SUPPLEMENT DATED OCTOBER 13, 2009
TO OFFICIAL STATEMENT DATED OCTOBER 6, 2009

relating to

$60,510,000
STATE OF MINNESOTA
911 Revenue Bonds
(Public Safety Radio Communications System Project)
Series 2009

The Commissioner of Minnesota Management and Budget is providing this Supplement to Official Statement, dated October 13, 2009 (the "Supplement"). This Supplement amends the Official Statement, dated October 6, 2009 (the "Official Statement"), relating to the above-referenced bonds to be issued by the State of Minnesota (the "State"). Capitalized terms not defined or specifically amended in this Supplement have the respective meanings assigned to such terms in the Official Statement. **This supplement should be read in conjunction with the Official Statement.**

The purpose of this Supplement is to amend and supplement certain information contained in the Official Statement that has changed since the date of publication of the Official Statement. The amendments to the Official Statement generally relate to the description of Insurer and the financial guaranty insurance policy for the Series 2009 Bonds under the heading "BOND INSURANCE" of the Official Statement

Except as specifically provided in this Supplement, the information contained in the accompanying Official Statement has not been updated since its dated date (October 6, 2009).

This Supplement amends, supplements, supersedes and replaces certain information contained in the Official Statement, as follows:

Amendments to Front Cover of the Official Statement:

On October 12, 2009, Fitch, Inc. ("Fitch") downgraded the rating it is expected to assign to the Series 2009 Bonds from "AA" (ratings watch negative) to "AA-" (negative outlook), with the understanding that upon delivery of the Series 2009 Bonds a policy guaranteeing the payment when due of the principal of and interest on the Series 2009 Bonds will be issued by the Insurer. Accordingly, the following information should be substituted for the Fitch rating appearing in the upper right corner of the font cover of the Official Statement under the caption "RATINGS FOR INSURED SERIES 2009 BONDS"

Fitch: AA-

Amendments to pages 16 through 18, inclusive, of the Official Statement:

The following information should be substituted for the information under the caption "BOND INSURANCE" appearing on pages 16 through 18, inclusive, of the Official Statement:

BOND INSURANCE

The following information is not complete and reference is made to "APPENDIX F — SPECIMEN FINANCIAL GUARANTY INSURANCE P0LICY" for a specimen of the financial guaranty insurance policy (the "Policy") of Assured Guaranty Corp. ("Assured Guaranty" or the "Insurer"). Capitalized terms used in this section ("BOND INSURANCE") and not otherwise defined herein or in "APPENDIX A — DEFINED TERMS," have the meanings set forth in the Policy.

The Insurance Policy

Concurrently with the issuance of the Series 2009 Bonds, Assured Guaranty Corp. ("Assured Guaranty" or the "Insurer") will issue its financial guaranty insurance policy (the "Policy") for the Series 2009 Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Series 2009 Bonds when due as set forth in the form of the Policy set forth in "APPENDIX F — SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY" to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut, or Florida insurance law.

The Insurer

Assured Guaranty is a Maryland-domiciled insurance company regulated by the Maryland Insurance Administration and licensed to conduct financial guaranty insurance business in all fifty states of the United States, the District of Columbia and Puerto Rico. Assured Guaranty commenced operations in 1988. Assured Guaranty is a wholly owned, indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, structured finance, and mortgage markets. Neither AGL nor any of its shareholders is obligated to pay any debts of Assured Guaranty or any claims under any insurance policy issued by Assured Guaranty.

Assured Guaranty's financial strength is rated "AAA" (negative outlook) by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), "Aa2" (on review for possible downgrade) by Moody's Investors Service, Inc. ("Moody's") and "AA-" (negative outlook) by Fitch, Inc. ("Fitch"). Each rating of Assured Guaranty should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of any security guaranteed by Assured Guaranty. Assured Guaranty does not guaranty the market price of the securities it guarantees, nor does it guaranty that the ratings on such securities will not be revised or withdrawn.

Recent Developments

Ratings

On July 1, 2009, S&P published a Research Update in which it affirmed its "AAA" counterparty credit and financial strength ratings on Assured Guaranty. At the same time, S&P revised its outlook on Assured Guaranty to negative from stable. Reference is made to the Research Update, a copy of which is available at www.standardandpoors.com, for the complete text of S&P's comments.

On May 20, 2009, Moody's issued a press release stating that it had placed the "Aa2" insurance financial strength rating of Assured Guaranty on review for possible downgrade. Subsequently, in an announcement dated July 24, 2009 entitled "Moody's Comments on Assured's Announcement to Guarantee and Delist FSA Debt", Moody's announced that it expected to conclude its review by mid-August 2009. Reference is made to the press release and the announcement, copies of which are available at www.moodys.com, for the complete text of Moody's comments.

In a press release dated October 12, 2009, Fitch announced that it had downgraded the insurer financial strength rating of Assured Guaranty to "AA-" (negative outlook) from "AA" (ratings watch negative). Reference is made to the press release, a copy of which is available at www.fitchratings.com, for the complete text of Fitch's comments.

There can be no assurance as to the outcome of Moody's review, or as to the further action that Fitch, or S&P may take with respect to Assured Guaranty.

For more information regarding Assured Guaranty's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2008, which was filed by AGL with the Securities and Exchange Commission ("SEC") on February 26, 2009, AGL's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009, which was filed by AGL with the SEC on May 11, 2009, and AGL's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009, which was filed by AGL with the SEC on August 10, 2009.

Acquisition of FSA

On July 1, 2009, AGL acquired the financial guaranty operations of Financial Security Assurance Holdings Ltd. ("FSA"), the parent of financial guaranty insurance company Financial Security Assurance Inc. For more information regarding the acquisition by AGL of FSA, see Item 1.01 of the Current Report on Form 8-K filed by AGL with the SEC on July 8, 2009.

Capitalization of Assured Guaranty Corp.

On July 1, 2009, AGL acquired the financial guaranty operations of Financial Security Assurance Holdings Ltd. ("FSA"), the parent of financial guaranty insurance company Financial Security Assurance Inc. For more information regarding the acquisition by AGL of FSA, see Item 1.01 of the Current Report on Form 8-K filed by AGL with the SEC on July 8, 2009.

Incorporation of Certain Documents by Reference

The portions of the following documents relating to Assured Guaranty are hereby incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- the Annual Report on Form 10-K of AGL for the fiscal year ended December 31, 2008 (which was filed by AGL with the SEC on February 26, 2009);
- the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009 (which was filed by AGL with the SEC on May 11, 2009);
- the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009 (which was filed by AGL with the SEC on August 10, 2009); and

- the Current Reports on Form 8-K filed by AGL with the SEC relating to the periods following the fiscal year ended December 31, 2008.

All consolidated financial statements of Assured Guaranty and all other information relating to Assured Guaranty included in documents filed by AGL with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, subsequent to the date of this Official Statement and prior to the termination of the offering of the Series 2009 Bonds shall be deemed to be incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such consolidated financial statements.

Any statement contained in a document incorporated herein by reference or contained herein under the heading "BOND INSURANCE—The Insurer" shall be modified or superseded for purposes of this Official Statement to the extent that a statement contained herein or in any subsequently filed document which is incorporated by reference herein also modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Official Statement.

Copies of the consolidated financial statements of Assured Guaranty incorporated by reference herein and of the statutory financial statements filed by Assured Guaranty with the Maryland Insurance Administration are available upon request by contacting Assured Guaranty at 31 West 52nd Street, New York, New York 10019 or by calling Assured Guaranty at (212) 974-0100. In addition, the information regarding Assured Guaranty that is incorporated by reference in this Official Statement that has been filed by AGL with the SEC is available to the public over the Internet at the SEC's web site at *http://www.sec.gov* and at AGL's web site at *http://www.assuredguaranty.com*, from the SEC's Public Reference Room at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, and at the office of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

Assured Guaranty makes no representation regarding the Series 2009 Bonds or the advisability of investing in the Series 2009 Bonds. In addition, Assured Guaranty has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding Assured Guaranty supplied by Assured Guaranty and presented under the heading "BOND INSURANCE".

Amendment to pages 32 and 33, inclusive, of the Official Statement:

The following information should be substituted for the information under the caption "RATINGS" appearing on pages 32 and 33, inclusive, of the Official Statement:

RATINGS

The Insured Series 2009 Bonds described herein (all Series 2009 Bonds maturing after 2013) have been rated "Aa2" (on review for possible downgrade) by Moody's Investors Service, Inc. ("Moody's), "AAA" (negative outlook) by Standard and Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), and "AA-" (negative outlook) by Fitch, Inc. ("Fitch"). These ratings have been assigned with the understanding that, upon issuance and delivery of the Series 2009 Bonds, payment when due of the principal and interest on the Series 2009 Bonds is insured by the Policy of insurance issued by the Insurer. In addition, Moody's has assigned a rating of "A1", S&P has assigned a rating of "AA+", and Fitch has assigned a rating of "AA-" to the Uninsured Series 2009 Bonds (all Series 2009 Bonds maturing before 2014) and as an underlying rating to all Series 2009 Bonds without regard to the issuance and delivery of the Policy. An explanation of the significance of such ratings may be obtained

only from the respective Rating Agency assigning such rating. Generally, the Rating Agencies base their ratings on information and materials furnished by the State and on investigations, studies, and assumptions by the respective Rating Agencies.

The credit ratings are not a recommendation to buy, sell, or hold the Series 2009 Bonds and there is no assurance that the credit ratings will be maintained for any given period of time or that they will not be lowered or withdrawn entirely if, in the judgment of the Rating Agency originally establishing such rating, circumstances so warrant. On July 1, 2009, S&P affirmed its "AAA" counterparty credit and financial strength ratings on the Insurer but revised its outlook on the Insurer to negative from stable. On May 20, 2009, Moody's placed the "Aa2" insurance financial strength rating of the Insurer on review for possible downgrade. On October 12, 2009, Fitch announced that it had downgraded the insurer financial strength rating of the Insurer to "AA-" (negative outlook) from "AA" (ratings watch negative). The State has undertaken no responsibility to oppose any revision or withdrawals of any ratings on the Series 2009 Bonds. See "BOND INSURANCE—Recent Developments" herein for additional information regarding the ratings assigned to the Insurer. Any such revision or withdrawal of a credit rating assigned to the Series 2009 Bonds could have an adverse effect on the market price and marketability of the Series 2009 Bonds. Investors are directed to the Rating Agencies for additional information on their respective evaluations of the Series 2009 Bonds.

OFFICIAL STATEMENT DATED OCTOBER 6, 2009

NEW ISSUE
BOOK ENTRY

RATINGS FOR INSURED SERIES 2009 BONDS:
Moody's: Aa2
Standard & Poor's: AAA
Fitch: AA
UNDERLYING RATING ON ALL SERIES 2009 BONDS:
Moody's: A1
Standard & Poor's: AA+
Fitch: AA-

In the opinion of Kennedy & Graven, Chartered, bond counsel, according to present federal and Minnesota laws, regulations, rulings, and decisions, interest on the Series 2009 Bonds is not includable in gross income for federal income tax purposes or in taxable net income of individuals, estates, and trusts for Minnesota income tax purposes. Interest on the Series 2009 Bonds is subject to Minnesota franchise taxes imposed on corporations and financial institutions. Interest on the Series 2009 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax applicable to all taxpayers or the Minnesota alternative minimum tax applicable to individuals, estates, and trusts. See "TAX EXEMPTION AND COLLATERAL TAX MATTERS" herein.

$60,510,000
STATE OF MINNESOTA
911 Revenue Bonds
(Public Safety Radio Communications System Project)
Series 2009

Dated: Date of Delivery

Due: June 1, as shown on the inside cover page

The Series 2009 Bonds bear interest from their date of delivery payable on June 1 and December 1, commencing on June 1, 2010. The Series 2009 Bonds mature on June 1 in the years, in the principal amounts, at the interest rates per annum, and at the yields and prices set forth on the inside of this cover page. The Series 2009 Bonds maturing on and after June 1, 2020 will be subject to redemption and prepayment at the option of the Commissioner on June 1, 2019, and any date thereafter at a price of par plus accrued interest.

THE 911 REVENUE BONDS (PUBLIC SAFETY RADIO COMMUNICATIONS SYSTEM PROJECT), SERIES 2009 (THE "SERIES 2009 BONDS") ARE BEING ISSUED BY THE STATE OF MINNESOTA (THE "STATE") UNDER AND PURSUANT TO LAWS OF MINNESOTA 2007, CHAPTER 54, ARTICLE 1, SECTION 10, SUBDIVISION 8, AND MINNESOTA STATUTES, SECTION 403.275, AND AN ORDER OF THE COMMISSIONER OF MINNESOTA MANAGEMENT AND BUDGET DATED AS OF THE DATE OF DELIVERY OF THE SERIES 2009 BONDS (THE "ORDER"), AND ARE SPECIAL, LIMITED OBLIGATIONS OF THE STATE PAYABLE SOLELY FROM AND SECURED BY APPROPRIATIONS FROM THE 911 EMERGENCY TELECOMMUNICATIONS SERVICE ACCOUNT PURSUANT TO MINNESOTA STATUTES, SECTION 403.30. THE PLEDGED REVENUES ARE DERIVED FROM FEES IMPOSED BY THE STATE ON EACH CUSTOMER OF A TELEPHONE SERVICE PROVIDER THAT FURNISHES SERVICE CAPABLE OF ORIGINATING A 911 EMERGENCY TELEPHONE CALL. THE SERIES 2009 BONDS ARE NOT GENERAL OR MORAL OBLIGATIONS OF THE STATE, AND ARE NOT SECURED BY A PLEDGE OF THE FULL FAITH AND CREDIT AND TAXING POWERS OF THE STATE.

The scheduled payment of principal of and interest on the Series 2009 Bonds maturing on June 1 of the years 2014 through 2025, inclusive (the "Insured Series 2009 Bonds"), when due will be guaranteed under a financial guaranty insurance policy to be issued concurrently with the delivery of the Series 2009 Bonds by Assured Guaranty Corp.

The Series 2009 Bonds will be available to purchasers in book entry form only, and initially will be registered in the name of Cede & Co., nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2009 Bonds. The Bank of New York Mellon Trust Company, N.A., in Chicago, Illinois, will act as Bond Registrar and Paying Agent for the Series 2009 Bonds.

The Series 2009 Bonds are offered when, as and if issued and received by the Underwriters, subject to the legal opinions of Kennedy & Graven, Chartered, bond counsel, as to the validity of the Series 2009 Bonds and tax exemption. Certain legal matters will be passed upon for the Underwriters by Schiff Hardin LLP, counsel to the Underwriters. Delivery will be made on or about October 22, 2009. **This cover page contains certain information for quick reference only. It is *not* a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.**

JEFFERIES & COMPANY | **PIPER JAFFRAY & CO.**

CRONIN & CO., INC. | **SIEBERT BRANDFORD SHANK & CO. LLC**

STATE OF MINNESOTA

911 Revenue Bonds
(Public Safety Radio Communications System Project)
Series 2009

Maturity Schedule

Maturity	Principal Amount	Interest Rate	Yield	Price	CUSIP** 60412L
2010*	$ 4,830,000	2.000%	0.750%	100.756	AY5
2011*	$ 3,500,000	2.000%	1.000%	101.591	AZ2
2011*	$ 2,300,000	4.000%	1.000%	104.773	BA6
2012*	$ 2,910,000	2.500%	1.350%	102.936	BB4
2013*	$ 500,000	3.000%	1.650%	104.709	BC2
2013*	$ 2,485,000	5.000%	1.650%	111.686	BD0
2014	$ 900,000	3.000%	1.950%	104.605	BE8
2014	$ 2,225,000	5.000%	1.950%	113.378	BF5
2015	$ 200,000	3.000%	2.220%	104.090	BG3
2015	$ 3,060,000	5.000%	2.220%	114.581	BH1
2016	$ 3,420,000	4.000%	2.450%	109.401	BJ7
2017	$ 675,000	4.000%	2.670%	109.100	BK4
2017	$ 2,880,000	5.000%	2.670%	115.944	BL2
2018	$ 3,730,000	4.000%	2.840%	108.801	BM0
2019	$ 100,000	4.000%	2.970%	108.552	BN8
2019	$ 3,775,000	5.000%	2.970%	116.857	BP3
2020	$ 235,000	3.000%	3.080%	99.278	BQ1
2020	$ 3,835,000	5.000%	3.080%	115.860	BR9
2021	$ 4,270,000	5.000%	3.170%	115.052	BS7
2022	$ 3,435,000	4.500%	3.280%	109.982	BT5
2023	$ 125,000	3.250%	3.340%	99.019	BU2
2023	$ 3,460,000	4.500%	3.340%	109.464	BV0
2024	$ 3,745,000	4.500%	3.410%	108.863	BW8
2025	$ 170,000	3.375%	3.490%	98.622	BX6
2025	$ 3,745,000	4.500%	3.490%	108.181	BY4

* Uninsured Series 2009 Bonds

** CUSIP Copyright 2008, American Bankers Association. CUSIP data herein is provided by Standard & Poor's CUSIP Services Bureau, a division of the McGraw-Hill Companies, Inc.

Unless otherwise indicated, information contained in this Official Statement is based upon material provided by the State and available at the date of publication of this Official Statement.

No dealer, broker, salesman or other person has been authorized by the State to give any information or to make any representations with respect to the Series 2009 Bonds other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the State. Certain information contained herein has been obtained from sources other than records of the State and is believed to be reliable, but it is not guaranteed. Information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there have not been any changes in the affairs of the State since the date hereof.

The CUSIP numbers are included on the cover page of this Official Statement for the convenience of the owners and potential owners of the Series 2009 Bonds. No assurance can be given that the CUSIP numbers for the Series 2009 Bonds will remain the same after the date of issuance and delivery of the Series 2009 Bonds.

The Series 2009 Bonds have not been registered under the Securities Act of 1933, as amended, or the securities laws of any state, in reliance upon exemptions contained in such act. The registration or qualification of the Series 2009 Bonds in accordance with applicable provisions of securities laws of the states in which the Series 2009 Bonds have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof. Neither these states nor any of their agencies have passed upon the merits of the Series 2009 Bonds or the accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2009 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, the Underwriter's responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Assured Guaranty makes no representation regarding the Series 2009 Bonds or the advisability of investing in the Series 2009 Bonds. In addition, Assured Guaranty has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding Assured Guaranty supplied by Assured Guaranty and presented under the heading "BOND INSURANCE" and "APPENDIX F — SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY."

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used such as "plan," "expect," "anticipate," "estimate," "budget," or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the forepart of this Official Statement under the caption "RISK FACTORS."

The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties, and other factors which may cause actual results, performance, or achievements described to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. The State does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions, or circumstances on which such statements are based, occur or do not occur.

STATE OF MINNESOTA OFFICIALS

GOVERNOR	Tim Pawlenty
LIEUTENANT GOVERNOR	Carol Molnau
SECRETARY OF STATE	Mark Ritchie
STATE AUDITOR	Rebecca Otto
ATTORNEY GENERAL	Lori Swanson
LEGISLATIVE AUDITOR	James R. Nobles

COMMISSIONER OF MINNESOTA MANAGEMENT AND BUDGET

Tom J. Hanson

TABLE OF CONTENTS

Page

INTRODUCTION 1
THE SERIES 2009 BONDS 5
BOOK ENTRY SYSTEM 7
SECURITY FOR THE SERIES 2009 BONDS 10
BOND INSURANCE 16
DEBT SERVICE AND COVERAGE SCHEDULE 18
SOURCES AND USES OF FUNDS 21
THE ARMER SYSTEM AND THE PROJECT 22
RISK FACTORS 25
TAX EXEMPTION AND COLLATERAL TAX MATTERS 28
ENFORCEABILITY OF OBLIGATIONS 31
LEGAL OPINION 31
LITIGATION 31
CONTINUING DISCLOSURE 31
FINANCIAL ADVISOR 32
UNDERWRITING 32
RATINGS 32
MISCELLANEOUS 33
AUTHORIZATION OF OFFICIAL STATEMENT 33

APPENDIX A — DEFINED TERMS A-1
APPENDIX B — FINANCIAL INFORMATION B-1
APPENDIX C — SUMMARY OF COMMISSIONER'S ORDER C-1
APPENDIX D — CONTINUING DISCLOSURE UNDERTAKING D-1
APPENDIX E — FORM OF BOND COUNSEL OPINION E-1
APPENDIX F — SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY F-1

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STATE OF MINNESOTA
911 REVENUE BONDS
(PUBLIC SAFETY RADIO COMMUNICATIONS SYSTEM PROJECT)
SERIES 2009

INTRODUCTION

General

This Official Statement, including the cover page and Appendices A through E (the "Official Statement"), has been prepared by the State of Minnesota Department of Management and Budget to furnish information relating to the 911 Revenue Bonds (Public Safety Radio Communications System Project), Series 2009 (the "Series 2009 Bonds"), to be issued by the State of Minnesota (the "State") in the original aggregate principal amount of $60,510,000, to prospective purchasers and to actual purchasers of the Series 2009 Bonds. The Series 2009 Bonds are dated as of the date of issuance of the Series 2009 Bonds. This Introduction contains only a brief description of or references to a portion of such information, and prospective and actual purchasers should read the entire Official Statement. Terms which are capitalized in the text of this Official Statement are defined in "APPENDIX A — DEFINED TERMS" or in the text of this Official Statement. These definitions should be read in conjunction with the text.

