the purchase of the Escrow Securities on the next business day of the award. If these documents are not received on the next day of the award, the Commission reserves the right to withdraw the award and rebid the Escrow Securities.

Trade confirmations should be faxed to:

Christopher B. (Chris) Taylor
North Carolina Medical Care Commission
(919) 855-3750

Verification Agent

Right to Reject Bids: The Commission reserves the right to reject any and all bids and to waive minor irregularities in any bid.

Bids: All bids must be submitted on the attached Bid Forms and be accompanied with the Submission Requirements set forth below.

Settlement Information: **Settlement Date**
Settlement of the Securities will be made Delivery versus Payment and **must be guaranteed by 10:00 AM (EST)** on the morning of December 3, 2009. Delivery instructions will be provided to the winner.

Escrow Agent: John Doe
ABC Bank as Escrow Agent
Charlotte, North Carolina

Corporate Trust Department
(919) _____ (919) _____ (Fax)

**Contact for Delivery
Of Securities:**

Costs: Costs, if any, incurred by the provider or any other entities will not be paid by the System, the Commission, ABC, or any other member of the working group with respect to the Disposition.

**Deposit Subject
To the Disposition:** The closing and settlement of the purchase of the Escrow Securities from the selected provider is subject to the closing of the Disposition on the closing date (December 3, 2009). Neither the System, nor the Commission, nor ABC, nor any other member of the working group with respect to the Disposition shall be liable for any damages or harm suffered by the selected provider in the event the Escrow Securities do not settle.

**Deposit Subject to
Verification:** The settlement of the Escrow Securities is subject to final escrow verification.

Procurement Fee: Each bidder should make a provision in its quotation for a fee of .02% of the investment amount to be paid to ABC Capital Markets, Inc. at the time of closing.

Eligible Securities: Direct, noncallable U.S. Treasury Securities

Governing Law: North Carolina

Questions:

Please direct all questions to:

Christopher B. (Chris) Taylor
North Carolina Medical Care Commission
(919) 855-3750

John Doe
ABC Capital Markets, Inc.
Raleigh, NC
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SAMPLE

North Carolina Medical Care Commission Escrow Securities Bid Form

Please fax this document to John Doe at ABC Capital Markets, Inc. (Fax # is 336-732-4512) **and** to Christopher B. (Chris) Taylor at the North Carolina Medical Care Commission (Fax # is 919-733-2757) by **1:00 PM (EST) on November 12, 2009**. Bids must be firm until 2:00 PM (EST). Winning bidder will be notified by 2:00 PM (EST). Bid will be awarded by 4:00 PM (EST).

<u>Type</u>	<u>Maturity</u>	<u>Par Amount</u>	<u>Coupon</u>	<u>Dollar Price</u>	<u>Dollar Cost</u>	<u>Accrued Interest</u>	<u>Total Cost</u>
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Please attach detail, e.g. Escrow Descriptions and Escrow Cost reports.

Total Escrow Cost \$ _____

+Cash Deposit \$ _____

+Procurement Fee \$ _____
(Total escrow cost x .0002)

=Total Cost \$ _____

Provider: _____

Representative and Telephone Number: _____

Signature: _____ Date: _____

By signing this document, the Provider acknowledges that the settlement of the Escrow Securities with the selected Escrow Securities Provider is subject to the closing of the Disposition and delivery of the Funds on the closing date. Neither the System, nor the Commission, nor Wachovia

Capital Markets, Inc., nor any other member of the working group with respect to the Disposition shall be liable for any damages or harm suffered by the selected bidder in the event the Escrow Securities do not settle.

The Commission reserves the right to reject incomplete Submissions and/or Bid Forms.