September 18, 2018

Dan Huge
Public Finance Director of the State of Indiana
Indiana Finance Authority
One North Capitol, Suite 900
Indianapolis, IN 46204

Re: INDOT’s Intended Use of Transaction Payments Made to IFA

Dear Mr. Huge:

The purpose of this letter is to set forth the intended use by the Indiana Department of Transportation (“INDOT”) of the Transaction Payments (as hereinafter defined) to be received by the Indiana Finance Authority (the “IFA”) pursuant to the proposed First Amendment to the Amended and Restated Indiana Toll Road Concession and Lease Agreement (the “First Amendment”), between the IFA and ITC Concession Company, LLC. It is INDOT’s understanding that, pursuant to the First Amendment, the IFA will receive $400 million on the implementation date under the First Amendment and $300 million on October 1, 2019, and again on October 1, 2020, the aggregate of which is $1 billion (collectively, the “Transaction Payments”). It is our further understanding that in accordance with Indiana Code 8-15.5-11-4(d), as amended, the entirety of the Transaction Payments received by the IFA will be deposited into the Major Moves Construction Fund.

Based on the foregoing, to the extent the Transaction Payments are deposited in the Major Moves Construction Fund, INDOT intends to: (1) transfer all such moneys for deposit in the State Highway Fund, for the funding of any project in INDOT’s transportation plan, in accordance with Indiana Code 8-14-14-7(a)(3), as amended; and (2) use at least 95% of such moneys for projects or purposes that benefit a county traversed by the Indiana Toll Road, as contemplated in Indiana Code 8-14-14-8, as amended.

If you have any questions regarding INDOT’s intended use of such moneys or any matters related thereto, please do not hesitate to contact me.

Very truly yours,

Joseph McGuinness, Commissioner
Indiana Department of Transportation