Authorization and Purpose

The Department of Management and Budget of the State (also known as "Minnesota Management and Budget") recently changed its name from the Department of Finance to the Department of Management and Budget. The term "Commissioner" refers to the Commissioner of the Department of Finance prior to the recent name change and the term also refers to the Commissioner of Minnesota Management and Budget subsequent to such name change. The Series 2009 Bonds are being issued by the State, acting by and through the Commissioner pursuant to Laws of Minnesota 2007, Chapter 54, Article 1, Section 10, Subdivision 8, and Minnesota Statutes, Chapter 403, as amended (collectively, the "Act"), and an Order of the Commissioner of Minnesota Management and Budget, dated as of the date of delivery of the Series 2009 Bonds (the "Order").

The Series 2009 Bonds are being issued to finance portions of the system backbone of a statewide radio system plan, which enables emergency response organizations to utilize a single, integrated, and highly structured digital radio communications system. The statewide radio system is known as the Allied Radio Matrix for Emergency Response System (the "ARMER System"). Phases 1 and 2 provided nine counties in the Minneapolis-Saint Paul metropolitan area with the radio system infrastructure for the ARMER System. Phase 3 extends the ARMER System to the St. Cloud and Rochester State Patrol districts which encompass twenty-three (23) counties. Phases 4, 5 and 6 will extend the ARMER System to the remaining counties of the State. For a more detailed description of the ARMER System and the uses of the proceeds of the Series 2009 Bonds, see the information herein under the captions "SOURCES AND USES OF FUNDS" and "THE ARMER SYSTEM AND THE PROJECT."

Bond Terms

The Series 2009 Bonds mature on the dates, in the principal amounts, and bear interest at the annual rates shown on the cover page hereof. Interest on the Series 2009 Bonds is computed on the basis of a 360-day year of twelve 30-day months, and is payable semiannually on each June 1 and December 1 to maturity or prior redemption, commencing June 1, 2010. If principal or interest is due on a date on

which commercial banks located in the State are not open for commercial business, then payment will be made on the first day thereafter when such banks are open for business. The Series 2009 Bonds are subject to redemption and prepayment at the option of the State on the terms and conditions described under the caption "THE SERIES 2009 BONDS — Redemption and Prepayment."

The Series 2009 Bonds are issued in book entry form and in denominations of $5,000 or multiples thereof of a single maturity. The Series 2009 Bonds will be initially registered in the name of Cede & Co., nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Series 2009 Bonds. Accordingly, printed Series 2009 Bonds will not be available to purchasers of the Series 2009 Bonds. For a description of the book entry system pursuant to which the Series 2009 Bonds will be issued, see the information under the caption "BOOK ENTRY SYSTEM."

Security

The Series 2009 Bonds are not general or moral obligations of the State and are not secured by a pledge of the full faith and credit and taxing powers of the State.

The Series 2009 Bonds are being issued under and pursuant to the Act and the Order. The Series 2009 Bonds are special, limited obligations of the State. The debt service on the Series 2009 Bonds will be payable solely from the revenues derived from a fee (the "911 Fee") assessed to each customer of a wireless or wire-line switched or packet-based telecommunications service provider connected to the public switched telephone network that furnishes service capable of originating a 911 emergency telephone call in the State based upon the number of wired or wireless telephone lines, or their equivalent. The State establishes the level of the 911 Fee within limits established under the Act and collects the revenues derived from imposition of the 911 Fee (the "911 Fee Revenues") monthly from the telephone companies operating in the State (a few smaller companies pay on a quarterly basis). The maximum 911 Fee under the Act is ninety-five cents (95¢) per month. The 911 Fee is currently seventy-five cents (75¢) per month, and is anticipated to be increased as permitted under the Act in order to support the Additional Bonds to be issued to complete the ARMER System. See "SECURITY FOR THE SERIES 2009 BONDS — 911 Fee Revenues."

Although it is anticipated that the 911 Fee Revenues will continue to be applied to the payment of the costs of operating the 911 emergency telecommunications system and maintaining the ARMER System, as well as to the payment of the principal of and interest on the Series 2009 Bonds, the Series 2008 Bonds, the Series 2006 Bonds, and certain other obligations*, the Act provides that 911 Fee Revenues must be used to pay annual debt service costs prior to the use of 911 Fee Revenues to pay other costs.*

The 911 Fee Revenues are required to be deposited in the 911 Emergency Telecommunications Service Account established under the terms of the Act and maintained by the Commissioner of Public Safety. The amount necessary to pay debt service costs and fund reserves, if any, are appropriated from the 911 Emergency Telecommunications Service Account to the Commissioner of Minnesota Management and Budget. The 911 Fee Revenues have primarily been used to build and operate the infrastructure necessary for the 911 emergency telecommunications systems for rapid access to emergency services for consumers. Over the past eleven years, the 911 Fee Revenues have also been utilized to construct Phase 1 and most of Phases 2 and 3 of the ARMER System.

The pledge of 911 Fee Revenues to the Series 2009 Bonds is subordinate to the pledge of 911 Fee Revenues to the payment of debt service on the Metropolitan Council Bonds, which were issued by the Metropolitan Council to finance a portion of the capital costs of Phase 1 of the ARMER System. See

"SECURITY FOR THE SERIES 2009 BONDS — The Metropolitan Council Bonds". The 911 Fee Revenues are also pledged, on a parity basis with the Series 2009 Bonds, to pay debt service on the $35,000,000 State of Minnesota 911 Revenue Bonds (Public Safety Radio Communications Systems Project), Series 2006 (the "Series 2006 Bonds"), which were issued by the State primarily to finance Phase 3 of the ARMER System, and the $42,205,000 State of Minnesota 911 Revenue Bonds (Public Safety Radio Communications Systems Project), Series 2008 (the "Series 2008 Bonds"), which were issued by the State to finance the completion of Phase 3 and portions of Phases 4, 5, and 6 of the ARMER System.

Additional information with regard to the security for the Series 2009 Bonds is provided under the caption "SECURITY FOR THE SERIES 2009 BONDS." Financial information with respect to the 911 Fee and the 911 Fee Revenues can be found in "APPENDIX B — FINANCIAL INFORMATION" in this Official Statement.

For information as to the credit ratings assigned to the Series 2009 Bonds by various rating agencies, see the information under the caption "RATINGS" in this Official Statement.

Additional Bonds

The State reserves the right to issue additional bonds payable from the 911 Fee Revenues on a parity basis as to both principal and interest with the Series 2009 Bonds (the "Additional Bonds") provided that: (i) projected collections of the 911 Fee Revenues (including any 911 Fee Revenues derived from any increases in the 911 Fee that are authorized by the Minnesota Legislature and imposed by the State) shall in each Fiscal Year not be less than 150 percent of the combined maximum annual debt service on the Series 2009 Bonds, the Series 2008 Bonds, the Series 2006 Bonds, and any Additional Bonds in any succeeding Fiscal Year; and (ii) a reserve, if any, for the Additional Bonds is funded to the requirement for such reserve as of the date of issuance of any Additional Bonds. Any Additional Bonds will be subject to the prior pledge of a portion of the 911 Fee Revenues to the Metropolitan Council Bonds as described under the caption "THE SERIES 2009 BONDS—The Metropolitan Council Bonds" in this Official Statement.

Proceeds of the Series 2009 Bonds will not be sufficient to complete financing of the ARMER System. The State currently anticipates the issuance of $91,625,000 of Additional Bonds over time (plus any additional amounts that the State elects to issue to finance costs of issuance, debt service, and bond insurance or other credit enhancements, and to fund reserves). See further discussion under the caption "SECURITY FOR THE SERIES 2009 BONDS — Additional Bonds" and the discussion and table under the caption "DEBT SERVICE AND COVERAGE SCHEDULE."

Risk Factors

The principal of and interest on the Series 2009 Bonds are payable solely from the 911 Fee Revenues. The availability and sufficiency of the 911 Fee Revenues are subject to factors over which the Commissioner and the State may have no control. These and related risk factors affecting the Series 2009 Bonds are discussed in this Official Statement under the caption "RISK FACTORS" and should be reviewed by prospective purchasers of the Series 2009 Bonds.

Forward-Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used such as "plan," "expect," "anticipate," "estimate," "budget," or other similar words. Such forward-looking

statements include, but are not limited to, certain statements contained in the forepart of this Official Statement under the caption "RISK FACTORS." The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties, and other factors which may cause actual results, performance, or achievements described to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. The State does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions, or circumstances on which such statements are based, occur or do not occur.

Legal Opinions

The Series 2009 Bonds are approved as to validity by Kennedy & Graven, Chartered, bond counsel.

In the opinion of Kennedy & Graven, Chartered, bond counsel, according to present federal and Minnesota laws, regulations, rulings, and decisions, interest on the Series 2009 Bonds is not includable in gross income for federal income tax purposes or in taxable net income of individuals, estates, and trusts for Minnesota income tax purposes. Interest on the Series 2009 Bonds is subject to Minnesota franchise taxes imposed on corporations and financial institutions. Interest on the Series 2009 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax applicable to all taxpayers or the Minnesota alternative minimum tax applicable to individuals, estates, and trusts.

Additional information with regard to tax matters relating to the Series 2009 Bonds is provided under the caption "TAX EXEMPTION AND COLLATERAL TAX MATTERS" in this Official Statement.

Continuing Disclosure

The Commissioner, in the Order authorizing and ordering the issuance of the Series 2009 Bonds, has covenanted and agreed on behalf of the State, for the benefit of the holders of the Series 2009 Bonds from time to time, to comply with the provisions of Securities and Exchange Commission Regulation, 17 C.F.R. Section 240.15c2-12(b)(5) (the "Rule"). For this purpose, the Commissioner has agreed to provide annual financial information of the type included in this Official Statement and notice of the occurrence of events which materially affect the terms, payment, security, rating, or tax status of the Series 2009 Bonds to the Electronic Municipal Market Access system ("EMMA") operated by the Municipal Securities Rulemaking Board as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule. The State is the only "obligated person" in respect of the Series 2009 Bonds within the meaning of the Rule. The Commissioner is not in default with respect to any continuing disclosure obligation in connection with any outstanding general obligation or revenue bond of the State. Additional information with respect to such continuing disclosure obligations is set forth under the caption "CONTINUING DISCLOSURE" and in "APPENDIX D — CONTINUING DISCLOSURE UNDERTAKING" in this Official Statement.

Additional Information

Questions regarding this Official Statement should be directed to: Kathy Kardell, Assistant Commissioner, Department of Management and Budget, 400 Centennial Office Building, St. Paul, Minnesota 55155, telephone (651) 201-8030, email kathy.kardell@state.mn.us; or Susan Gurrola, Financial Bond Analyst, Department of Management and Budget, 400 Centennial Office Building, Saint Paul, Minnesota 55155, telephone (651) 201-8046, email sue.gurrola@state.mn.us. Questions regarding

legal matters should be directed to Stephen Bubul, Kennedy & Graven, Chartered, 470 U.S. Bank Plaza, 200 South Sixth Street, Minneapolis, Minnesota 55402, telephone (612) 337-9228, email sbubul@kennedy-graven.com, or John Utley, Kennedy & Graven, Chartered, 470 U.S. Bank Plaza, 200 South Sixth Street, Minneapolis, Minnesota 55402, telephone (612) 337-9270, email jutley@kennedy-graven.com.

THE SERIES 2009 BONDS

Authorization and Purpose

The Series 2009 Bonds are being issued by the State, acting by and through the Commissioner, pursuant to the Act and the Order. The Series 2009 Bonds are being issued to finance certain portions of the system backbone of the ARMER System which enables emergency response organizations to utilize a single, integrated, and highly structured digital radio communications system. For a more detailed description of the ARMER System and the uses of the proceeds of the Series 2009 Bonds, see the information herein under the captions "SOURCES AND USES OF FUNDS" and "THE ARMER SYSTEM AND THE PROJECT."

Laws of Minnesota 2005, Chapter 136, Article 1, Section 9, Subdivision 8 (the "2005 Laws") authorized the Commissioner to sell and issue bonds of the State in an amount up to $62,500,000 in the manner and upon the terms, and with the effect prescribed by Minnesota Statutes, Section 403.275. Minnesota Statutes, Section 403.275, states in relevant part that: "The [C]ommissioner . . . , if requested by a vote of at least two-thirds of all the members of the Statewide Radio Board, shall sell and issue state revenue bonds for the following purposes: (1) to pay the costs of the statewide public safety radio communication system backbone identified under section 403.36 and those elements that the Statewide Radio Board determines are of regional or statewide benefit and support mutual aid and emergency medical services communication, including, but not limited to, costs of master controllers of the backbone; (2) to pay the costs of issuance, debt service, and bond insurance or other credit enhancements, and to fund reserves . . . ." In a resolution adopted by a vote of at least two-thirds of its members on June 22, 2006, the Statewide Radio Board requested that the Commissioner sell and issue revenue bonds pursuant to the 2005 Laws, in one or more series, in an aggregate principal amount not to exceed $62,500,000, under the terms and conditions set forth in Minnesota Statutes, Section 403.275, to finance the purposes set forth in Minnesota Statutes, Section 403.275. In response, the Commissioner authorized the issuance of the Series 2006 Bonds on November 22, 2006, in the principal amount of $35,000,000.

Laws of Minnesota 2007, Chapter 54, Article 1, Section 10, Subdivision 8 (the "2007 Laws") authorizes the Commissioner to sell and issue bonds of the State in an amount up to $186,000,000 in the manner and upon the terms, and with the effect prescribed by Minnesota Statutes, Section 403.275. In a resolution adopted by a vote of at least two-thirds of its members on August 28, 2008, the Statewide Radio Board requested that the Commissioner sell and issue revenue bonds pursuant to the 2007 Laws in one or more series, in an aggregate principal amount not to exceed $186,000,000, under the terms and conditions set forth in Minnesota Statutes, Section 403.275, to finance the purposes set forth in Minnesota Statutes, Section 403.275. In response, the Commissioner authorized the issuance of the Series 2008 Bonds on December 2, 2008, in the principal amount of $42,205,000.

The State issued the Series 2006 Bonds pursuant to the 2005 Laws and Minnesota Statutes, Chapter 403, in order to finance a portion of Phase 3 of the ARMER System and certain Phase 2 enhancements. The Series 2008 Bonds were issued in part pursuant to the 2005 Laws and Minnesota Statutes, Chapter 403, to complete Phases 2 and 3 of the ARMER System, and in part pursuant to the 2007 Laws and Minnesota Statutes, Chapter 403, to finance a portion of Phases 4, 5, and 6 of the

ARMER System. All revenue bonds that the Commissioner has elected to issue under the authorization of the 2005 Laws have been issued. The Series 2009 Bonds are issued pursuant to the 2007 Laws and Minnesota Statutes, Chapter 403, to finance a portion of Phases 4, 5, and 6 of the ARMER System.

Pursuant to the 2007 Laws, before the appropriation of proceeds from the bonds authorized thereunder is made available, the Commissioner of Public Safety and the Commissioner of Transportation are required to certify to the chairs of the House of Representatives Public Safety Finance Division of the Finance Committee and the Senate Public Safety Budget Division of the Finance Committee that the detailed design of the ARMER System has been completed and that the financial analysis finds that sufficient revenue will be generated by proposed changes in the 911 Fee to cover all estimated debt service on revenue bonds proposed to be issued to complete the system. By letter dated June 22, 2008, the two commissioners filed with the appropriate legislative committee chairs the required certification regarding design and financial analysis of the ARMER System. Pursuant to the 2007 Laws, the total appropriation of $186,000,000 is made available in annual increments, $62,000,000 being available in the second year of the 2008-2009 biennium (Fiscal Year 2009); $62,000,000 being available on or after July 1, 2009; and $62,000,000 being available on or after July 1, 2010.

Taken together, the 2005 Laws and 2007 Laws authorize the issuance of revenue bonds in an aggregate principal amount of $248,500,000. The State currently anticipates that revenue bonds will be issued under the Act in the aggregate principal amount of $229,340,000, including the Series 2006 Bonds, the Series 2008 Bonds, the Series 2009 Bonds, and all future Additional Bonds; and that the balance of the State costs of the ARMER System ($19,160,000) will be paid from amounts appropriated under the Act. See the information provided under caption "THE ARMER SYSTEM AND THE PROJECT."

Bond Terms

The Series 2009 Bonds mature on the dates, in the principal amounts, and bear interest at the annual rates shown on the cover page hereof. Interest on the Series 2009 Bonds is computed on the basis of a 360-day year of twelve 30-day months, and is payable semiannually on each June 1 and December 1 to maturity or prior redemption, commencing June 1, 2010. If principal or interest is due on a date on which commercial banks located in the State are not open for commercial business, then payment will be made on the first day thereafter when such banks are open for business.

Redemption and Prepayment

Optional Redemption

Series 2009 Bonds maturing on or before June 1, 2019, will not be subject to redemption prior to their stated maturity dates. Series 2009 Bonds maturing on and after June 1, 2020, will be subject to redemption and prepayment by the State at its option on June 1, 2019, and any date thereafter, in whole or in part, in any order determined by the State and by lot within each maturity, at a price of par plus accrued interest to the date specified for redemption.

Notice of any redemption of Series 2009 Bonds will be published in financial newspapers circulated in the Minneapolis-St. Paul metropolitan area and in the Borough of Manhattan, City and State of New York, not less than thirty (30) days before the redemption date, stating: (i) the series, original date of issue, maturity dates, CUSIP numbers, and interest rates of the Series 2009 Bonds to be redeemed; (ii) if less than all Series 2009 Bonds of any maturity are to be redeemed, the registration numbers of those to be redeemed; (iii) the principal amount to be redeemed if less than the entire principal amount of any Series 2009 Bond; (iv) the redemption date and price and the name and address of the paying agent where such Series 2009 Bonds must be presented for payment; (v) that on the redemption date the

redemption price of the Series 2009 Bonds or portions thereof to be redeemed will be payable; and (vi) that after the redemption date interest will cease to accrue or be payable thereon. Notice will also be mailed to the registered owner of any such Series 2009 Bond at the address shown on the bond register, not less than twenty (20) days before the redemption date. During the period when the book entry system is in effect, the Series 2009 Bonds will be registered in the name of the nominee of DTC or another securities depository designated for this purpose as indicated under the caption "BOOK ENTRY SYSTEM," in this Official Statement, and thus notice of redemption will be mailed only to such securities depository which in turn is obligated to notify its participants who are obligated to notify the Beneficial Owners of the Series 2009 Bonds. The State assumes no responsibility with respect to the giving of such notice of redemption by the securities depository or its participants.

Notice of redemption having been so published and mailed, the Series 2009 Bonds or portion of Series 2009 Bonds therein specified shall be due and payable at the specified redemption date and price, with accrued interest, and funds for such payment being held by or on behalf of the paying agent so as to be available therefor, interest thereon shall cease to accrue, and such Series 2009 Bonds or portions thereof shall no longer be considered outstanding under the Order authorizing their issuance. A failure to publish the notice of redemption shall not affect the validity or effectiveness of mailed notice, and the failure to mail notice to any registered owner, or any defect in the notice mailed to any registered owner, shall not affect the validity or effectiveness of the notice of redemption mailed to any other registered owner.

BOOK ENTRY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2009 Bonds. The Series 2009 Bonds will be issued as fully-registered securities and will be registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2009 Bond certificate will be issued for each maturity in a principal amount equal to the aggregate principal amount of each maturity and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 companies that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations.

DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation ("NSCC," "FICC," and "EMCC," also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or

maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Direct Participants and Indirect Participants (collectively, the "Participants") are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2009 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2009 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2009 Bond ("Beneficial Owner") is, in turn, to be recorded on the Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2009 Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2009 Bonds, except in the event that use of the book-entry system for the Series 2009 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2009 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2009 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2009 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2009 Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2009 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2009 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of the Series 2009 Bonds may wish to ascertain that the nominee holding the Series 2009 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar of the Series 2009 Bonds ("Registrar") and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2009 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2009 Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the State as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2009 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and premium, if any, and interest on the Series 2009 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC.

DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the State, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, or its nominee, or the State, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and premium, if any, and interest on the Series 2009 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the State, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2009 Bonds at any time by giving reasonable notice to the State. Under such circumstances, in the event that a successor depository is not obtained, Series 2009 Bond certificates are required to be printed and delivered.

The State may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2009 Bond certificates will be printed and delivered.

The information under the caption "BOOK ENTRY SYSTEM" concerning DTC and DTC's book-entry system has been obtained from sources that the State believes to be reliable, but the State takes no responsibility for the completeness or the accuracy thereof, or changes in such information subsequent to the date hereof.

The State cannot and does not give any assurances that DTC, or a successor securities depository, or Participants will distribute to the Beneficial Owners of the Series 2009 Bonds: (i) payments of principal of or interest and premium, if any, on the Series 2009 Bonds; (ii) certificates representing an ownership interest or other confirmation of beneficial ownership interest in the Series 2009 Bonds; or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, or a successor securities depository, as the registered owner of the Series 2009 Bonds, or that they will do so on a timely basis, or that DTC or the Participants will serve and act in the manner described in this Official Statement.

The State will have no responsibility or obligation to any Participant, or any Beneficial Owner or any other person with respect to: (i) the accuracy of any records maintained by DTC, or a successor securities depository, or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Series 2009 Bonds; (ii) the selection of which Beneficial Owners will receive payment in the event of any partial redemption of the Series 2009 Bonds; (iii) any consent given or other action taken by DTC, or a successor securities depository as a Bondholder; or, (iv) the performance by DTC, or any successor securities depository, of any other duties as securities depository.

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SECURITY FOR THE SERIES 2009 BONDS

General

The Series 2009 Bonds are not general or moral obligations of the State and are not secured by a pledge of the full faith and credit and taxing powers of the State.

The Series 2009 Bonds are being issued under and pursuant to the Act and the Order. The Series 2009 Bonds are special, limited obligations of the State. The debt service on the Series 2009 Bonds will be payable from the 911 Fee assessed to each customer of a wireless or wire-line switched or packet-based telecommunications service provider connected to the public switched telephone network that furnishes service capable of originating a 911 emergency telephone call in the State based upon the number of wired or wireless telephone lines, or their equivalent. The pledge of the 911 Fee to the Series 2009 Bonds is subordinate to the prior pledge of such revenues to the Metropolitan Council Bonds. The 911 Fee is currently seventy-five cents (75¢) per month, and the Act authorizes an increase to ninety-five cents (95¢) per month as described under "SECURITY FOR THE SERIES 2009 BONDS--911 Fee Revenues," below. The State establishes the level of the 911 Fee within limits established under the Act and collects the 911 Fee Revenues monthly from the telephone companies operating in the State (a few smaller companies pay on a quarterly basis). The 911 Fee Revenues are required to be deposited in the 911 Emergency Telecommunications Service Account established under the terms of the Act, which account is maintained by the Commissioner of Public Safety. The amount necessary to pay debt service costs and fund reserves (if any) are appropriated from the 911 Emergency Telecommunications Service Account to the Commissioner of Minnesota Management and Budget. The 911 Fee Revenues have primarily been used to build and operate the infrastructure necessary for the 911 emergency telecommunications systems for rapid access to emergency services for consumers. Over the past eleven years, the 911 Fee Revenues have also been utilized to construct Phases 1 and 2 of the ARMER System.

The 911 Fee Revenues are also pledged, on a parity basis with the Series 2009 Bonds, to pay debt service on the Series 2006 Bonds, which were issued by the State primarily to finance Phase 3 of the ARMER System, and the Series 2008 Bonds, which were issued in part to complete Phases 2 and 3 of the ARMER System, and in part to finance a portion of Phases 4, 5, and 6 of the ARMER System. Although it is anticipated that the 911 Fee Revenues will continue to be applied to the payment of the costs of operating the 911 emergency telecommunications system and maintaining the ARMER System, as well as to the payment of the principal of and interest on the Metropolitan Council Bonds, the Series 2009 Bonds, the Series 2008 Bonds, the Series 2006 Bonds, and future Additional Bonds, the Act provides that 911 Fee Revenues must be used to pay annual debt service costs prior to the use of 911 Fee Revenues to pay other costs.

911 Fee Revenues

The 2007 Laws provide that the 911 Fee of not less than eight cents (8¢) nor more than sixty-five cents (65¢) per month is assessed upon each customer access line or other basic service. The 911 Fee must be collected from the customer by each wireless, wire-line, or packet-based telecommunication service provider and transferred to the Commissioner of Public Safety monthly (quarterly if the total monthly revenues from the 911 Fee are less than $250 and annually if the total monthly revenues from the 911 Fee are less than $25). The 911 Fee is established by the Commissioner of Public Safety with the approval of the Commissioner of Minnesota Management and Budget.

The 2007 Laws also provide that the 911 Fee may be increased to: (i) no more than seventy-five cents (75¢) per month after June 30, 2008; (ii) no more than eighty-five cents (85¢) per month after June 30, 2009; and (iii) no more than ninety-five cents (95¢) per month on or after July 1, 2010. As a

condition to any such increase of the 911 Fee, the Commissioner of Public Safety and the Commissioner of Transportation are required under the Act to certify to the chairs of the House of Representatives Public Safety Finance Division of the Finance Committee and the Senate Public Safety Budget Division of the Finance Committee that the detailed design of the ARMER System has been completed and that the financial analysis finds that sufficient revenue will be generated by proposed changes in the 911 Fee to cover all estimated debt service on revenue bonds proposed to be issued to complete the system. By letter dated June 22, 2008, the two commissioners filed with the appropriate legislative committee chairs the required certification regarding design and financial analysis of the ARMER System.

The 911 Fee is currently set at seventy-five cents (75¢) per month. As authorized by the 2007 Laws, the Commissioner of Public Safety and the Commissioner of Minnesota Management and Budget currently anticipate an increase in the 911 Fee to eighty-five cents (85¢) as of July 1, 2010, and the maximum ninety-five cents (95¢) as of July 1, 2011. The Commissioner of Public Safety provides notice of any change in the 911 Fee to telecommunication service providers a minimum of forty-five (45) days in advance of any change. The 911 Fee Revenues are collected by the Commissioner of Public Safety and deposited into the 911 Emergency Telecommunications Service Account, a special revenue account separate from the State's general fund accounts. The 911 Fee Revenues are first applied to the payment of debt service on the Metropolitan Council Bonds, then to payment of debt service on the Series 2006 Bonds, the Series 2008 Bonds, the Series 2009 Bonds, and any Additional Bonds (on a parity basis), and thereafter are applied to the payment of the expenses of operating the 911 emergency telecommunications system and the ARMER System. Money remaining in the 911 Emergency Telecommunications Service Account at the end of each Fiscal Year remains pledged to and available for the obligations and uses described in this paragraph.

The annual "subscriber counts" upon which 911 Fees are assessed for the various service providers since Fiscal Year 2003 are provided in the following table.

Historical Subscriber Counts

Fiscal Year	Wire-Line	Wireless	Total
2003	2,982,343	2,268,349	5,250,692
2004	2,921,343	2,540,549	5,461,892
2005	2,839,448	2,847,225	5,686,673
2006	2,737,440	3,170,398	5,907,838
2007	2,772,418	3,554,795	6,327,213
2008	2,729,799	3,758,611	6,488,410
2009	2,608,323	3,945,831	6,554,154

A number of Voice over Internet Protocol ("VoIP)" or packet-based telecommunication providers offering service as Competitive Local Exchange Carriers ("CLEC") have been included in the wire-line subscriber count. Following the order of the Federal Communications Commission ("FCC)" of June 2005 requiring VoIP telecommunications service providers to provide 911 service and to pay 911 Fees, Vonage, the principal VoIP telecommunications service provider in Minnesota, began submitting fees to the Commissioner of Public Safety. Under the "New and Emerging Technologies 911 Improvement Act of 2008," VoIP companies are required to provide full and direct 911 service, provides such companies with certain liability protection for their 911 service, and authorizes states to collect surcharges related to 911 service.

The 911 Fee has been in effect since 1988. The historical and projected collections of the 911 Fee Revenues for the Fiscal Years of the State commencing in Fiscal Year 2003 and ending in Fiscal Year 2014 are provided in the following table.

Historical and Projected 911 Fee Revenues

Fiscal Year	911 Fee	911 Fee Revenues (in thousands)
2003	33¢	$ 20,792.7
2004	40¢	$ 25,838.6
2005	40¢	$ 27,323.2
2006	65¢	$ 46,229.5
2007	65¢	$ 49,527.2
2008	65¢	$ 50,751.0
2009	65¢	$ 51,296.5
2010*	75¢	$ 58,383.8
2011*	85¢	$ 66,529.0
2012*	95¢	$ 74,670.0
2013*	95¢	$ 74,798.0
2014*	93¢**	$ 73,398.0

* Projected amounts are based on Department of Public Safety estimates of customers required to pay the 911 Fee under the Act.
** This reduction in the 911 Fee by 2¢ from the preceding year is required by applicable law following the maturity of the Metropolitan Council Bonds. See "SECURITY FOR THE SERIES 2009 BONDS — The Metropolitan Council Bonds."

Actual 911 Fee Revenues received in Fiscal Years 2007, 2008, and 2009 exceeded projections.

The 911 Fee Revenues must be submitted to the Commissioner of Public Safety by the 25th of the month following the month in which the 911 Fee Revenues are collected from the customers of each telephone company. The 911 Fee Revenues are deposited into the 911 Emergency Telecommunications Service Account maintained by the Commissioner of Public Safety as provided in the Act. For each Fiscal Year, 911 Fee Revenues for the month of July are transferred to the Commissioner of Public Safety by the 25th day of August. Funds are transferred from the 911 Emergency Telecommunications Service Account to the Debt Service Fund (the "Debt Service Fund") maintained by the Commissioner of Minnesota Management and Budget at the end of each month from August through May of each Fiscal Year. The transfer of funds to the Debt Service Fund is made before any other 911 emergency telecommunication system expenses or ARMER-related expenses are paid to assure that the annual debt service costs (including the debt service obligations with respect to the Metropolitan Council Bonds, the Series 2006 Bonds, and the Series 2008 Bonds) are met first from the available annual 911 Fee Revenues. For a description of annual 911 Fee Revenues and debt service costs, see "DEBT SERVICE AND COVERAGE SCHEDULE" in this Official Statement.

The State will establish the Debt Service Fund for the Series 2009 Bonds and will transfer a portion of the 911 Fee Revenues into the Debt Service Fund in an amount equal to: (i) one-quarter (1/4) of the next interest payment on the Series 2009 Bonds and one-tenth (1/10) of the next principal payment of the Series 2009 Bonds at the end of each month from August 31 through November 30 of each year; and (ii) one-sixth (1/6) of the next interest payment on the Series 2009 Bonds and one-tenth (1/10) of the

next principal payment of the Series 2009 Bonds at the end of each month from December 31 through May 31. Receipts for 911 Fees paid by customers to telephone companies in May (remitted to the State on or before June 25th) and receipts for fees in June (remitted to the State on or before July 25th) are not anticipated to be needed for monthly transfers to the Debt Service Fund.

The 911 Fee Revenues have primarily been used to build and operate the infrastructure necessary for the 911 emergency telecommunications systems for rapid access to emergency services for consumers. Over the past eleven years, the 911 Fee Revenues have also been utilized to construct Phase 1 and a portion of Phase 2 and Phase 3 of the ARMER System. See "THE ARMER SYSTEM AND THE PROJECT" in this Official Statement. The 911 Fee Revenues are also pledged, on a parity basis with the Series 2009 Bonds, to pay debt service on the Series 2006 Bonds, which were issued by the State primarily to finance Phase 3 of the ARMER System, and the Series 2008 Bonds, which were issued in part to complete Phases 2 and 3 of the ARMER System, and in part to finance a portion of Phases 4, 5, and 6 of the ARMER System. Although it is anticipated that the 911 Fee Revenues will continue to be applied to the payment of the costs of operating the 911 emergency telecommunications system and maintaining the ARMER System, as well as to the payment of the principal of and interest on the Metropolitan Council Bonds, the Series 2009 Bonds, the Series 2008 Bonds, the Series 2006 Bonds, and future Additional Bonds, the Act provides that 911 Fee Revenues must be used to pay annual debt service costs prior to the use of 911 Fee Revenues to pay other costs.

Under current law, upon retirement of the Metropolitan Council Bonds (see "SECURITY FOR THE SERIES 2009 BONDS—the Metropolitan Council Bonds" below), the 911 Fee is required to be reduced by the amount that was applied to the payment of the debt service on the Metropolitan Council Bonds. This would require a reduction of the 911 Fee in the amount of approximately $1,578,000 per annum (or approximately two cents (2¢) per customer access line per month of the current 911 Fee).

Financial information with respect to the 911 Fee and the 911 Fee Revenues can be found in "APPENDIX B — FINANCIAL INFORMATION" in this Official Statement.

The Metropolitan Council Bonds

The Metropolitan Council was created in 1967 by State legislation (pursuant to laws now codified in Minnesota Statutes, Chapter 473) as a government unit responsible for the coordination of planning and development of the seven-county metropolitan area. The area over which the Metropolitan Council has responsibility includes the counties of Anoka, Carver, Dakota (excluding the City of Northfield), Hennepin (excluding the cities of Hanover and Rockford), Ramsey, Scott (excluding the City of New Prague), and Washington.

The Metropolitan Council issued bonds in 1999 in the principal amount of $14,280,000 to assist in the financing of a portion of the capital costs of Phase 1 of the ARMER System. The Metropolitan Council refunded such bonds by issuance of its $7,265,000 Refunding Revenue Bonds (Public Safety Radio Communications System Project), Series 2007D (the "Metropolitan Council Bonds"). The law under which the Metropolitan Council Bonds were issued granted a priority pledge of up to four cents (4¢) of the 911 Fee to the payment of the debt service on the Metropolitan Council Bonds. In Fiscal Year 2008, the four cents (4¢) of the 911 Fee produced 911 Fee Revenues of $3,123,136. The annual debt service for the Metropolitan Council Bonds is approximately $1,400,000 per year. The State transfers 911 Fee Revenues to the Metropolitan Council in an amount sufficient to meet the necessary debt service fund requirements on the Metropolitan Council Bonds on a monthly basis on the schedule for the Series 2009 Bonds. The State will continue to transfer 911 Fees for the Metropolitan Council Bonds on a priority basis before deposits to the Debt Service Fund for the Series 2006 Bonds, the Series 2008

Bonds, and the Series 2009 Bonds. The Metropolitan Council Bonds have a final maturity of February 1, 2013, and are not subject to optional redemption prior to maturity.

The Series 2006 Bonds and the Series 2008 Bonds

The State issued the Series 2006 Bonds on November 22, 2006, to finance a portion of Phase 3 of the ARMER System together with certain Phase 2 enhancements. The Series 2006 Bonds are secured solely by 911 Fee Revenues, have a final maturity of June 1, 2018, and are subject to optional redemption on December 1, 2016, and any date thereafter. The State issued the Series 2008 Bonds on December 2, 2008, in part to finance the completion of Phases 2 and 3 of the ARMER System, and in part to finance a portion of Phases 4, 5, and 6 of the ARMER System. The Series 2008 Bonds are secured solely by 911 Fee Revenues, have a final maturity of June 1, 2024, and the Series 2008 Bonds maturing on June 1, 2024, are subject to optional redemption on June 1, 2018, and any date thereafter. The Series 2009 Bonds are issued as Additional Bonds on a parity basis with the Series 2006 Bonds and the Series 2008 Bonds, pursuant to the Commissioner's orders under which the Series 2006 Bonds and the Series 2008 Bonds were issued. See "SECURITY FOR THE SERIES 2009 BONDS—Additional Bonds" for description of the Additional Bonds test.

Additional Bonds

The State reserves the right to issue additional bonds payable from the 911 Fee Revenues on a parity basis as to both principal and interest with the Series 2009 Bonds, the Series 2008 Bonds, and the Series 2006 Bonds (the "Additional Bonds") provided that: (i) projected collections of the 911 Fee Revenues (including any 911 Fee Revenues derived from any increases in the 911 Fee that are authorized by the Minnesota Legislature and imposed by the State) shall not in any Fiscal Year be less than 150 percent of the combined maximum annual debt service on the Series 2009 Bonds, the Series 2008 Bonds, the Series 2006 Bonds, and any Additional Bonds in any succeeding Fiscal Year; and (ii) any reserve for the Series 2009 Bonds, the Series 2008 Bonds, the Series 2006 Bonds, and Additional Bonds is funded to the requirement for such reserve as of the date of issuance of any Additional Bonds. The Additional Bonds will be subject to the prior pledge of a portion of the 911 Fee Revenues to the Metropolitan Council Bonds as described under the caption "THE SERIES 2009 BONDS—The Metropolitan Council Bonds" in this Official Statement.

The Act and the 2005 Laws authorize the Commissioner to sell and issue up to $248,500,000 of revenue bonds (including $62,500,000 authorized by the 2005 Laws and $186,000,000 authorized by the 2007 Laws) to finance the capital costs of the ARMER System. In addition to the $35,000,000 in principal amount of Series 2006 Bonds, the $42,205,000 in principal amount of the Series 2008 Bonds, and the $60,510,000 in principal amount of the Series 2009 Bonds, the State anticipates the issuance of Additional Bonds in one or more series in the aggregate principal amount of up to $91,625,000 (plus any additional amounts that the State elects to issue to finance costs of issuance, debt service, and bond insurance or other credit enhancements, and to fund reserves). Such Additional Bonds will be issued in accordance with the availability of appropriations under the 2007 Laws, summarized as follows: $62,000,000 is available on or after July 1, 2009, and $62,000,000 is available on or after July 1, 2010. Within those parameters, the actual schedule of issuance of Additional Bonds will depend upon the construction schedule and financing needs of the ARMER System.

The aggregate principal amount of the Series 2009 Bonds together with the outstanding Series 2006 Bonds, the outstanding Series 2008 Bonds, and the projected Additional Bonds ($229,340,000) is anticipated to be less than the $248,500,000 authorized by the Act and the 2005 Laws because approximately $19,160,000 of the costs of the ARMER System authorized to be paid with the proceeds of bonds issued under the Act and the 2005 Laws are anticipated to be paid with money

appropriated by the Act and the 2005 Laws for debt service payments (which appropriations may also be used for the cost of construction). The combined debt service coverage of the projected Additional Bonds, together with the Metropolitan Council Bonds, the Series 2006 Bonds, the Series 2008 Bonds, and the Series 2009 Bonds, is projected to be in excess of 300 percent after subtracting the debt service paid with the portion of 911 Fee Revenues that has been pledged to the Metropolitan Council Bonds. (Information regarding the Metropolitan Council Bonds can be found under the caption "SECURITY FOR THE SERIES 2009 BONDS—The Metropolitan Council Bonds" in this Official Statement.) For a detailed description of projected annual 911 Fee Revenues, the projected debt service on the Series 2009 Bonds, the Series 2008 Bonds, the Series 2006 Bonds, and all Additional Bonds, and the resulting annual debt service coverage, see the table under the caption "DEBT SERVICE AND COVERAGE SCHEDULE" in this Official Statement.

Defeasance

Upon satisfaction of certain terms and conditions specified in the Order, the Series 2009 Bonds or portions thereof will be deemed to be defeased and the pledge of the 911 Fee Revenues to the Series 2009 Bonds pursuant to the provisions of the Order will be discharged. The Series 2009 Bonds will be defeased if the State irrevocably deposits with the Paying Agent, in an escrow fund established exclusively for payment of the Series 2009 Bonds (the "Escrow Fund"), cash and/or Defeasance Obligations, maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient money to make timely payment of all principal of and interest on the Series 2009 Bonds when due. The State must also deliver to the Paying Agent on the date the Escrow Fund is established, an opinion of nationally-recognized bond counsel to the effect that such deposit will not adversely affect the tax exempt status of any Series 2009 Bonds. In addition, a verification report of an independent certified public accounting firm as to the adequacy of the Escrow Fund to fully pay the Series 2009 Bonds proposed to be defeased must be delivered to the Paying Agent. Upon satisfaction of the foregoing, the Series 2009 Bonds will be secured solely by the cash and securities deposited with the Paying Agent in the Escrow Fund. See "APPENDIX C — SUMMARY OF THE COMMISSIONER'S ORDER" in this Official Statement.

Waiver of Immunity

Under Minnesota Statutes, Section 3.751, the State has waived immunity from suit with respect to the controversies arising out of its debt obligations incurred pursuant to Article XI of the Minnesota Constitution in which controversy a bondholder would be entitled to redress against the State in a court, if the State were subject to suit. The State has conferred jurisdiction on State District Courts to hear and determine such controversies. Accordingly, if the State fails to pay in full the principal of or interest on the Series 2009 Bonds when due, a holder of a Series 2009 Bond on which principal of or interest is past due may be entitled to commence an action in the District Court for Ramsey County, Minnesota, with respect to any controversy with respect to which the bondholder is entitled to redress.

State Pledge Against Impairment of Contracts

Under Minnesota Statutes, Section 403.275, subdivision 9, the State pledges and agrees with the holders of the Series 2009 Bonds that the State will not limit or alter the rights vested in the Commissioner to fulfill the terms of any agreements made with the Bondholders, or in any way impair the rights and remedies of the Bondholders until the Series 2009 Bonds, together with interest on them, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the Bondholder, are fully met and discharged. The Commissioner has included this pledge and agreement of the State in the Order.

BOND INSURANCE

The following information is not complete and reference is made to "APPENDIX F — SPECIMEN FINANCIAL GUARANTY INSURANCE P0LICY" for a specimen of the financial guaranty insurance policy (the "Policy") of Assured Guaranty Corp. ("Assured Guaranty" or the "Insurer"). Capitalized terms used in this section ("BOND INSURANCE") and not otherwise defined herein or in "APPENDIX A — DEFINED TERMS," have the meanings set forth in the Policy.

The Insurance Policy

Concurrently with the issuance of the Series 2009 Bonds, Assured Guaranty Corp. ("Assured Guaranty" or the "Insurer") will issue its financial guaranty insurance policy (the "Policy") for the Series 2009 Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Series 2009 Bonds when due as set forth in the form of Policy set forth in "APPENDIX F — SPECIMEN FINANCIAL GUARANTY INSURANCE P0LICY" to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut, or Florida insurance law.

The Insurer

Assured Guaranty is a Maryland-domiciled insurance company regulated by the Maryland Insurance Administration and licensed to conduct financial guaranty insurance business in all fifty states of the United States, the District of Columbia, and Puerto Rico. Assured Guaranty commenced operations in 1988. Assured Guaranty is a wholly owned, indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, structured finance, and mortgage markets. Neither AGL nor any of its shareholders is obligated to pay any debts of Assured Guaranty or any claims under any insurance policy issued by Assured Guaranty.

Assured Guaranty's financial strength is rated "AAA" (negative outlook) by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"),"Aa2" (on review for possible downgrade) by Moody's Investors Service, Inc. ("Moody's"), and "AA" (ratings watch negative) by Fitch, Inc. ("Fitch"). Each rating of Assured Guaranty should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell, or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies. Any downward revision or withdrawal of any of the above ratings may have an adverse effect on the market price of any security guaranteed by Assured Guaranty. Assured Guaranty does not guaranty the market price of the securities it guarantees, nor does it guaranty that the ratings on such securities will not be revised or withdrawn.

Recent Developments

Ratings

On July 1, 2009, S&P published a Research Update in which it affirmed its "AAA" counterparty credit and financial strength ratings on Assured Guaranty. At the same time, S&P revised its outlook on Assured Guaranty to negative from stable. Reference is made to the Research Update, a copy of which is available at www.standardandpoors.com, for the complete text of S&P's comments.

On May 20, 2009, Moody's issued a press release stating that it had placed the "Aa2" insurance financial strength rating of Assured Guaranty on review for possible downgrade. Subsequently, in an announcement dated July 24, 2009, entitled "Moody's Comments on Assured's Announcement to Guarantee and Delist FSA Debt," Moody's announced that it expected to conclude its review by mid-August 2009. Reference is made to the press release and the announcement, copies of which are available at www.moodys.com, for the complete text of Moody's comments.

In a press release dated August 10, 2009, Fitch revised its outlook on Assured Guaranty to negative from evolving. Reference is made to the press release, a copy of which is available at www.fitchratings.com, for the complete text of Moody's comments.

There can be no assurance as to the outcome of Moody's review, or as to the further action that Fitch or S&P may take with respect to Assured Guaranty.

For more information regarding Assured Guaranty's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2008, which was filed by AGL with the Securities and Exchange Commission ("SEC") on February 26, 2009, AGL's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009, which was filed by AGL with the SEC on May 11, 2009, and AGL's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009, which was filed by AGL with the SEC on August 10, 2009.

Acquisition of FSA

On July 1, 2009, AGL acquired the financial guaranty operations of Financial Security Assurance Holdings Ltd. ("FSA"), the parent of financial guaranty insurance company Financial Security Assurance Inc. For more information regarding the acquisition by AGL of FSA, see item 1.01 of the Current Report on Form 8-K filed by AGL with the SEC on July 8, 2009.

Capitalization of Assured Guaranty Corp.

As of June 30, 2009, Assured Guaranty had total admitted assets of $1,950,949,811 (unaudited), total liabilities of $1,653,306,246 (unaudited), total surplus of $297,643,565 (unaudited), and total statutory capital (surplus plus contingency reserves) of $1,084,906,800 (unaudited) determined in accordance with statutory accounting practices prescribed or permitted by insurance regulatory authorities.

Incorporation of Certain Documents by Reference

The portions of the following documents relating to Assured Guaranty are hereby incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- the Annual Report on Form 10-K of AGL for the fiscal year ended December 31, 2008 (which was filed by AGL with the the SEC on February 26, 2009);
- the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009 (which was filed by AGL with the SEC on May 11, 2009);
- the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009 (which was filed by AGL with the SEC on August 10, 2009); and

- the Current Reports on Form 8-K filed by AGL with the SEC relating to the periods following the fiscal year ended December 31, 2008.

All consolidated financial statements of Assured Guaranty and all other information relating to Assured Guaranty included in documents filed by AGL with the SEC pursuant to Section 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended, subsequent to the date of this Official Statement and prior to the termination of the offering of the Series 2009 Bonds shall be deemed to be incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such consolidated financial statements.

Any statement contained in a document incorporated herein by reference or contained herein under the heading "BOND INSURANCE—The Insurer" shall be modified or superseded for purposes of this Official Statement to the extent that a statement contained herein or in any subsequently filed document which is incorporated by reference herein also modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Official Statement.

Copies of the consolidated financial statements of Assured Guaranty incorporated by reference herein and of the statutory financial statements filed by Assured Guaranty with the Maryland Insurance Administration are available upon request by contacting Assured Guaranty at 31 West 52nd Street, New York, New York 10019 or by calling Assured Guaranty at (212) 974-0100. In addition, the information regarding Assured Guaranty that is incorporated by reference in this Official Statement that has been filed by AGL with the SEC is available to the public over the Internet at the SEC's web site at *http://www.sec.gov* and at AGL's web site at *http://www.assuredguaranty.com*, from the SEC's Public Reference Room at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, and at the office of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

Assured Guaranty makes no representation regarding the Series 2009 Bonds or the advisability of investing in the Series 2009 Bonds. In addition, Assured Guaranty has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding Assured Guaranty supplied by Assured Guaranty and presented under the heading "BOND INSURANCE."

DEBT SERVICE AND COVERAGE SCHEDULE

The table entitled "Debt Service and Coverage Schedule" on page 20 sets forth:

(1) The historical and projected 911 Fee Revenues during the term of the Metropolitan Council Bonds, the Series 2006 Bonds, the Series 2008 Bonds, the Series 2009 Bonds, and anticipated Additional Bonds;

(2) The debt service requirements with respect to the Metropolitan Council Bonds, the Series 2006 Bonds, the Series 2008 Bonds, the Series 2009 Bonds, and the estimated debt service requirements with respect to all projected Additional Bonds;

(3) The combined debt service requirements with respect to the Metropolitan Council Bonds, the Series 2006 Bonds, the Series 2008 Bonds, the Series 2009 Bonds, and all Additional Bonds;

(4) The annual debt service coverage ratio (including the Metropolitan Council Bonds);

(5) Net revenues after payment of the Metropolitan Council Bonds;

(6) The combined debt service requirements with respect to all bonds issued and to be issued by the State (excluding the Metropolitan Council Bonds); and

(7) The annual debt service coverage ratio (excluding the Metropolitan Council Bonds).

Interest on the Series 2009 Bonds is payable on June 1 and December 1 of each year, commencing on June 1, 2010. Principal of the Series 2009 Bonds is payable on June 1 of each year commencing on June 1, 2010.

For purposes of the table on page 20, the 911 Fee Revenues in each Fiscal Year on and after 2015 have been assumed to remain unchanged from the projected revenues for Fiscal Year 2014, shown in the table under the caption "SECURITY FOR THE SERIES 2009 BONDS — Historical and Projected 911 Fee Revenues" (except as otherwise noted in the table). For purposes of this table, the interest payment dates for all Additional Bonds have been assumed to be the same as the interest payment dates for the Series 2009 Bonds.

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Debt Service and Coverage Schedule

Period Ending 30-Jun	Monthly Fee	Historical and Projected Fees	Metropolitan Council Series 1999C Annual P & I	Metropolitan Council Series 2007 $ 7,265,000 Annual P & I	Series 2006 $ 35,000,000 Annual P & I	Series 2008 $ 42,205,000 Annual P & I	Series 2009 $ 60,510,000 Annual P & I	Future Series A $ 91,625,000 Annual P & I	Total Debt Annual P & I	Debt Service Coverage (including all debt)	Net Revenues After Metropolitan Council Bonds	State-Only Debt Service	Debt Service Coverage (State debt only)
(5)		(1)(2)(3)(4)(6)(7)					(10)	(9)			(8)	(8)	(8)
2003	$0.33	20,792,730	1,393,918	-	-	-	-	-	1,393,918	14.92	19,398,813	-	
2004	$0.40	25,838,597	1,396,578	-	-	-	-	-	1,396,578	18.50	24,442,020	-	
2005	$0.40	27,323,188	1,401,928	-	-	-	-	-	1,401,928	19.49	25,921,261	-	
2006	$0.65	46,229,523	1,399,668	-	-	-	-	-	1,399,668	33.03	44,829,856	-	
2007	$0.65	49,527,236	1,404,953	-	975,545	-	-	-	2,380,497	20.81	48,122,284	975,545	49.33
2008	$0.65	50,751,000	-	1,311,163	4,262,363	-	-	-	5,573,526	9.11	49,439,837	4,262,363	11.60
2009	$0.65	51,296,513	-	1,411,538	4,258,763	3,557,762	-	-	9,228,062	5.56	49,884,976	7,816,525	6.38
2010	$0.75	58,383,800	-	1,413,300	4,229,263	7,445,138	6,342,940	-	19,430,640	3.00	56,970,500	18,017,340	3.16
2011	$0.85	66,529,000	-	1,414,050	4,199,513	4,860,138	8,190,425	2,761,566	21,425,691	3.11	65,114,950	20,011,641	3.25
2012	$0.95	74,670,000	-	1,411,800	4,203,313	3,399,800	5,138,425	9,159,113	23,312,451	3.20	73,258,200	21,900,651	3.35
2013	$0.95	74,798,000	-	1,419,600	4,199,750	3,398,225	5,140,675	9,159,725	23,317,975	3.21	73,378,400	21,898,375	3.35
2014	$0.93	73,398,000	-	-	4,172,250	3,393,625	5,141,425	9,159,515	21,866,815	3.36	73,398,000	21,866,815	3.36
2015	$0.93	73,398,000	-	-	4,143,250	3,395,825	5,138,175	9,160,155	21,837,405	3.36	73,398,000	21,837,405	3.36
2016	$0.93	73,398,000	-	-	4,117,500	3,399,425	5,139,175	9,159,355	21,815,455	3.36	73,398,000	21,815,455	3.36
2017	$0.93	73,398,000	-	-	4,094,500	3,399,225	5,137,375	9,157,183	21,788,283	3.37	73,398,000	21,788,283	3.37
2018	$0.93	73,398,000	-	-	4,068,750	3,395,225	5,141,375	9,161,673	21,767,023	3.37	73,398,000	21,767,023	3.37
2019	$0.93	73,398,000	-	-	-	3,396,000	5,137,175	9,158,008	17,691,183	4.15	73,398,000	17,691,183	4.15
2020	$0.93	73,398,000	-	-	-	3,402,000	5,139,425	9,161,475	17,702,900	4.15	73,398,000	17,702,900	4.15
2021	$0.93	73,398,000	-	-	-	2,486,000	5,140,625	9,161,915	16,788,540	4.37	73,398,000	16,788,540	4.37
2022	$0.93	73,398,000	-	-	-	2,488,750	4,092,125	9,161,720	15,742,595	4.66	73,398,000	15,742,595	4.66
2023	$0.93	73,398,000	-	-	-	2,486,250	4,087,550	9,161,270	15,735,070	4.66	73,398,000	15,735,070	4.66
2024	$0.93	73,398,000	-	-	-	2,488,500	4,087,787	9,157,730	15,734,017	4.66	73,398,000	15,734,017	4.66
2025	$0.93	73,398,000	-	-	-	-	4,089,263	9,158,130	13,247,393	5.54	73,398,000	13,247,393	5.54
2026	$0.93	73,398,000	-	-	-	-	-	9,158,750	9,158,750	8.01	73,398,000	9,158,750	8.01
Column Totals			6,997,043	8,381,451	46,924,757	56,391,887	82,283,940	140,157,283	341,136,360			325,757,867	
Totals from FY 2010 to FY 2026			-	5,658,750	37,428,088	52,834,125	82,283,940	140,157,283	318,362,185			312,703,435	

(1) Under current law, upon retirement of the Metropolitan Council Bonds (see "SECURITY FOR THE BONDS - the Metropolitan Council Bonds" above), the 911 Fee is required to be reduced by the amount that was applied to the payment of the debt service on the Metropolitan Council Bonds. This would require a reduction of the 911 Fee in the amount of approximately $1,400,000 per annum (or approximately two cents) per customer access line per month of the current 911 Fee.

(2) Projected fees include authorized fee increases of 10 cents per year, in Fiscal Years 2010, 2011 and 2012.
The fee was increased effective July 1, 2009 to 75 cents, which will annually increase to 95 cents.

(3) It is expected that the fee will be decreased to $0.93 as the corresponding Metropolitan Council debt matures (2/1/2013).

(4) The $229.34M in total State debt is less than the legislatively authorized amount ($248M), reflecting cash expenditures for project costs

(5) Annual principal is June 1, with semi-annual interest payments on June 1 and December 1.

(6) Fiscal Years 2003 - 2009 fees are actual collections. Fiscal Years 2010 - 2013 revenues are Department of Public Safety (DPS) projections.

(7) DPS does not make revenue estimates beyond Fiscal Year 2013, so revenues are flat for projection purposes.

(8) Net Revenue analysis (Debt Service Coverage of state-only debt) complies with the Additional Bonds Test of 150% coverage.

(9) $62,000,000 of the anticipated $91,625,000 of principal in the "Future Series A" can not be issued prior to July 1, 2010.

(10) Debt service for Series 2009 is gross debt service before the premium of $5,764,450 is applied to first payment in period ending 6/30/2010.

SOURCES AND USES OF FUNDS

The proceeds from the sale of the Series 2009 Bonds (including net original issue premium, less underwriter's discount), together with earnings derived from the investment of such proceeds will be deposited in the 911 Revenue Bonds Proceeds Account (the "Proceeds Account") pending application to the purposes for which the Series 2009 Bonds are issued. A summary of the sources of funds is set forth in the following table:

Sources of Funds

Par amount of the Series 2009 Bonds	$ 60,510,000.00
Net original issue premium	5,764,449.80
Total	$ 66,274,449.80

The funds referred to in the preceding table will be disbursed from the Proceeds Account to finance the expenditures with respect to the Series 2009 Bonds and the ARMER System set forth in the following table:

Uses of Funds

ARMER System costs	$ 60,000,000.00
Deposit to Debt Service Fund*	5,766,925.33
Underwriter's discount	255,979.13
Bond insurance premium	116,545.34
Costs of issuance	135,000.00
Total	$ 66,274,449.80

* The initial deposit to the Debt Service Fund will be comprised of the net original issue premium received upon the sale of the Series 2009 Bonds, plus rounding in the amount of $2,475.53. Earnings derived from the investment of the proceeds of the Series 2009 Bonds will also be deposited in the Debt Service Fund.

The proceeds of the Series 2009 Bonds are anticipated to be expended in accordance with the following schedule: (i) approximately $49,000,000 will be expended from the date of issuance of the Series 2009 Bonds to June 30, 2010; and (ii) the remainder will be expended from July 1, 2010, to December 31, 2010.

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THE ARMER SYSTEM AND THE PROJECT

General

In 2002 (partly in response to the public safety communication problems that followed the terrorist attacks on New York City on September 11, 2001), the State Legislature directed the Department of Public Safety, the Department of Transportation, the Department of Natural Resources, the Department of Administration, and other parties to cooperatively develop a plan to design and implement the statewide Allied Radio Matrix for Emergency Response system (the "ARMER System"), an 800 MHz digital radio system to be made available throughout the State. The purpose of the ARMER System is to ensure that all agencies supporting public safety in the State (local, regional, tribal, non-governmental, military, and federal) will have routine access to a voice and data communication infrastructure and participate in the governance structure supporting that communication infrastructure that is able to provide seamless communication interoperability between jurisdictions and across public safety disciplines necessary to support day-to-day operations, regional operations, statewide operations, and, when necessary, regional and national operations.

The "backbone" of the ARMER System is a digital, trunked, simulcast and multicast system capable of operating 700 and 800 MHz frequencies. Sites are interconnected by a digital microwave system, fiber optic cable, or T-1 lines. The ARMER System uses the latest and most advanced technology to provide communication capabilities that are not available with older radio systems. The ARMER System will provide interoperability between users of the system and act as the foundational infrastructure necessary for achieving interoperability with non-users on older radio communication systems. A fundamental element of the ARMER System plan is to provide the opportunity for all public safety and public service entities to achieve the highest level of interoperability by operating on a shared platform. That ARMER System platform is a scalable system that can address the expanding roles of public safety and public service entities and their interoperability needs.

Development of the ARMER System

The ARMER System evolved from a regional implementation of the digital-trunked communication technology in the seven-county Minneapolis-St. Paul Metropolitan Area plus the counties of Isanti and Chisago. The backbone of this regional system is now referred to as Phase 1 of the ARMER System. The Phase 1 backbone was completed in 2001 with Carver County and Hennepin County simultaneously implementing local improvements. Phase 2 of the ARMER System consists of continued enhancements to the Phase 1 backbone by county and local governments.

Phase 3 of the ARMER System involves the construction of the digital communication backbone in twenty-three (23) counties in the central district of the Minnesota State Patrol (St. Cloud) and in the southeast district of the Minnesota State Patrol (Rochester). Olmsted County, which is part of the southeast district of the Minnesota State Patrol, and Stearns County, including the City of St. Cloud, which are part of the central district of the Minnesota State Patrol, previously constructed digital-trunked communication systems that are being integrated into the Phase 3 backbone. The Series 2006 Bonds were issued to construct the backbone in the twenty-three (23) counties of Phase 3. A portion of the proceeds of the 2006 Bonds were also made available to all counties in the southeast district of the Minnesota State Patrol and to the counties of Benton, Sherburne, Stearns, and Wright in the central district of the Minnesota State Patrol to fund up to fifty percent (50%) of the cost of local enhancements needed to provide local coverage and capacity in the Phase 3 implementation.

Phases 4, 5 and 6 of the ARMER System involve the construction of a digital-trunked communication backbone in all other counties of the State. The Series 2008 Bonds were used in part to

complete Phase 3 of the ARMER backbone and some remaining Phase 2 local enhancements, but mostly will be used to pay for equipment and infrastructure costs for Phases 4, 5, and 6 of the ARMER System. The Series 2009 Bonds will be used to pay for equipment and infrastructure costs for Phases 4, 5, and 6 of the ARMER System.

In December 2004, the Federal Communications Commission mandated that all non-Federal public safety licensees operating below 512 MHz move to narrowband voice channels and highly efficient data channel operations by January 1, 2013. The detailed design and build schedule for the remaining counties of the State was completed by the Minnesota Department of Transportation in May of 2008, which targeted substantial completion by 2012 so that the ARMER System will be available for consideration as a local alternative as local governments are required to replace their infrastructure by the FCC mandate on January 1, 2013. As of August 2009, twelve (12) counties (seven (7) in the Minneapolis-St. Paul Metropolitan Area and five in greater Minnesota) are using the ARMER system for their day-to-day radio communications. An additional twenty-nine (29) Minnesota counties have passed resolutions committing to ARMER and are at some stage of transitioning to the ARMER system. The ARMER System is engineered to provide ninety-five percent (95%) mobile radio coverage on a county-by-county basis across the State. By the end of 2009, the ARMER System will offer the opportunity for interoperable communications interfaces within the State covering approximately eighty percent (80%) of the State's population on seventy-five percent (75%) of the State's land area. Any eligible non-ARMER radio system operator or user (such as emergency medical service providers and sheriff departments not yet integrated with the ARMER System) can link directly into the ARMER System. The ARMER System will offer significantly enhanced communications interoperability to the remaining counties accounting for less than twenty-five percent (25%) of the State's population.

Over $75 million in State and local funds have already been invested in the construction of the ARMER System in the Minneapolis-St. Paul Metropolitan Area. The continued integration of local governments in the Minneapolis-St. Paul Metropolitan Area has increased the State and local investment to over $150 million. In addition, $38 million of the State's Homeland Security funds and Urban Area Security Initiative funds in Fiscal Years 2003, 2004, and 2005 have been used to enable local governments to migrate to the ARMER System. Full integration of all seven counties (local, regional, and county governments) of the Minneapolis-St. Paul Metropolitan Area was achieved in early 2009. In 2005, another $45 million in State funds were allocated for construction of the ARMER System in twenty-three (23) counties in Phase 3. In 2007, the legislature provided for construction of the ARMER System in the remaining fifty-five (55) counties of the State over the next four years by authorizing the issuance of $186 million in additional State revenue bonds for that purpose. In 2009, an additional $2.6 million of the State's Homeland Security funds were committed to transition to the ARMER System by local units of government and an additional $5 million was committed by the State Legislature for the same purpose.

Implementation and Governance of the ARMER System

Implementation of the ARMER System is a cooperative endeavor between the Department of Transportation, the Department of Public Safety, and the Statewide Radio Board. Minnesota Statutes, Chapter 403, as amended ("Chapter 403"), provides that the Statewide Radio Board has overall responsibility for the ARMER System plan, including the technical and operational standards of the ARMER System. Chapter 403 also provides that the Commissioner of the Department of Public Safety is responsible for the implementation of the ARMER System and for contracting with the Department of Transportation for the construction, ownership, and operation of the communication infrastructure. As provided in Chapter 403, the Department of Public Safety and the Department of Transportation have executed an agreement (the "Interagency Agreement") which defines their respective responsibilities and provides for the submission of detailed spending and implementation plans to the Department of Public

Safety as the construction and implementation of the ARMER System proceeds. Approval of those spending and implementation plans by the Department of Public Safety is required before the Department of Transportation may proceed with the implementation process and the Department of Public Safety is responsible for reporting such progress to the Statewide Radio Board in sufficient detail to allow oversight of the build-out of the ARMER System. The Department of Public Safety and the Statewide Radio Board are required to assure that the ARMER System is implemented in accordance with the approved plan and to assure that generally accepted project management principles and techniques are utilized in the implementation of the plan. The Interagency Agreement was updated in 2009 and has no expiration date.

Establishing a credible and representative governance structure has been an essential element in the State's plan to build the ARMER System. The origins of that governance structure go back to 1995 when the Minnesota legislature created the Metropolitan Radio Board as a unique political subdivision for the purpose of implementing a regional public safety radio system in the Minneapolis-St. Paul Metropolitan Area. Following the adoption of the plan for the statewide ARMER System, a transition from a metropolitan regional structure to a statewide structure was mandated. The Statewide Radio Board was created in 2004 to provide for the governance of the ARMER System. The twenty-one (21) members of the Statewide Radio Board are comprised of nineteen (19) State, regional, and local elected and appointed officials and two representatives of emergency medical service providers. The Statewide Radio Board has approved issuance of the 2006 Bonds, the Series 2008 Bonds, the Series 2009 Bonds, and all additional Bonds.

The enabling legislation provided for regional planning and implementation through the permissive establishment of regional radio boards, which is an essential element of this bottom-up governance structure. It was intended that regional radio boards would evolve to represent regional interests and be comprised of elected officials representing the various local interests of each region. To date, all seven (7) regional radio boards have been formed to address and coordinate regional interoperability issues.

Financial information regarding the 911 Fee Revenues is set forth in "APPENDIX B — FINANCIAL INFORMATION" in this Official Statement.

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RISK FACTORS

General

The Series 2009 Bonds are not general or moral obligations of the State and are not secured by a pledge of the full faith and credit and taxing powers of the State.

The Series 2009 Bonds are issued pursuant to the Act and the Order. The Series 2009 Bonds are special, limited obligations of the State. The debt service on the Series 2009 Bonds will be payable solely from the 911 Fee Revenues.

The availability and sufficiency of the 911 Fee Revenues are subject to factors over which the Commissioner and the State have no control. Reductions in 911 Fee Revenues may result from reductions in the number of wireless telephone customers, reductions in the number of wire line telephone customers, reductions in the number of telephone customers who obtain telephone services through Voice Over Internet Protocol ("VOIP"), or a change in federal law that prevents the State from collecting 911 Fees from telephone customers who obtain telephone services through VOIP. Reductions in the 911 Fee Revenues to pay debt service on the Series 2009 Bonds, even if not sufficient to result in the inability to pay debt service on the Series 2009 Bonds when due, could result in the reduction of the then existing credit ratings assigned to the Series 2009 Bonds by the Rating Agencies. A reduction in the credit ratings assigned to the Series 2009 Bonds would likely reduce their market value and might adversely affect their marketability. These and other risk factors affecting the Series 2009 Bonds are discussed below and should be reviewed by prospective purchasers of the Series 2009 Bonds prior to making any decision to purchase any Bonds.

In the event the 911 Fee Revenues are not sufficient to pay debt service on the Series 2009 Bonds when due, the Commissioner has no authority under State law to pay such debt service from any other source. The Commissioner is prohibited from paying debt service on the Series 2009 Bonds from any source other than the 911 Fee Revenues and interest earnings derived from the investment of 911 Fee Revenues.

Forward-Looking Statements

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used such as "plan," "expect," "anticipate," "estimate," "budget," or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties, and other factors which may cause actual results, performance, or achievements described to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. The State does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions, or circumstances on which such statements are based, occur or do not occur.

Technology Factors

The 911 Fee will continue to be assessed to each customer in the State who utilizes telephone service via a wireless telephone, a wire line telephone, or telephone service that utilizes VOIP and that provides access to the 911 emergency telecommunications systems for rapid access to emergency services for consumers. Technology innovations in the communications industry have been particularly rapid and significant in the last decade and future innovations could result in a reduction in the use of wireless, wire line, and VOIP telephone services. Such technological changes would have to be very substantial and

even drastic in nature and scope in order to result in a default in the payment of principal of or interest on the Series 2009 Bonds. Nevertheless, predictions regarding the future of the communications industry have not been reliable in the past and may not be accurate as to the future developments.

No Security Interest or Mortgage

Minnesota Statutes, Section 475.78, provides that Article 9 of the Uniform Commercial Code (adopted in Minnesota as Minnesota Statutes, Sections 336.9-101 to 336.9-709, as amended) does not apply to security interests created by the State, except security interests in equipment and fixtures. No security interest has been granted to the Bondholders in any of the physical assets, including equipment and fixtures, acquired with the proceeds of the Series 2009 Bonds. Therefore, no security interest in any assets have attached to or been perfected with respect to any security for the Series 2009 Bonds or any other assets.

The obligation of the Commissioner to make timely payments of the principal of and interest on the Series 2009 Bonds is not secured by a mortgage on any real property financed with the proceeds of the Series 2009 Bonds. Consequently, in the event the 911 Fee Revenues are not sufficient to pay the debt service on the Series 2009 Bonds, the Bondholders have no right to require the sale of any real property nor any interest in the sale proceeds of any such assets.

Minnesota Statutes, Section 403.275, subdivision 7, provides, in effect, that the pledge of the 911 Fee Revenues made by the Commissioner with respect to the Series 2009 Bonds is valid and binding from the time the pledge is made. The 911 Fee Revenues pledged and later received by the Commissioner are immediately subject to the lien of the pledge without any physical delivery of such money or further act, and the lien of any pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Commissioner, whether or not those parties have notice of the lien or pledge. Neither the Order of the Commissioner nor any other instrument by which a pledge is created need be recorded.

Limited Enforcement of Bonds and Order

The Series 2009 Bonds and the Order authorizing the issuance of the Series 2009 Bonds can only be enforced in accordance with the provisions of the Order limiting the Bondholders' enforcement rights and requiring enforcement in the District Court for Ramsey County, Minnesota. The rights and remedies of the Registered Owners of the Series 2009 Bonds may be limited or rendered ineffective by judicial decisions or the application of principles of equity relating to or affecting the enforcement of creditor's rights or contractual obligations generally.

No Trustee

The Commissioner will not appoint a national or state bank or trust company to act as trustee on behalf of the Bondholders, to hold and invest sums on deposit in the Proceeds Account or the Debt Service Fund, to hold and invest money transferred to the Debt Service Fund until used to pay debt service on the Series 2009 Bonds, or to enforce any rights of the Bondholders under the Act or the Commissioner's Order authorizing and directing the issuance of the Series 2009 Bonds. Therefore, the Bondholders will be placing substantial reliance upon the Commissioner to comply with the provisions of the Act and the Order with respect to the rights of the Bondholders.

The Insurer

In the event that the State fails to provide funds to make payment of the principal of and interest with respect to the Series 2009 Bonds when the same shall become due, any owner of such Series 2009 Bonds shall have a claim on the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed under the Policy shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration. The Policy does not insure the payment of any redemption premium payable upon the prepayment of the Series 2009 Bonds.

Purchasers of the Series 2009 Bonds should also note that, while the Policy will insure payment of the principal amount (but not any premium) paid to any owner of the Series 2009 Bonds in connection with the mandatory or optional prepayment of any Series 2009 Bond which is recovered from such owner as a voidable preference under applicable bankruptcy law, such amounts will be repaid by the Insurer to the Bondholder only at the times and in the amounts as would have been due absent such prepayment unless the Insurer chooses to pay such amount at an earlier date or dates.

Under no circumstances, including the situation in which the interest with respect to the Series 2009 Bonds becomes subject to federal taxation for any reason, can the maturities of the Series 2009 Bonds be accelerated without the consent of the Insurer, so long as the Insurer performs its obligations under the Policy. Furthermore, so long as the Insurer performs its obligations under the Policy, the Insurer may direct, and must consent to, any remedies that the Commissioner or Registrar exercises under the Order and the Insurer's consent may be required in connection with amendments to the Order in addition to the consent of any owners of the Series 2009 Bonds.

In the event that the Insurer is unable to make payments of principal of and interest on the Series 2009 Bonds as such payments become due, the Series 2009 Bonds are payable solely from moneys pledged thereto pursuant to the Order.

In the event that the Insurer is required to pay principal of or interest with respect to the Series 2009 Bonds, no representation or assurance is given or can be made that such event will not adversely affect the market price for or marketability of the Series 2009 Bonds.

The long-term ratings on the Series 2009 Bonds are dependent, in part, on the claims paying ability or financial strength ratings, as applicable, of the Insurer. The Insurer's current claims paying ability or financial strength ratings are predicated upon a number of factors which could change over time and could result in downgrading of the ratings on the Series 2009 Bonds insured by the Insurer. Such a downgrade could adversely affect the market price for, and marketability of, the Series 2009 Bonds. The Insurer is not contractually bound to maintain its present claims paying ability or financial strength ratings in the future. See "RATINGS" herein.

Creditworthiness of the Insurer

The Insurer's obligations under the Policy are a general obligation of the Insurer. Default by the Insurer may result in insufficient funds being available to pay the principal of and interest on the Series 2009 Bonds. In such event, the remedies available to the Bondholders may be limited by, among other things, certain risks related to bankruptcy proceedings, and may also have been altered prior to a default by the Insurer, which has the right, acting with the Commissioner, without Bondholder consent, to amend the applicable provisions of the Order governing defaults and remedies and to direct the

Commissioner to direct remedies with respect to the Series 2009 Bonds. The Policy does not insure the payment of redemption premiums.

Recent Developments Concerning Municipal Bond Insurers

When the Series 2009 Bonds are issued and delivered, payment of the principal of and interest on the Series 2009 Bonds when due will be insured by the Policy issued by the Insurer. However, recent developments that have been the subject of substantial discussion in the financial press and that affect the bond insurance business, including that of the Insurer, have had a serious adverse effect on the financial condition of a number of bond insurers, weakening their credit status as reflected in their credit ratings. Therefore, when making an investment decision on the Series 2009 Bonds a prospective Bondholder should look principally to the ability of the State to pay principal and interest on the Series 2009 Bonds solely from the revenues pledged thereto, and not simply to the Insurer's ability to pay claims under the Policy.

No review of the business or affairs of the Insurer has been conducted in connection with the offering of the Series 2009 Bonds. No assurance can be given by the State as to the Insurer's ability to pay claims under the Policy. See "BOND INSURANCE" herein and "APPENDIX F — SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY" hereto for further information concerning the Insurer and the Policy, including instructions for obtaining certain financial information concerning the Insurer.

TAX EXEMPTION AND COLLATERAL TAX MATTERS

In the opinion of Kennedy & Graven, Chartered, bond counsel, according to present federal and Minnesota laws, regulations, rulings, and decisions, interest on the Series 2009 Bonds (i) is not includable in gross income for federal income tax purposes or in taxable net income of individuals, estates, and trusts for Minnesota income tax purposes; (ii) is subject to Minnesota franchise taxes imposed on corporations and financial institutions; and (iii) is not an item of tax preference for purposes of the federal alternative minimum tax applicable to all taxpayers or the Minnesota alternative minimum tax applicable to individuals, estates, and trusts.

The form of legal opinion to be issued by Kennedy & Graven, Chartered with respect to the Series 2009 Bonds is set forth in "APPENDIX E — FORM OF BOND COUNSEL OPINION."

Continuing Compliance with the Code

Failure to comply with certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and certain regulations promulgated thereunder, may cause interest on the Series 2009 Bonds to become subject to federal and Minnesota income taxation retroactive to the date of issuance of the Series 2009 Bonds. These provisions include investment restrictions, required periodic payments of certain arbitrage earnings to the United States, and requirements concerning the timely and proper use of the proceeds of the Series 2009 Bonds and the facilities and activities financed therewith and certain other matters. The documents authorizing the issuance of the Series 2009 Bonds include provisions which, if complied with by the State, meet the requirements of the Code. Such documents also include a covenant of the Commissioner to take all legally permissible actions necessary to preserve the tax exemption of interest on the Series 2009 Bonds. However, no provision is made for redemption of the Series 2009 Bonds or for an increase in the interest rate on the Series 2009 Bonds in the event that interest on the Series 2009 Bonds becomes subject to federal or Minnesota income taxation.

Future Tax Legislation

The exclusion of interest on the Series 2009 Bonds from gross income for federal income tax purposes and the exclusion of interest on the Series 2009 Bonds from the net taxable income of individuals, estates, and trusts for State income tax purposes is not mandated or guaranteed by the United States Constitution or the Minnesota Constitution. Accordingly, federal laws providing that interest on the obligations of the states and the political subdivisions of the states is not includable in gross income for federal income tax purposes and Minnesota laws providing that interest on the obligations of the State is not includable in the net taxable income of individuals, estates, and trusts for State income tax purposes may be subject to change. In the event federal or Minnesota law is amended in a manner that results in interest on the Series 2009 Bonds becoming subject to federal or Minnesota income taxation, or if federal or Minnesota income tax rates are reduced, the market value of the Series 2009 Bonds may be adversely affected.

Discount Bonds

Certain Series 2009 Bonds having a stated maturity in the years 2020, 2023, and 2025 (the "Discount Bonds") are being sold at a discount from the principal amount payable on the Discount Bonds at maturity. The difference between the price at which a substantial amount of the Discount Bonds of a given maturity is first sold to the public (the "Issue Price") and the principal amount payable at maturity constitutes "original issue discount" under the Code. The amount of original issue discount that accrues to a holder of a Discount Bond under Section 1288 of the Code is excluded from gross income for federal income tax purposes and from taxable net income of individuals, estates and trusts for Minnesota income tax purposes to the same extent that stated interest on such Discount Bonds would be so excluded. The amount of the original issue discount that accrues with respect to a Discount Bond under Section 1288 is added to the tax basis of the owner in determining gain or loss upon disposition of such Discount Bond (whether by sale, exchange, redemption, or payment at maturity). Original issue discount is taxable under the Minnesota franchise tax on corporations and financial institutions.

Interest in the form of original issue discount accrues under Section 1288 pursuant to a constant yield method that reflects semiannual compounding on days that are determined by reference to the maturity date of the Discount Bond. The amount of original issue discount that accrues for any particular semiannual accrual period generally is equal to the excess of: (i) the product of (a) one-half of the yield on such Series 2009 Bonds (adjusted as necessary for an initial short period), and (b) the adjusted issue price of such Series 2009 Bonds, over (ii) the amount of stated interest actually payable. For purposes of the preceding sentence, the adjusted issue price is determined by adding to the Issue Price for such Series 2009 Bonds the original issue discount that is treated as having accrued during all prior semiannual accrual periods. If a Discount Bond is sold or otherwise disposed of between semiannual compounding dates, then the original issue discount that would have accrued for that semiannual accrual period for federal income tax purposes is allocated ratably to the days in such accrual period.

If a Discount Bond is purchased for a cost that exceeds the sum of the Issue Price plus accrued interest and accrued original issue discount, the amount of original issue discount that is deemed to accrue thereafter to the purchaser is reduced by an amount that reflects amortization of such excess over the remaining term of such Series 2009 Bond.

Except for the Minnesota rules described above, no opinion is expressed as to state and local income tax treatment of original issue discount. It is possible under certain state and local income tax laws that original issue discount on a Discount Bond may be taxable in the year of accrual, and may be deemed to accrue differently than under federal law.

Holders of Discount Bonds should consult their own advisors with respect to computation and accrual of original issue discount and with respect to the state and local tax consequences of owning such Discount Bonds.

Premium Bonds

Certain Series 2009 Bonds maturing on 2010 through 2025 are being issued at a premium to the principal amount payable at maturity. Except in the case of dealers, which are subject to special rules, Bondholders who acquire Series 2009 Bonds at a premium must, from time to time, reduce their federal and Minnesota tax bases for the Series 2009 Bonds for purposes of determining gain or loss on the sale or payment of such Series 2009 Bonds. Premium generally is amortized for federal and Minnesota income and franchise tax purposes on the basis of a Bondholder's constant yield to maturity or to certain call dates with semiannual compounding. Bondholders who acquire Series 2009 Bonds at a premium might recognize taxable gain upon sale of the Series 2009 Bonds, even if such Series 2009 Bonds are sold for an amount equal to or less than their original cost. Amortized premium is not deductible for federal or Minnesota income tax purposes. Bondholders who acquire Series 2009 Bonds at a premium should consult their tax advisors concerning the calculation of bond premium and the timing and rate of premium amortization, as well as the state and local tax consequences of owning and selling Series 2009 Bonds acquired at a premium.

Collateral Tax Matters

The accrual or receipt of interest on the Series 2009 Bonds may otherwise affect the federal income tax liability and the Minnesota income tax liability of the Bondholders. The extent of these other tax consequences will depend upon each Bondholder's particular tax status and other items of income or deduction. Bond counsel expresses no opinion regarding any such collateral tax matters.

Section 86 of the Code and corresponding provisions of Minnesota law require recipients of certain Social Security and Railroad Retirement benefits to take into account interest on the Series 2009 Bonds in determining the taxability of such benefits.

Passive investment income, including interest on the Series 2009 Bonds, may be subject to taxation under Section 1375 of the Code and corresponding provisions of Minnesota law for an S corporation that has accumulated earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of its gross receipts is passive investment income.

Interest on the Series 2009 Bonds may be includable in the income of a foreign corporation for purposes of the branch profits tax imposed by Section 884 of the Code and is includable in the net investment income of foreign insurance companies for purposes of Section 842(b) of the Code.

In the case of an insurance company subject to the tax imposed by Section 831 of the Code, the amount which otherwise would be taken into account as losses incurred under Section 832(b)(5) of the Code must be reduced by an amount equal to fifteen percent (15%) of the interest on the Series 2009 Bonds that is received, or accrued during the taxable year.

Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2009 Bonds, and Minnesota law similarly denies a deduction for such interest expense in the case of individuals, estates, and trusts. Indebtedness may be allocated to the Series 2009 Bonds for this purpose even though not directly traceable to the purchase of the Series 2009 Bonds. In the case of a financial institution, no deduction is allowed under the Code for that portion of the holder's

interest expense which is allocable to interest on the Series 2009 Bonds within the meaning of Section 265(b) of the Code.

The foregoing is not intended to be an exhaustive discussion of collateral tax consequences arising from the ownership, disposition, or receipt of interest on the Series 2009 Bonds. Prospective purchasers or Bondholders should consult their tax advisors with respect to collateral tax consequences and applicable state and local tax rules in states other than Minnesota.

ENFORCEABILITY OF OBLIGATIONS

The Series 2009 Bonds are to be payable from the 911 Fee Revenues. In the event the 911 Fee Revenues are not sufficient to pay the principal of and interest on the Series 2009 Bonds when due, the remedies of the Bondholders are likely to be limited or unavailable. Furthermore, any remedies that may be available to the Bondholders will be dependent upon judicial actions which are often subject to discretion and delay. A court may determine not to order the specific performance of covenants contained in the Order. The legal opinions to be delivered concurrently with the delivery of the Series 2009 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws affecting remedies and by bankruptcy, reorganization, or other laws affecting the enforcement of creditors' rights.

LEGAL OPINION

Legal matters incident to the authorization, issuance, and sale of the Series 2009 Bonds will be passed upon by Kennedy & Graven, Chartered, bond counsel. Kennedy & Graven, Chartered will also deliver its opinion as to the exclusion of interest on the Series 2009 Bonds from gross income for federal income tax purposes and the exclusion of interest on the Series 2009 Bonds from the net taxable income of individuals, estates, and trusts for State income tax purposes. The form of legal opinion to be issued by Kennedy & Graven, Chartered with respect to the Series 2009 Bonds is set forth in "APPENDIX E — FORM OF BOND COUNSEL OPINION." Certain legal matters will be passed upon for the Underwriters by Schiff Hardin LLP, counsel to the Underwriters.

LITIGATION

There is not now pending or threatened any litigation seeking to restrain or enjoin the sale, issuance, execution, or delivery of the Series 2009 Bonds, or in any manner questioning or affecting the validity of the Series 2009 Bonds or the proceedings or authority pursuant to which they are to be issued and sold. There is not now pending or threatened any litigation seeking to restrain or enjoin the imposition of the 911 Fee or seeking to restrain or enjoin the collection and disposition of the 911 Fee Revenues in accordance with the terms and conditions of the Order.

CONTINUING DISCLOSURE

The Commissioner, in the Order authorizing and ordering the issuance of the Series 2009 Bonds, has covenanted and agreed on behalf of the State, for the benefit of the holders of the Series 2009 Bonds from time to time, to comply with the provisions of Securities and Exchange Commission Regulation, 17 C.F.R. Section 240.15c2-12(b)(5) (the "Rule"); and, for this purpose, to provide to the Electronic Municipal Market Access system, operated by the Municipal Securities Rulemaking Board, annual financial

information of the type included in this Official Statement and notice of the occurrence of events which materially affect the terms, payment, security, rating, or tax status of the Series 2009 Bonds. The State is the only "obligated person" in respect of the Series 2009 Bonds within the meaning of paragraph (b)(5) of the Rule. The Commissioner is not in default of any continuing disclosure obligation with respect to any outstanding general obligation or revenue bond of the State. Additional information with respect to such continuing disclosure obligations is set forth in "APPENDIX D — CONTINUING DISCLOSURE UNDERTAKING" in this Official Statement.

FINANCIAL ADVISOR

The State has retained Ehlers & Associates, Inc., as financial advisor (the "Financial Advisor") in connection with the issuance of the Series 2009 Bonds. Certain financial information included in this Official Statement has been compiled by the Financial Advisor. Such compilation by the Financial Advisor is not a review, audit, or certified forecast of future events, and may not conform with accounting principals applicable to compilations of financial information. The Financial Advisor is not a firm of certified public accountants.

UNDERWRITING

The Underwriters set forth on the cover page hereof (collectively, the "Underwriters") have jointly and severally agreed to purchase the Series 2009 Bonds at a price of $66,018,470.67 (which represents the aggregate principal amount of the Series 2009 Bonds plus net original issue premium of $5,764,449.80, minus an Underwriters' discount of $255,979.13). The Underwriters reserve the right to join with dealers and other underwriters in offering the Series 2009 Bonds to the public. The obligation of the Underwriters to accept delivery of the Series 2009 Bonds is subject to various conditions established in the Bond Purchase Agreement, but the Underwriters are obligated to purchase all of the Series 2009 Bonds if any of the Series 2009 Bonds are purchased.

Piper Jaffray & Co., ("Piper Jaffray") has entered into an agreement (the "Distribution Agreement") with Advisors Asset Management, Inc. ("AAM") for the distribution of certain municipal securities offerings, including the Bonds, allocated to Piper Jaffray at the original offering prices. Under the Distribution Agreement, Piper Jaffray will share with AAM a portion of the fee or commission, exclusive of management fee, paid to Piper Jaffray.

RATINGS

The Insured Series 2009 Bonds described herein (all Series 2009 Bonds maturing after 2013) have been rated "Aa2" (on review for possible downgrade) by Moody's Investors Service, Inc. ("Moody's), "AAA" (negative outlook) by Standard and Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), and "AA" (ratings watch negative) by Fitch, Inc. ("Fitch"). These ratings have been assigned with the understanding that, upon issuance and delivery of the Series 2009 Bonds, payment when due of the principal and interest on the Series 2009 Bonds is insured by the Policy of insurance issued by the Insurer. In addition, Moody's has assigned a rating of "A1", S&P has assigned a rating of "AA+", and Fitch has assigned a rating of "AA-" to the Uninsured Series 2009 Bonds (all Series 2009 Bonds maturing before 2014) and as an underlying rating to all Series 2009 Bonds without regard to the issuance and delivery of the Policy. An explanation of the significance of such ratings may be obtained only from the respective Rating Agency assigning such rating. Generally, the Rating Agencies base their

ratings on information and materials furnished by the State and on investigations, studies, and assumptions by the respective Rating Agencies.

The credit ratings are not a recommendation to buy, sell, or hold the Series 2009 Bonds and there is no assurance that the credit ratings will be maintained for any given period of time or that they will not be lowered or withdrawn entirely if, in the judgment of the Rating Agency originally establishing such rating, circumstances so warrant. On July 1, 2009, S&P affirmed its "AAA" counterparty credit and financial strength ratings on the Insurer but revised its outlook on the Insurer to negative from stable. On May 20, 2009, Moody's placed the "Aa2" insurance financial strength rating of the Insurer on review for possible downgrade. On August 10, 2009, Fitch revised its outlook on the Insurer to negative from evolving. The State has undertaken no responsibility to oppose any revision or withdrawals of any ratings on the Series 2009 Bonds. See "BOND INSURANCE—Recent Developments" herein for additional regarding the ratings assigned to the Insurer. Any such revision or withdrawal of a credit rating assigned to the Series 2009 Bonds could have an adverse effect on the market price and marketability of the Series 2009 Bonds. Investors are directed to the Rating Agencies for additional information on their respective evaluations of the Series 2009 Bonds.

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The summaries and descriptions contained in this Official Statement and the Appendices hereto of the provisions of the Series 2009 Bonds, the Order, and the Continuing Disclosure Agreement and all references to other materials not purporting to be quoted in full are only brief outlines of some of the provisions thereof and do not purport to summarize or described all of the provisions thereof.

AUTHORIZATION OF OFFICIAL STATEMENT

The State has prepared and delivered this Official Statement to the Underwriters of the Series 2009 Bonds and has authorized the Underwriters to use it in connection with the offering and sale of the Series 2009 Bonds to investors.

As of the date of issuance of the Series 2009 Bonds, the Underwriters will be furnished with a certificate signed by the Commissioner stating that, as of the date of the Official Statement, the Official Statement did not and does not, as of the date of the certificate, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

/s/

Tom J. Hanson
Commissioner of Minnesota Management and Budget
State of Minnesota

APPENDIX A

DEFINED TERMS

For purposes of this Official Statement and the Commissioner's Order the following terms have the following meanings:

"Act" means Minnesota Statutes, Chapter 403, as amended, and the 2007 Laws.

"Additional Bonds" means any bonds payable from the 911 Fee Revenues on a parity basis as to both principal and interest with the Series 2006 Bonds, the Series 2008 Bonds, and the Series 2009 Bonds.

"ARMER System" means Allied Radio Matrix for Emergency Response system.

"Beneficial Owner" means, in respect of a Series 2009 Bond, any person or entity which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Series 2009 Bond (including persons or entities holding Series 2009 Bonds through nominees, depositories, or other intermediaries), or is treated as the owner of the Series 2009 Bond for federal income tax purposes.

"Bondholder" means the Registered Owner and the Beneficial Owner of any Series 2009 Bond.

"Bond Purchase Agreement" means the Bond Purchase Agreement between the State and the Underwriters, dated October 6, 2009.

"Bond Register" means the bond register kept at the principal office of the Registrar in which the Registrar provides for the registration of ownership of all Series 2009 Bonds and the registration of transfers and exchanges of Series 2009 Bonds entitled to be registered, transferred, or exchanged.

"Business Day" means any day on which commercial banks located in the State are open for commercial business.

"Commissioner" or the "Commissioner of Minnesota Management and Budget" means the Commissioner of the Department of Management and Budget of the State or, prior to the change in the name of the Department of Finance to the Department of Minnesota Management and Budget, the Commissioner of the Department of Finance.

"Continuing Disclosure Undertaking" means the Continuing Disclosure Undertaking, dated October 22, 2009, given by the Commissioner for the purpose of complying with the Rule.

"Debt Service Fund" means the fund established pursuant to Section 6.02 of the Order.

"Direct Participant," "Indirect Participant," and "Participant" have the meanings assigned to such terms under the caption "BOOK ENTRY SYSTEM" in this Official Statement.

"Discount Bonds" means Series 2009 Bonds sold at a discount from the principal amount payable at maturity which comprise the Series 2009 Bonds with stated maturities in the years: (i) 2020 and bearing interest at the stated rate of 3.000 percent per annum; (ii) 2023 and bearing interest at the stated

rate of 3.250 percent per annum; and (iii) 2025 bearing interest at the stated rate of 3.375 percent per annum.

"DTC" means The Depository Trust Company, New York, New York, which will act as securities depository for the Series 2009 Bonds.

"EMMA" means the Electronic Municipal Market Access system operated by the MSRB and the primary portal for complying with the continuing disclosure requirements of the Rule.

"Financial Advisor" means Ehlers & Associates, Inc.

"Fiscal Year" means the twelve-month period commencing on July 1 of a year and ending on June 30 of the following year.

"Fitch" means Fitch Ratings.

"Insurer" or "Bond Insurer" means Assured Guaranty Corp., a Maryland-domiciled insurance company regulated by the Maryland Insurance Administration and licensed to conduct financial guaranty insurance business in all fifty states of the United States, the District of Columbia, and Puerto Rico.

"Metropolitan Council Bonds" means the Refunding Revenue Bonds (Public Safety Radio Communications System Project) Series 2007D, issued by the Metropolitan Council on March 15, 2007, in the original principal amount of $7,265,000.

"Moody's" means Moody's Investors Service, Inc.

"MSRB" means the Municipal Securities Rulemaking Board located at 1900 Duke Street, Suite 600, Alexandria, Virginia 22314.

"911 Fee" means a fee of currently seventy-five cents (75¢) per month assessed to each customer in the State who utilizes telephone service via a wireless telephone, a wire line telephone, or telephone service that utilizes voice over Internet Protocol.

"911 Fee Revenues" means the revenues derived from imposition of the 911 Fee.

"Order" means the Order of the Minnesota Commissioner of Management and Budget for the Issuance and Sale of $60,510,000 911 Revenue Bonds (Public Safety Radio Communications System Project) Series 2009, dated the date of delivery of the Series 2009 Bonds, executed by the Commissioner pursuant to the Act, authorizing the sale and issuance of the Series 2009 Bonds and providing for the payment and security of the Series 2009 Bonds, and any order of the Commissioner amending this Order.

"Outstanding" means all Series 2009 Bonds, except: (i) Series 2009 Bonds theretofore canceled by the Registrar or delivered to the Registrar canceled or for cancellation; (ii) Series 2009 Bonds which have been discharged as provided in Section 5.08 of the Order; and (iii) Series 2009 Bonds in exchange for or in lieu of which other Series 2009 Bonds have been issued and delivered in accordance with the Order or other order of the Commissioner authorizing their issuance.

"Permitted Investments" means investments authorized by Minnesota Statutes, Section 11A.24, or any successor statute.

"Policy" means the financial guaranty insurance policy issued by the Insurer with respect to the Series 2009 Bonds.

"Premium Bonds" means Series 2009 Bonds sold at a premium over the principal amount payable at maturity which comprise all Series 2009 Bonds that are not Discount Bonds.

"Proceeds Account" means the 911 Revenue Bonds Proceeds Account established pursuant to the Act and the terms of the Order.

"Rating Agency" means Fitch, Moody's, or S&P, and "Rating Agencies" means Fitch, Moody's, and S&P.

"Registered Owner" means the person or entity in whose name ownership of a Series 2009 Bond is recorded on the Bond Register maintained by the Registrar.

"Registrar" means The Bank of New York Mellon Trust Company, N.A., in Chicago, Illinois, and any successor entity, acting as bond registrar and paying agent with respect to the Series 2009 Bonds under the Order.

"Rule" means SEC Regulation, 17 C.F.R. Section 240.15c2-12(b) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and including written interpretations thereof by the SEC.

"S&P" means Standard and Poor's Rating Services, a division of the McGraw-Hill Companies, Inc.

"SEC" means the Securities and Exchange Commission.

"Series 2006 Bonds" means the 911 Revenue Bonds (Public Safety Radio Communications System Project), Series 2006 issued by the State on November 22, 2006 in the original aggregate principal amount of $35,000,000.

"Series 2008 Bonds" means the 911 Revenue Bonds (Public Safety Radio Communications System Project), Series 2008 issued by the State on December 2, 2008 in the original aggregate principal amount of $42,205,000.

"Series 2009 Bonds" means the 911 Revenue Bonds (Public Safety Radio Communications System Project), Series 2009, to be issued by the State in the original aggregate principal amount of $60,510,000.

"State" means the State of Minnesota.

"Underwriters" means, collectively, Jefferies & Company, Inc.; Piper Jaffray & Co.; Cronin & Co, Inc.; and Siebert Brandford Shank & Co. LLC.

"2005 Laws" means Laws of Minnesota 2005, Chapter 136, Article 1, Section 9, Subdivision 8.

"2007 Laws" means Laws of Minnesota 2007, Chapter 54, Article 1, Section 10, Subdivision 8.

APPENDIX B

FINANCIAL INFORMATION

911 ARMER PROGRAM - SPECIAL REVENUE FUND
HISTORICAL FISCAL YEAR FUNDING
($ IN THOUSANDS)

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008
Resources:						
Prior Year Ending Balance	$5,648.2	$1,628.0	$3,673.7	$881.3	$6,977.4	$17,952.3
911 Fee Collections	$20,792.7	$25,838.6	$27,323.2	$46,229.5	$49,527.2	$50,751.0
Transfers from Other Funds	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Prior Year Adjustments	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Subtotal Current Resources	$20,792.7	$25,838.6	$27,323.2	$46,229.5	$49,527.2	$50,751.0
Total Revenues Plus Prior Year Ending Balance	$26,440.9	$27,466.6	$30,996.9	$47,110.8	$56,504.6	$68,703.3
Authorized Expenditures & Transfers:						
Appropriation Transfers:						
Debt Service - Metropolitan Council	$1,393.9	$1,396.6	$1,401.9	$1,405.0	$1,410.0	$1,311.2
Debt Service - State of MN	$0.0	$0.0	$0.0	$6,138.0	$6,149.0	$6,149.0
MnDOT - ARMER operating costs						$3,110.0
Metropolitan Council- Operating Budget Suppl.	$1,100.5	$1,225.7	$1,330.4	$0.0	$0.0	$0.0
Medical Resource Communication Center [1]	$0.0	$0.0	$0.0	$682.0	$683.0	$683.0
Subtotal Transfers	$2,494.4	$2,622.3	$2,732.3	$8,225.0	$8,242.0	$11,253.2
Expenditures: [2]						
Compensation	$289.3	$314.3	$266.4	$376.5	$426.0	$506.7
Rent / State Operations / 911 Service Providers	$15,727.9	$14,300.5	$20,286.1	$17,891.9	$16,220.4	$15,324.4
Zone controller/ Project Dev./ Systems Design						$5,401.5
Public Safety Answering Points (PSAP)	$6,301.3	$6,555.8	$6,830.8	$13,640.0	$13,664.0	$13,664.0
Subtotal Expenditures	$22,318.5	$21,170.6	$27,383.3	$31,908.4	$30,310.4	$34,896.6
Total Transfers and Expenditures	$24,812.9	$23,792.9	$30,115.6	$40,133.4	$38,552.4	$46,149.8
Fund Balance	$1,628.0	$3,673.7	$881.3	$6,977.4	$17,952.3	$22,553.5

[1] Starting in Fiscal Year 2006, an annual appropriation has been made for a grant to the Metro East and Metro West Medical Resource Communications Centers.

[2] Expenditure Definitions:

Compensation - salary and fringe costs of State employees assigned to 911 ARMER program

Rent/ State Operations / 911 Service Providers - administration costs of the program and the reimbursements of local exchange carriers, 911 services providers, and wireless carriers for costs incurred connecting telephone central offices with 911 networks and for maintaining the 911 network.

Zone controller/ Project Dev./ System Design- One-time appropriations were made in the 2007 Legislative Session for the ARMER project development, system design, and for the purchase of zone controllers.

Public Safety Answering Points (PSAP)- payments to Minnesota's 87 counties, three governmental entities, and the State Patrol for a portion of the costs of providing 911 service.

911 ARMER PROGRAM - SPECIAL REVENUE FUND
FORECAST OF REVENUES AND EXPENDITURES
($ IN THOUSANDS)

	Actual Fiscal Year 2009	-----Forecast------ Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013
Forecast Resources:					
Prior Year Ending Balance	$22,553.5	$22,901.7	$14,815.5	$11,111.5	$19,073.5
911 Fee Collections [1]	$51,269.5	$58,383.8	$66,529.0	$74,670.0	$74,798.0
Transfers from Other Funds	$0.0	$0.0	$0.0	$0.0	$0.0
Prior Year Adjustments	$0.0	$0.0	$0.0	$0.0	$0.0
Subtotal Current Resources	$51,269.5	$58,383.8	$66,529.0	$74,670.0	$74,798.0
Total Revenues Plus Prior Year Ending Balance	$73,823.0	$81,285.5	$81,344.5	$85,781.5	$93,871.5
Authorized Expenditures & Transfers:					
Appropriation Transfers:					
Debt Service - Metropolitan Council	$1,410.0	$1,410.0	$1,410.0	$1,410.0	$1,410.0
Debt Service - State of MN	$11,853.0	$17,557.0	$23,261.0	$23,261.0	$23,261.0
MnDOT- ARMER operating costs	$3,110.0	$5,060.0	$5,060.0	$5,060.0	$5,060.0
Medical Resource Communication Center	$683.0	$683.0	$683.0	$683.0	$683.0
Subtotal Transfers	$17,056.0	$24,710.0	$30,414.0	$30,414.0	$30,414.0
Expenditures: (2)					
Compensation	$614.1	$622.0	$641.0	$641.0	$641.0
Rent / State Operations / 911 Service Providers	$17,101.3	$19,043.0	$19,024.0	$19,024.0	$19,024.0
Zone controller/ Project Dev./ Systems Design	$2,485.9	$0.0	$0.0	$0.0	$0.0
Public Safety Answering Points (PSAPS)	$13,664.0	$13,664.0	$13,664.0	$13,664.0	$13,664.0
Next Generation 911	$0.0	$3,431.0	$6,490.0	$2,965.0	$0.0
Grants to Local Units of Government	$0.0	$5,000.0	$0.0	$0.0	$0.0
Subtotal Expenditures	$33,865.3	$41,760.0	$39,819.0	$36,294.0	$33,329.0
Total Transfers and Expenditures	$50,921.3	$66,470.0	$70,233.0	$66,708.0	$63,743.0
Fund Balance	$22,901.7	$14,815.5	$11,111.5	$19,073.5	$30,128.5

[1] Assumes the issuance of additional revenue bonds in the amount of $62 million annually in each of the Fiscal Year 2009 through 2011 and implementation of an additional 10 cents for the 911 Fee in each of these same years as authorized by Minnesota Laws 2007, Chapter 54. The first 10 cent fee increase to be effective July 1, 2009.

[2]

Expenditure Definitions:

Compensation- salary and fringe costs of State employees assigned to 911 ARMER program

Rent/ State Operations / 911 Service Providers- administration costs of the program and the reimbursements of local exchange carriers, 911 services providers, and wireless carriers for costs incurred connecting telephone central offices with 911 networks and for maintaining the 911 network.

Zone controller/ Project Dev./ System Design- One-time appropriations were made in the 2007 Legislative Session for the ARMER project development, system design, and for the purchase of zone controllers.

Public Safety Answering Points (PSAP)- payments to 87 counties, three governmental entities, and the State Patrol for a portion of the costs of providing 911 service.

Next Generation 911- One-time appropriations to replace the current system with the Next Generation Internet Protocol (IP) based network.

Grants to Local Units of Government- One-time appropriation was made in the 2009 Legislative Session for grants to local units of government to assist with the transition to the ARMER system.

Cash Flow Analysis of 911\ARMER Program (Actual-audited)
Fiscal Year 2008

Minnesota Department of Public Safety
Special Revenue Fund

	July	August	September	October	November	December	January	February	March	April	May	June	July [1]	Total
Revenues:														
Beginning Fund Balance-FY2008	$17,952,296													$17,952,296
911 Fee Collections	$25,872	$4,086,187	$3,525,859	$4,900,797	$3,545,228	$4,717,491	$4,241,067	$3,335,507	$5,039,310	$4,140,365	$4,207,188	$4,165,326	$4,820,759	$50,750,955
Transfers and Expenditures:														
Debt Service - Metropolitan Council	$0	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$42,163	$0	$0	$1,311,163
Debt Service - State of Minnesota	$0	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$0	$0	$6,149,000
All Other Expenses	$15,140	$2,487,541	$2,648,445	$2,870,601	$6,374,660	$2,752,258	$2,764,792	$2,797,193	$2,670,084	$2,874,116	$3,358,942	$3,828,178	$3,247,675	$38,689,625
Total Transfers and Expenditures	$15,140	$3,243,441	$3,404,345	$3,626,501	$7,130,560	$3,508,158	$3,520,692	$3,553,093	$3,425,984	$3,630,016	$4,016,005	$3,828,178	$3,247,675	$46,149,788
Fund Balance	**$17,963,028**	**$18,805,774**	**$18,927,288**	**$20,201,584**	**$16,616,252**	**$17,825,586**	**$18,545,961**	**$18,328,375**	**$19,941,702**	**$20,452,051**	**$20,643,234**	**$20,980,383**	**$22,553,467**	**$22,553,467**

Minnesota Department of Finance
Debt Service Clearing/Collection Account

Beginning Acct Balance-FY2008	$0													$0
- Public Safety Appropriation Transfer In	$0	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$614,900	$0	$0	$6,149,000
- Principal & Interest Transfer Out to Debt Service Payment Account	$0	($614,900)	($614,900)	($614,900)	($614,900)	($382,134)	$0	$0	$0	$0	$0	$0	$0	($2,841,734)
- Transfer Out to MnDOT Cash Payment - Capital Improvement Account	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	($2,000,000)	$0	($2,000,000)
Debt Service Clearing/Collection Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**	**$232,766**	**$847,666**	**$1,462,566**	**$2,077,466**	**$2,692,366**	**$3,307,266**	**$1,307,266**	**$1,307,266**	**$1,307,266**

Minnesota Department of Finance
Debt Service Payment Account

Beginning Acct Balance-FY2008	$1,420,628													$1,420,628
Transfer In from Debt Service Clearing/Collection Account	$0	$614,900	$614,900	$614,900	$614,900	$382,134	$0	$0	$0	$0	$0	$0	$0	$2,841,734
Principal & Interest Bond Payment	$0	$0	$0	$0	$0	($836,181)	$0	$0	$0	$0	$0	($3,426,181)	$0	($4,262,362)
Debt Service Payment Account Balance	**$1,420,628**	**$2,035,528**	**$2,650,428**	**$3,265,328**	**$3,880,228**	**$3,426,181**	**$3,426,181**	**$3,426,181**	**$3,426,181**	**$3,426,181**	**$3,426,181**	**$0**	**$0**	**$0**

[1] The revenues and expenditures shown include all revenues and expenditures for that fiscal year, including revenue received and expenditures made after June 30 of such fiscal year which are properly allocable to such fiscal years. The second July is included, to account for revenue and expenditure accruals at June 30. See section 911 Fee Revenues of this Official Statement for further discussion on the timing of revenue collections.

Cash Flow Analysis of 911\ARMER Program (Actual-unaudited)
Fiscal Year 2009

Minnesota Department of Public Safety
Special Revenue Fund

	July	August	September	October	November	December	January	February	March	April	May	June	July [1]	Total
Revenues:														
Beginning Fund Balance-FY2009	$22,553,467													$22,553,467
911 Fee Collections	$838,346	$2,768,321	$4,198,047	$5,917,623	$4,335,757	$2,774,860	$5,071,798	$4,206,421	$4,891,569	$4,428,648	$3,450,857	$4,962,716	$3,424,551	$51,269,514
Transfers and Expenditures:														
Debt Service - Metropolitan Council	$0	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$0	$0	$1,410,000
Debt Service - State of Minnesota	$0	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$0	$0	$11,853,000
All Other Expenses	$48,349	$2,850,026	$3,024,372	$5,263,898	$2,394,744	$2,862,420	$2,652,606	$2,626,474	$2,485,092	$2,712,709	$4,314,490	$2,784,993	$3,638,170	$37,658,334
Total Transfers and Expenditures	$48,349	$4,176,326	$4,350,672	$6,590,198	$3,721,044	$4,188,720	$3,978,906	$3,952,774	$3,811,392	$4,039,009	$5,640,790	$2,784,993	$3,638,170	$50,921,334
Fund Balance	**$23,343,463**	**$21,935,460**	**$21,782,835**	**$21,110,261**	**$21,724,975**	**$20,311,115**	**$21,404,007**	**$21,657,655**	**$22,737,833**	**$23,127,473**	**$20,937,540**	**$23,115,264**	**$22,901,646**	**$22,901,646**

Minnesota Department of Finance
Debt Service Clearing/Collection Account

Beginning Acct Balance-FY2009	$1,307,266													$1,307,266
- Public Safety Appropriation Transfer In	$0	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$0	$0	$11,853,000
- Principal & Interest Transfer Out to Debt Service Payment Account	($1,307,266)	($1,185,300)	($1,185,300)	($1,185,300)	($1,185,300)	($1,185,300)	($582,758)	$0	$0	$0	$0	$0	$0	($7,816,524)
- Transfer Out to MnDOT Cash Payment - Capital Improvement Account	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Debt Service Clearing/Collection Account Balance	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$602,542**	**$1,787,842**	**$2,973,142**	**$4,158,442**	**$5,343,742**	**$5,343,742**	**$5,343,742**	**$5,343,742**

Minnesota Department of Finance
Debt Service Payment Account

Beginning Acct Balance-FY2009	$0													$0
Transfer In from Debt Service Clearing/Collection Account	$1,307,266	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$1,185,300	$582,758	$0	$0	$0	$0	$0	$0	$7,816,524
Principal & Interest Bond Payment	$0	$0	$0	$0	$0	($784,381)	$0	$0	$0	$0	$0	($7,032,143)	$0	($7,816,524)
Debt Service Payment Account Balance	**$1,307,266**	**$2,492,566**	**$3,677,866**	**$4,863,166**	**$6,048,466**	**$6,449,385**	**$7,032,143**	**$7,032,143**	**$7,032,143**	**$7,032,143**	**$7,032,143**	**($0)**	**($0)**	**($0)**

[1] The revenues and expenditures shown include all revenues and expenditures for that fiscal year, including revenue received and expenditures made after June 30 of such fiscal year which are properly allocable to such fiscal years. The second July is included, to account for revenue and expenditure accruals at June 30. See section 911 Fee Revenues of this Official Statement for further discussion on the timing of revenue collections.

Cash Flow Analysis of 911\ARMER Program (Projected)
Fiscal Year 2010

Minnesota Department of Public Safety
Special Revenue Fund

	July	August	September	October	November	December	January	February	March	April	May	June	July [1]	Total
Revenues:														
Beginning Fund Balance-FY2010	$22,901,646													$22,901,646
911 Fee Collections	$0	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$4,865,319	$58,383,825
Transfers and Expenditures:														
Debt Service - Metropolitan Council	$0	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$0	$0	$1,410,000
Debt Service - State of Minnesota	$0	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$0	$0	$17,557,000
All Other Expenses	$41,120	$3,254,288	$3,254,287	$3,254,288	$3,254,288	$3,254,288	$3,254,287	$3,254,287	$3,254,289	$3,254,288	$3,254,287	$8,254,288	$6,664,719	$47,502,999
Total Transfers and Expenditures	$41,120	$5,150,988	$5,150,987	$5,150,988	$5,150,988	$5,150,988	$5,150,987	$5,150,987	$5,150,989	$5,150,988	$5,150,987	$8,254,288	$6,664,719	$66,469,999
Fund Balance	**$22,860,526**	**$22,574,858**	**$22,289,189**	**$22,003,521**	**$21,717,852**	**$21,432,183**	**$21,146,515**	**$20,860,847**	**$20,575,178**	**$20,289,509**	**$20,003,840**	**$16,614,872**	**$14,815,472**	**$14,815,472**

Minnesota Management and Budget
Debt Service Clearing/Collection Account

Beginning Acct Balance-FY2010	$5,343,742													$5,343,742
- Public Safety Appropriation Transfer In	$0	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$0	$0	$17,557,000
- Principal & Interest Transfer Out to Debt Service Payment Account	$0	($1,755,700)	($1,755,700)	($1,755,700)	($1,755,700)	($1,755,700)	($1,755,700)	($1,718,690)	$0	$0	$0	$0	$0	($12,252,890)
- Transfer Out to MnDOT Cash Payment - Capital Improvement Account	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	($5,000,000)	$0	($5,000,000)
Debt Service Clearing/Collection Account Balance	**$5,343,742**	**$5,343,742**	**$5,343,742**	**$5,343,742**	**$5,343,742**	**$5,343,742**	**$5,343,742**	**$5,380,752**	**$7,136,452**	**$8,892,152**	**$10,647,852**	**$5,647,852**	**$5,647,852**	**$5,647,852**

Minnesota Management and Budget
Debt Service Payment Account

Beginning Acct Balance-FY2010	($0)													($0)
Transfer In from Debt Service Clearing/Collection Account	$0	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,755,700	$1,718,690	$0	$0	$0	$0	$0	$12,252,890
Estimated Premium Deposit	$0	$0	$0	$5,764,450	$0	$0	$0	$0	$0	$0	$0	$0	$0	$5,764,450
Principal & Interest Bond Payment	$0	$0	$0	$0	$0	($1,564,700)	$0	$0	$0	$0	$0	($16,452,640)	$0	($18,017,340)
Debt Service Payment Account Balance	**$0**	**$1,755,700**	**$3,511,400**	**$11,031,550**	**$12,787,250**	**$12,978,250**	**$14,733,950**	**$16,452,640**	**$16,452,640**	**$16,452,640**	**$16,452,640**	**($0)**	**($0)**	**($0)**

[1] The revenues and expenditures shown include all revenues and expenditures for that fiscal year, including revenue received and expenditures made after June 30 of such fiscal year which are properly allocable to such fiscal years. The second July is included, to account for revenue and expenditure accruals at June 30. See section 911 Fee Revenues of this Official Statement for further discussion on the timing of revenue collections.

Cash Flow Analysis of 911\ARMER Program (Projected)
Fiscal Year 2011

Minnesota Department of Public Safety
Special Revenue Fund

	July	August	September	October	November	December	January	February	March	April	May	June	July [1]	Total
Revenues:														
Beginning Fund Balance-FY2011	$14,815,472													$14,815,472
911 Fee Collections	$0	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$5,544,083	$66,528,990
Transfers and Expenditures:														
Debt Service - Metropolitan Council	$0	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$0	$0	$1,410,000
Debt Service - State of Minnesota	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$0	$0	$23,261,000
All Other Expenses	$41,120	$3,254,288	$3,254,285	$3,254,288	$3,254,288	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$9,744,287	$3,233,732	$45,562,000
Total Transfers and Expenditures	$41,120	$5,721,388	$5,721,385	$5,721,388	$5,721,388	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$9,744,287	$3,233,732	$70,233,000
Fund Balance	**$14,774,352**	**$14,597,048**	**$14,419,745**	**$14,242,441**	**$14,065,136**	**$13,887,833**	**$13,710,528**	**$13,533,225**	**$13,355,921**	**$13,178,618**	**$13,001,313**	**$8,801,110**	**$11,111,462**	**$11,111,462**

Minnesota Management and Budget
Debt Service Clearing/Collection Account

Beginning Acct Balance-FY2011	$5,647,852													$5,647,852
- Public Safety Appropriation Transfer In	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$0	$0	$23,261,000
- Principal & Interest Transfer Out to Debt Service Payment Account	$0	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($1,402,841)	$0	$0	$0	($20,011,641)
- Transfer Out to MnDOT Cash Payment - Capital Improvement Account	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Debt Service Clearing/Collection Account Balance	**$5,647,852**	**$5,647,852**	**$5,647,852**	**$5,647,852**	**$5,647,852**	**$5,647,852**	**$5,647,852**	**$5,647,852**	**$5,647,852**	**$6,571,111**	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$8,897,211**

Minnesota Management and Budget
Debt Service Payment Account

Beginning Acct Balance-FY2011	($0)													($0)
Transfer In from Debt Service Clearing/Collection Account	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$1,402,841	$0	$0	$0	$20,011,641
Principal & Interest Bond Payment	$0	$0	$0	$0	$0	($2,575,037)	$0	$0	$0	$0	$0	($17,436,604)	$0	($20,011,641)
Debt Service Payment Account Balance	**$0**	**$2,326,100**	**$4,652,200**	**$6,978,300**	**$9,304,400**	**$9,055,463**	**$11,381,563**	**$13,707,663**	**$16,033,763**	**$17,436,604**	**$17,436,604**	**($0)**	**($0)**	**($0)**

[1] The revenues and expenditures shown include all revenues and expenditures for that fiscal year, including revenue received and expenditures made after June 30 of such fiscal year which are properly allocable to such fiscal years. The second July is included, to account for revenue and expenditure accruals at June 30. See section 911 Fee Revenues of this Official Statement for further discussion on the timing of revenue collections.

Cash Flow Analysis of 911\ARMER Program (Projected)
Fiscal Year 2012

Minnesota Department of Public Safety
Special Revenue Fund

	July	August	September	October	November	December	January	February	March	April	May	June	July [1]	Total
Revenues:														
Beginning Fund Balance-FY2012	$11,111,462													$11,111,462
911 Fee Collections	$0	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$6,222,500	$74,670,000
Transfers and Expenditures:														
Debt Service - Metropolitan Council	$0	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$0	$0	$1,410,000
Debt Service - State of Minnesota	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$0	$0	$23,261,000
All Other Expenses	$41,120	$3,254,288	$3,254,285	$3,254,288	$3,254,288	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$6,219,287	$3,233,732	$42,037,000
Total Transfers and Expenditures	$41,120	$5,721,388	$5,721,385	$5,721,388	$5,721,388	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$6,219,287	$3,233,732	$66,708,000
Fund Balance	**$11,070,342**	**$11,571,455**	**$12,072,570**	**$12,573,683**	**$13,074,796**	**$13,575,910**	**$14,077,023**	**$14,578,137**	**$15,079,251**	**$15,580,365**	**$16,081,478**	**$16,084,692**	**$19,073,462**	**$19,073,462**

Minnesota Management and Budget
Debt Service Clearing/Collection Account

Beginning Acct Balance-FY2012	$8,897,211													$8,897,211
- Public Safety Appropriation Transfer In	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$0	$0	$23,261,000
- Principal & Interest Transfer Out to Debt Service Payment Account	$0	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($965,751)	$0	$0	($21,900,651)
- Transfer Out to MnDOT Cash Payment - Capital Improvement Account	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Debt Service Clearing/Collection Account Balance	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$8,897,211**	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$10,257,560**

Minnesota Management and Budget
Debt Service Payment Account

Beginning Acct Balance-FY2012	($0)													($0)
Transfer In from Debt Service Clearing/Collection Account	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$965,751	$0	$0	$21,900,651
Principal & Interest Bond Payment	$0	$0	$0	$0	$0	($4,747,824)	$0	$0	$0	$0	$0	($17,152,827)	$0	($21,900,651)
Debt Service Payment Account Balance	**$0**	**$2,326,100**	**$4,652,200**	**$6,978,300**	**$9,304,400**	**$6,882,676**	**$9,208,776**	**$11,534,876**	**$13,860,976**	**$16,187,076**	**$17,152,827**	**($0)**	**($0)**	**($0)**

[1] The revenues and expenditures shown include all revenues and expenditures for that fiscal year, including revenue received and expenditures made after June 30 of such fiscal year which are properly allocable to such fiscal years. The second July is included, to account for revenue and expenditure accruals at June 30. See section 911 Fee Revenues of this Official Statement for further discussion on the timing of revenue collections.

Cash Flow Analysis of 911\ARMER Program (Projected)
Fiscal Year 2013

Minnesota Department of Public Safety
Special Revenue Fund

	July	August	September	October	November	December	January	February	March	April	May	June	July [1]	Total
Revenues:														
Beginning Fund Balance-FY2013	$19,073,462													$19,073,462
911 Fee Collections	$0	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$6,233,164	$74,797,965
Transfers and Expenditures:														
Debt Service - Metropolitan Council	$0	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$141,000	$0	$0	$1,410,000
Debt Service - State of Minnesota	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$0	$0	$23,261,000
All Other Expenses	$41,120	$3,254,288	$3,254,285	$3,254,288	$3,254,288	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$3,254,287	$3,233,732	$39,072,000
Total Transfers and Expenditures	$41,120	$5,721,388	$5,721,385	$5,721,388	$5,721,388	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$5,721,387	$3,254,287	$3,233,732	$63,743,000
Fund Balance	**$19,032,342**	**$19,544,119**	**$20,055,898**	**$20,567,674**	**$21,079,451**	**$21,591,229**	**$22,103,006**	**$22,614,783**	**$23,126,561**	**$23,638,339**	**$24,150,116**	**$27,128,993**	**$30,128,426**	**$30,128,427**

Minnesota Management and Budget
Debt Service Clearing/Collection Account

Beginning Acct Balance-FY2013	$10,257,560													$10,257,560
- Public Safety Appropriation Transfer In	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$0	$0	$23,261,000
- Principal & Interest Transfer Out to Debt Service Payment Account	$0	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($2,326,100)	($963,475)	$0	$0	($21,898,375)
- Transfer Out to MnDOT Cash Payment - Capital Improvement Account	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Debt Service Clearing/Collection Account Balance	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$10,257,560**	**$11,620,185**	**$11,620,185**	**$11,620,185**	**$11,620,185**

Minnesota Management and Budget
Debt Service Payment Account

Beginning Acct Balance-FY2013	($0)													($0)
Transfer In from Debt Service Clearing/Collection Account	$0	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$2,326,100	$963,475	$0	$0	$21,898,375
Principal & Interest Bond Payment	$0	$0	$0	$0	$0	($4,541,687)	$0	$0	$0	$0	$0	($17,356,688)	$0	($21,898,375)
Debt Service Payment Account Balance	**$0**	**$2,326,100**	**$4,652,200**	**$6,978,300**	**$9,304,400**	**$7,088,813**	**$9,414,913**	**$11,741,013**	**$14,067,113**	**$16,393,213**	**$17,356,688**	**($0)**	**($0)**	**($0)**

[1] The revenues and expenditures shown include all revenues and expenditures for that fiscal year, including revenue received and expenditures made after June 30 of such fiscal year which are properly allocable to such fiscal years. The second July is included, to account for revenue and expenditure accruals at June 30. See section 911 Fee Revenues of this Official Statement for further discussion on the timing of revenue collections.

APPENDIX C

SUMMARY OF COMMISSIONER'S ORDER

The following is a brief section-by-section summary of the Order, which is qualified in its entirety by reference to the Order.

Section 1. **Definitions.** This section sets forth definitions for various terms used in the Order. These terms and their definitions are set forth in "APPENDIX A — DEFINED TERMS" and are also used in this Official Statement.

Section 2. **Recitals**. This section sets forth certain recitals of fact establishing the purpose for and the authority to issue the Series 2009 Bonds.

Section 3. **Authorization Of Series 2009 Bonds; Use Of Proceeds.** This section authorizes the issuance of the Series 2009 Bonds and directs application of the proceeds of the Series 2009 Bonds, exclusive of accrued interest, to the payment of the costs of the ARMER System, and the payment of the issuance expenses of the Series 2009 Bonds.

Section 4. **Form of Series 2009 Bonds.** This section sets forth the form in which the Series 2009 Bonds will be issued. Initially and for the foreseeable future the Series 2009 Bonds will be issued only to a securities depository (DTC) in accordance with Subsection 5.07 of the Order and no Beneficial Owner will receive a printed bond.

Section 5. **Terms of Series 2009 Bonds; Regulations for Issuance.** This section is comprised of subsections 5.01 through 5.08. Subsections 5.01 through 5.03 set forth the principal amounts, maturities, interest rates, and redemption provisions of the Series 2009 Bonds which are set forth elsewhere in this Official Statement.

Subsections 5.04 and 5.05 appoint The Bank of New York Mellon Trust Company, N.A. to serve as registrar and paying agent with respect to the Series 2009 Bonds and establish regulations for handling registration of ownership, transfer, exchange, cancellation, and replacement of lost or destroyed bonds as well as for determining ownership of a bond.

Subsection 5.07 provides for the establishment of a Book-Entry Only System for issuance of the Series 2009 Bonds and appoints DTC to act as securities depository to administer the Book-Entry Only System which is described in this Official Statement under the caption "BOOK ENTRY SYSTEM."

Subsection 5.08 establishes regulations pursuant to which the Series 2009 Bonds and the covenants made in the Order for their payment and security may be discharged and terminated. Discharge may be accomplished by either: (a) payment of the principal, premium, if any, and interest on the Series 2009 Bonds to the due date thereof (whether such due date is by reason of maturity or upon redemption); or (b) by depositing irrevocably in escrow, with a qualified bank, (1) money sufficient to make such payment and/or (2) Defeasance Obligations, maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient money to make such payment. "Defeasance Obligations" are defined to mean direct obligations of, or obligations the timely payment of principal of and interest on which is guaranteed by, the United States of America, certain other specified obligations, and evidences of proportionate interest in such obligations held by a bank or trust company.

Section 6. **Security For Series 2009 Bonds.** This section sets forth covenants for the payment and security of the Series 2009 Bonds and provides for the establishment and administration of a Debt Service Fund and the deposit, transfer, investment, and disbursement of 911 Fee Revenues for the payment of and security for the Series 2009 Bonds.

Section 7. **Additional Bonds.** This section sets forth the conditions under which the Commissioner may issue Additional Bonds on a parity basis with the Series 2009 Bonds.

Section 8. **Official Statement.** This section designates the Preliminary Official Statement, dated September 25, 2009, as a final official statement under the Rule and authorizes and ratifies its distribution by the initial Underwriters of the Series 2009 Bonds to purchasers and prospective purchasers of the Series 2009 Bonds.

Section 9. **Covenants Relating To Tax Exemption.** This section sets forth the covenants of the Commissioner, on behalf of the State and for the benefit of the Bondholders from time to time of the Series 2009 Bonds, with respect to maintaining the tax-exemption of interest to be paid on the Series 2009 Bonds. Subsection 9.01 sets forth the Commissioner's covenants to comply with Section 148 of the Code relating to "arbitrage bonds" and "arbitrage rebate."

Subsection 9.02 sets forth the Commissioner's covenant to avoid use of the proceeds of the Series 2009 Bonds in a manner which would cause the Series 2009 Bonds to be determined as "private activity bonds."

Section 10. **Continuing Disclosure.** This section sets forth the covenants and undertakings of the Commissioner, on behalf of the State and for the benefit of the Bondholders from time to time of the Series 2009 Bonds, to comply with the continuing disclosure provisions of the Rule. The Continuing Disclosure Undertaking is set forth in its entirety in "APPENDIX D — CONTINUING DISCLOSURE UNDERTAKING" in this Official Statement.

Section 11. **General Covenants; Registered Owners Rights.** This section is comprised of subsections 11.01 through 11.04. Subsection 11.01 provides that the covenants and agreements of the Commissioner set forth in the Order shall constitute a contract with and for the benefit of the Bondholders from time to time of the Series 2009 Bonds, and that the contract is enforceable in the District Court for Ramsey County, Minnesota. Other venues for enforcement are not available.

Subject to the terms of Section 12 of the Order, Subsection 11.02 affirms that the Commissioner's covenants and agreements can be enforced by judicial proceeding instituted by any Registered Owner without the consent of any other Registered Owner, but that any enforcement action is for the equal and ratable benefit of all Registered Owners, and any money recovered is required to be deposited and credited to the Debt Service Fund and applied as provided in the Order, as amended and supplemented from time to time.

Subsection 11.03 acknowledges that a Registered Owner seeking to enforce the Commissioner's covenants and agreements may employ a financial institution having agency or trust powers which is authorized to transact business in the State to institute, conduct, prosecute, settle, and take all other action necessary for a judicial proceeding for this purpose, in its own name as agent or trustee for and on behalf of the Registered Owner.

Section 12. **Covenants Regarding Bond Insurer**. This section imposes certain covenants by the Commissioner for the benefit of the Bond Insurer.

Section 13. **Amendments.** This section establishes regulations for the amendment of the Order with and without the consent of the Registered Owners of the Series 2009 Bonds.

Subsection 13.01 provides for the amendment of the Order by the Commissioner without consent for the purpose of curing any ambiguity or of curing, correcting, or supplementing any defective provision contained in the Order, or of making such provisions with regard to matters or questions arising hereunder as the Commissioner may deem necessary or desirable and not inconsistent with the Order, and which will not adversely affect the interests of the Registered Owners of the Series 2009 Bonds, or for the

purpose of adding to the covenants and agreements contained in the Order, other covenants and agreements thereafter to be observed and additional revenues or income thereafter appropriated to the Debt Service Fund, or for the purpose of surrendering any right or power herein reserved to or conferred upon the Commissioner.

Subsection 13.02 provides for other amendments to the Order with the consent of two-thirds of the Registered Owners of Outstanding Bonds affected thereby, except that the consent of the Registered Owners of all Outstanding Series 2009 Bonds affected thereby is required to approve any amendment which would extend the time of payment of interest thereon, would reduce the amount of the principal thereof or redemption premium thereon, would give to any Series 2009 Bond any privileges over any other Series 2009 Bond, would reduce the 911 Fee Revenues appropriated or required to be transferred to the Debt Service Fund, or would reduce the percentage in principal amount of Series 2009 Bonds required to authorize or consent to any such amendment.

Subsection 13.03 establishes the percentage of Registered Owners who must consent to amendments to the Order, other than as provided in Subsections 13.01 or 13.02, as the Registered Owners of not less than two-thirds in aggregate principal amount of the Outstanding Series 2009 Bonds. Subsection 13.03 also establishes regulations as to the manner of obtaining consents, the required form and execution of consents, revocations of consents, and the effect of consents provided and requests for consent not responded to.

Section 14. **Sale And Delivery.** This section recites certain facts relative to the offer and sale of the Series 2009 Bonds and authorizes the execution and delivery of the Series 2009 Bonds.

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APPENDIX D

CONTINUING DISCLOSURE UNDERTAKING

The Commissioner's Order authorizing the issuance of the Series 2009 Bonds will contain provisions enabling participating underwriters in the primary offering of the Series 2009 Bonds to comply with the requirements of paragraph (b)(5) of the Rule. The Commissioner will deliver a Continuing Disclosure Undertaking on the date of issuance of the Series 2009 Bonds, in substantially the following form:

CONTINUING DISCLOSURE UNDERTAKING

The Order of the Commissioner of Minnesota Management and Budget, dated October 22, 2009 (the "Order"), authorizing the issuance of the 911 Revenue Bonds (Public Safety Radio Communications System Project), Series 2009 (the "Series 2009 Bonds"), to be issued by the State of Minnesota (the "State") in the original aggregate principal amount of $60,510,000, contains provisions enabling participating underwriters in the primary offering of the Series 2009 Bonds to comply with the requirements of Rule 15c2-12, 17 C.F.R. Section 240.15c2-12, promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended, in substantially the following form:

Official Statement; Continuing Disclosure.

1.01. *Official Statement.* The Official Statement, dated October 6, 2009, relating to the Series 2009 Bonds (the "Official Statement"), is a final official statement within the meaning of Securities and Exchange Commission Regulation, 17 C.F.R. Section 240.15c2-12, as in effect and interpreted from time to time (the "Rule"). The underwriters designated in Section 14 of the Order (the "Underwriters") are authorized and directed to distribute the Official Statement to all persons to whom the Series 2009 Bonds are reoffered.

1.02. *Continuing Disclosure.*

(a) General Undertaking. On behalf of the State of Minnesota (the "State"), the Commissioner of Minnesota Management and Budget (the "Commissioner") covenants and agrees with the Registered Owners from time to time of the Series 2009 Bonds to comply with paragraph (b)(5) of the Rule; and, for this purpose, to provide to the Electronic Municipal Market Access system ("EMMA") operated by the Municipal Securities Rulemaking Board as the primary portal for complying with the continuing disclosure requirements of the Rule, annual financial information of the type included in the Official Statement and notice of the occurrence of certain specified events which materially affect the terms, payment, security, rating, or tax status of the Series 2009 Bonds, as set forth in this Section 1.02. The State is the only "obligated person" in respect of the Series 2009 Bonds within the meaning of the Rule. As used in this Section 1.02, "Registered Owner" means, in respect of a Series 2009 Bond, the registered owner or owners thereof appearing in the bond register maintained by The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, and any successor entity acting as bond registrar for the Series 2009 Bonds (the "Registrar") or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, "Beneficial Owner" means, in respect of a Series 2009 Bond, any person or entity which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Series 2009 Bond (including persons or entities holding Series 2009 Bonds through nominees, depositories, or other intermediaries), or is treated as the owner of the Series 2009 Bond for federal income tax purposes.

(b) Information To Be Disclosed. The Commissioner will provide, in the manner set forth in paragraph (c) hereof, either directly or indirectly through an agent designated by the Commissioner, the following information (the "Disclosure Information") at the following times:

(1) Within two hundred and seventy (270) days of the end of the fiscal year of the State, commencing with the fiscal year ended June 30, 2009 (each a "Reporting Date"):

(A) The Comprehensive Annual Financial Report of the State for the fiscal year ending on the previous June 30, prepared by the Department of Management and Budget in accordance with generally accepted accounting principles for governmental entities as prescribed by the Government Accounting Standards Board as in effect from time to time or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles, noting the variances therefrom and the effect thereof, together with an independent auditor's report prepared with respect thereto by the Office of the Legislative Auditor of the State or other auditing authority designated by State law; provided, however, that if audited financial statements are not available by such date, the State shall deliver unaudited financial statements, but the State undertakes and agrees to provide, within ten (10) days after the receipt thereof by the State, the audited general purpose financial statements of the State and the related audit report described above; and

(B) To the extent not included in the financial statements referred to in clause (A) hereof, the information for such fiscal year of the type contained in the Official Statement, which information may be unaudited.

Any or all of the information may be incorporated by reference from other documents, including official statements, which have been submitted to EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Commissioner shall clearly identify in the information each document so incorporated by reference.

If any part of the Disclosure Information can no longer be generated because the operations of the State have materially changed or been discontinued, such Disclosure Information need no longer be provided if the State includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other State operations in respect of which data is not included in the Disclosure Information and the State determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations.

If the Disclosure Information is changed or this Section 1.02 is amended as permitted by this paragraph (b)(1) or subsection (d), then the State shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner, notice of the occurrence of any of the following events and which is a Material Fact (as hereinafter defined):

(A) Principal and interest payment delinquencies;

(B) Non-payment related defaults;

(C) Unscheduled draws on debt service reserves reflecting financial difficulties;

(D) Unscheduled draws on credit enhancements reflecting financial difficulties;

(E) Substitution of credit or liquidity providers, or their failure to perform;

(F) Adverse tax opinions or events affecting the tax-exempt status of the Series 2009 Bonds;

(G) Modifications to rights to Registered Owners or Beneficial Owners of the Series 2009 Bonds;

(H) Redemptions of the Series 2009 Bonds (except pursuant to mandatory, scheduled redemptions);

(I) Defeasances;

(J) Release, substitution, or sale of property securing repayment of the Series 2009 Bonds; and

(K) Rating changes.

As used herein, a "Material Fact" is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold, or sell a Series 2009 Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder, or information generally available to the public. Notwithstanding the foregoing sentence, a "Material Fact" is also an event that would be deemed "material" for purposes of the purchase, holding, or sale of a Series 2009 Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, notice of the occurrence of any of the following events or conditions:

(A) the failure of the State to provide the information required under subparagraph (1) of this paragraph (b) at the time specified thereunder;

(B) the amendment or supplementing of this Section 1.02 pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the State under subsection (d)(2);

(C) the termination of the obligations of the State under this Section 1.02 pursuant to subsection (d);

(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the information required under subparagraph (1) of this paragraph (b) are prepared; and

(E) any change in the fiscal year of the State.

(c) Manner of Disclosure. The Commissioner agrees to make available the information described in paragraph (b) to the following entities by telecopy, overnight delivery, mail, or other means, as appropriate:

(1) the information described in paragraph (b), to EMMA;

(2) the information described in paragraph (b), to any rating agency then maintaining a rating of the Series 2009 Bonds and, at the expense of any Registered Owner, to any Registered Owner who requests in writing such information at the time of transmission under subparagraphs (1) or (2) of this paragraph (c), as the case may be, or, if such information is transmitted with a subsequent time of release, at the time such information is to be released.

(d) Term; Amendments; Interpretation.

(1) The covenants of the State in this Section 1.02 shall remain in effect so long as any Series 2009 Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the State under this Section 1.02 shall terminate and be without further effect as of any date on which the State delivers to the Registrar an opinion of bond counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the State to comply with the requirements of this Section 1.02 will not cause participating underwriters in the primary offering of the Series 2009 Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any successor statutes or laws or amended statutes or laws.

(2) This Section 1.02 (and the form and requirements of the Disclosure Information) may be amended or supplemented by the State from time to time, without notice to (except as provided in subparagraph (3) of paragraph (c)) or the consent of the Registered Owners of any Series 2009 Bonds, by an order of the Commissioner accompanied by an opinion of bond counsel, who may rely on certificates of the State and others and the opinion may be subject to customary qualifications, to the effect that: (A) such amendment or supplement (i) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature, or status of the type of operations conducted by the State, or (ii) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (B) this Section 1.02, as so amended or supplemented, would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Series 2009 Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule is in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (C) such amendment or supplement does not materially impair the interests of the Registered Owners under the Rule.

If the Disclosure Information is so amended, the Commissioner agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(3) This Section 1.02 is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of the Rule.

(e) Failure to Comply; Remedies. If the State fails to comply with any provision of this Section 1.02 any person aggrieved thereby, including the Registered Owner of any outstanding Series 2009 Bond, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this Section 1.02. Direct, indirect, consequential, and punitive damages shall not be recoverable for any default hereunder. Notwithstanding anything to the contrary contained herein, in no event shall a default under this

Section 1.02 constitute a default with respect to the Series 2009 Bonds or under any other provision of the Order.

(f) *Further Limitation of Liability of State.* If and to the extent the limitations of liability contained in subsection (e) are not effective, anything contained in this Section 1.02 to the contrary notwithstanding, in making the agreements, provisions, and covenants set forth in this Section 1.02, the State has not obligated itself to pay damages resulting from any violation thereof. None of the agreements or obligations of the State contained herein shall be construed to constitute an indebtedness of the State within the meaning of any constitutional or statutory provisions whatsoever or constitute a pledge of the full faith and credit or taxing powers of the State.

The Commissioner is not in default of any continuing disclosure obligation with respect to any outstanding general obligation bond or revenue bond of the State.

STATE OF MINNESOTA

By: _____
Tom J. Hanson, Commissioner
Minnesota Department of Management and Budget

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APPENDIX E

FORM OF BOND COUNSEL OPINION

Kennedy
&
Graven
CHARTERED

470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402-1458

(612) 337-9300 telephone
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The Honorable Tom J. Hanson
Commissioner of Minnesota Management and Budget
658 Cedar Street
400 Centennial Office Building
Saint Paul, Minnesota 55155

Re: $60,510,000 State of Minnesota
911 Revenue Bonds
(Public Safety Radio Communications System Project)
Series 2009

Dear Commissioner:

We certify that we have examined proceedings taken and facts and estimates certified by the Commissioner of Management and Budget of the State of Minnesota (the "State"), on behalf of the State, preliminary to and in issuance by the State of its 911 Revenue Bonds (Public Safety Radio Communications System Project), Series 2009, dated October 22, 2009 (the "Series 2009 Bonds"). The Series 2009 Bonds recite that they are issued under and pursuant to, and are in strict conformity with, the constitution and laws of the State. We have also examined the constitution and statutes of the State and the form of bond prepared for this issue. From such examination, assuming the authenticity of the proceedings examined and the correctness of the facts and estimates so certified, and based upon laws, rules, regulations and judicial decisions now in effect, it is our opinion that:

1. The Series 2009 Bonds have been authorized and issued in accordance with the Constitution and laws of the State, including Laws of Minnesota 2007, Chapter 54, Article 1, Section 10, Subdivision 8, and Minnesota Statutes, Section 403.275, as amended (collectively, the "Act"), and under and pursuant to an Order of the Commissioner of Minnesota Management and Budget, dated as of October 22, 2009 (the "Order").

2. The Series 2009 Bonds constitute valid and binding special, limited obligations of the State payable solely from and secured by the 911 Fee Revenues, as defined and provided in the Order. The Series 2009 Bonds are not secured by the full faith and credit and taxing powers of the State and are not a general obligation or indebtedness of the State within the meaning of any constitutional or statutory limitation, and do not constitute or give rise to a pecuniary liability of the State. The Series 2009 Bonds

and the Order are enforceable in accordance with their terms in the District Court of Ramsey County, Minnesota, except as such enforcement may be limited or rendered ineffective by judicial decisions or the application of principles of equity relating to or affecting the enforcement of creditor's rights or contractual obligations generally.

3. Interest on the Series 2009 Bonds (a) is not includable in gross income for federal income tax purposes or in taxable net income of individuals, estates, or trusts for Minnesota income tax purposes; (b) is includable in taxable income of corporations and financial institutions for purposes of the Minnesota franchise tax; and (c) is not an item of tax preference includable in alternative minimum taxable income for purposes of the federal alternative minimum tax applicable to all taxpayers or the Minnesota alternative minimum tax applicable to individuals, estates, and trusts.

The opinions expressed in paragraph 3 above are subject to the condition of the State's compliance with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Series 2009 Bonds in order that interest thereon may be, and continue to be, excluded from gross income for federal income tax purposes. Noncompliance by the State following the issuance of the Series 2009 Bonds with covenants made by the Commissioner of Minnesota Management and Budget in the Order authorizing the issuance of the Series 2009 Bonds relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Series 2009 Bonds in gross income of the recipient for federal income tax purposes and in taxable net income for Minnesota income tax purposes, retroactive to the date of issuance of the Series 2009 Bonds. No provision has been made for an increase in the interest payable on the Series 2009 Bonds in the event that the interest payable thereon becomes includable in gross income for federal or Minnesota income tax purposes. Except as stated in this opinion, we express no opinion regarding federal, state, and other tax consequences to holders of the Series 2009 Bonds.

Dated: October __, 2009.

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APPENDIX F

SPECIMEN FINANCIAL GUARANTY INSURANCE POLICY

ASSURED GUARANTY®
ENDURING FINANCIAL STRENGTH

Financial Guaranty Insurance Policy

Issuer:

Policy No.:

Obligations:

Premium:

Effective Date:

SPECIMEN

Assured Guaranty Corp., a Maryland corporation ("**Assured Guaranty**"), in consideration of the payment of the Premium and on the terms and subject to the conditions of this Policy (which includes each endorsement hereto), hereby unconditionally and irrevocably agrees to pay to the trustee (the "**Trustee**") or the paying agent (the "**Paying Agent**") for the Obligations (as set forth in the documentation providing for the issuance of and securing the Obligations) for the benefit of the Holders, that portion of the Insured Payments which shall become Due for Payment but shall be unpaid by reason of Nonpayment.

Assured Guaranty will make such Insured Payments to the Trustee or the Paying Agent on the later to occur of (i) the date applicable principal or interest becomes Due for Payment, or (ii) the Business Day next following the day on which Assured Guaranty shall have Received a completed Notice of Nonpayment. If a Notice of Nonpayment by Assured Guaranty is incomplete or does not in any instance conform to the terms and conditions of this Policy, it shall be deemed not Received, and Assured Guaranty shall promptly give notice to the Trustee or the Paying Agent. Upon receipt of such notice, the Trustee or the Paying Agent may submit an amended Notice of Nonpayment. The Trustee or the Paying Agent will disburse the Insured Payments to the Holders only upon receipt by the Trustee or the Paying Agent, in form reasonably satisfactory to it of (i) evidence of the Holder's right to receive such payments, and (ii) evidence, including without limitation any appropriate instruments of assignment, that all of the Holder's rights to payment of such principal or interest Due for Payment shall thereupon vest in Assured Guaranty. Upon and to the extent of such disbursement, Assured Guaranty shall become the Holder of the Obligations, any appurtenant coupon thereto and right to receipt of payment of principal thereof or interest thereon, and shall be fully subrogated to all of the Holder's right, title and interest thereunder, including without limitation the right to receive payments in respect of the Obligations. Payment by Assured Guaranty to the Trustee or the Paying Agent for the benefit of the Holders shall discharge the obligation of Assured Guaranty under this Policy to the extent of such payment.

This Policy is non-cancelable by Assured Guaranty for any reason. The Premium on this Policy is not refundable for any reason. This Policy does not insure against loss of any prepayment premium or other acceleration payment which at any time may become due in respect of any Obligation, other than at the sole option of Assured Guaranty, nor against any risk other than Nonpayment.

Except to the extent expressly modified by any endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "**Avoided Payment**" means any amount previously distributed to a Holder in respect of any Insured Payment by or on behalf of the Issuer, which amount has been recovered from such Holder pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction that such payment constitutes an avoidable preference with respect to such Holder. "**Business Day**" means any day other than (i) a Saturday or Sunday, (ii) any day on which the offices of the Trustee, the Paying Agent or Assured Guaranty are closed, or (iii) any day on which banking institutions are authorized or required by law, executive order or governmental decree to be closed in the City of New York or in the State of Maryland. "**Due for Payment**" means (i) when referring to the principal of an Obligation, the stated maturity date thereof, or the date on which such Obligation shall have been duly called for mandatory sinking fund redemption, and does not refer to any earlier date on which payment is due by reason of a call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless Assured Guaranty in its sole discretion elects to make any principal payment, in whole or in part, on such earlier date) and (ii) when referring to interest on an Obligation, the stated date for payment of such interest. "**Holder**" means, in respect of any Obligation, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Obligation to payment of principal or interest thereunder, except that Holder shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Obligations. "**Insured Payments**" means that portion of the principal of and interest on the Obligations that shall become Due for Payment but shall be unpaid by reason of Nonpayment. Insured Payments shall not include any additional amounts owing by the Issuer solely as a result of the failure by the Trustee or the Paying Agent to pay such amount when due and payable, including without limitation any such additional amounts as may be attributable to penalties or to interest accruing at a default rate, to amounts payable in respect of indemnification, or to any other additional amounts payable by the Trustee or the Paying Agent by reason of such failure. "**Nonpayment**" means, in respect of an Obligation, the failure of the Issuer to have provided sufficient funds to the Trustee or the Paying Agent for payment in full of all principal and interest Due for Payment on such Obligation. It is further understood that the term "Nonpayment" in respect of an Obligation includes any Avoided Payment. "**Receipt**" or "**Received**" means actual receipt or notice of or, if notice is given by overnight or other delivery service, or by certified or registered United States mail, by a delivery receipt signed by a person authorized to accept delivery on behalf of the person to whom the notice was given. Notices to Assured Guaranty may be mailed by registered mail or personally delivered or telecopied to it at 31 West 52nd Street, New York, New York 10019, Telephone Number: (212) 974-0100, Facsimile Number: (212) 581-3268, Attention: Risk Management Department - Public Finance Surveillance, with a copy to the General Counsel at the same address and at generalcounsel@assuredguaranty.com or at the following Facsimile

Number: (212) 445-8705, or to such other address as shall be specified by Assured Guaranty to the Trustee or the Paying Agent in writing. A Notice of Nonpayment will be deemed to be Received by Assured Guaranty on a given Business Day if it is Received prior to 12:00 noon (New York City time) on such Business Day; otherwise it will be deemed Received on the next Business Day. "**Term**" means the period from and including the Effective Date until the earlier of (i) the maturity date for the Obligations, or (ii) the date on which the Issuer has made all payments required to be made on the Obligations.

At any time during the Term of this Policy, Assured Guaranty may appoint a fiscal agent (the "**Fiscal Agent**") for purposes of this Policy by written notice to the Trustee or the Paying Agent, specifying the name and notice address of such Fiscal Agent. From and after the date of Receipt of such notice by the Trustee or the Paying Agent, copies of all notices and documents required to be delivered to Assured Guaranty pursuant to this Policy shall be delivered simultaneously to the Fiscal Agent and to Assured Guaranty. All payments required to be made by Assured Guaranty under this Policy may be made directly by Assured Guaranty or by the Fiscal Agent on behalf of Assured Guaranty. The Fiscal Agent is the agent of Assured Guaranty only, and the Fiscal Agent shall in no event be liable to the Trustee or the Paying Agent for any acts of the Fiscal Agent or any failure of Assured Guaranty to deposit, or cause to be deposited, sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, Assured Guaranty hereby waives, in each case for the benefit of the Holders only, all rights and defenses of any kind (including, without limitation, the defense of fraud in the inducement or in fact or any other circumstance that would have the effect of discharging a surety, guarantor or any other person in law or in equity) that may be available to Assured Guaranty to deny or avoid payment of its obligations under this Policy in accordance with the express provisions hereof. Nothing in this paragraph will be construed (i) to waive, limit or otherwise impair, and Assured Guaranty expressly reserves, Assured Guaranty's rights and remedies, including, without limitation: its right to assert any claim or to pursue recoveries (based on contractual rights, securities law violations, fraud or other causes of action) against any person or entity, in each case, whether directly or acquired as a subrogee, assignee or otherwise, subsequent to making any payment to the Trustee or the Paying Agent, in accordance with the express provisions hereof, and/or (ii) to require payment by Assured Guaranty of any amounts that have been previously paid or that are not otherwise due in accordance with the express provisions of this Policy.

This Policy (which includes each endorsement hereto) sets forth in full the undertaking of Assured Guaranty with respect to the subject matter hereof, and may not be modified, altered or affected by any other agreement or instrument, including, without limitation, any modification thereto or amendment thereof. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. This Policy will be governed by, and shall be construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, Assured Guaranty has caused this Policy to be affixed with its corporate seal, to be signed by its duly authorized officer, and to become effective and binding upon Assured Guaranty by virtue of such signature.

ASSURED GUARANTY CORP.

(SEAL)

By:_____
[Insert Authorized Signatory Name]
[Insert Authorized Signatory Title]

Signature attested to by:

_____
Counsel

SPECIMEN