The Commonwealth of Massachusetts
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STATE TREASURER'S OFFICE ANNOUNCES BOND SALE JULY 21ST & 22ND

BOSTON, MA, July 20, 2010 – The State Treasurer's Office announced that it will be selling approximately $300 million in Commonwealth of Massachusetts General Obligation Bonds on Wednesday, July 21st and Thursday, July 22nd. Bonds will be offered to individual investors only, with Massachusetts residents given priority in orders for bonds, on Wednesday and Thursday morning. This will be the second bond sale for individual investors in a year.

The sale comes on the heels of the affirmation of the Commonwealth's bond ratings. On Monday, the Commonwealth received affirmations on its 'AA+', 'Aa1', and 'AA' ratings from Fitch Ratings, Moody's Investor Services, and Standard & Poor's, respectively. All three rating outlooks remain stable.

"We're excited to offer bonds first to individual Massachusetts investors," said Treasurer Cahill. "We had a very positive response to our bond sale last month, and want to again offer bonds to Massachusetts investors. Individual investors are our largest holder of bonds, and there are long-term economic and public policy benefits to expanding our investor base even further."

The bond sale represents the Commonwealth's first debt restructuring since 1991. Bonds will be used primarily for the refunding, but the Commonwealth had the option to apply a portion of the proceeds towards new money construction if revenues are strong through September and October.

The Treasurer's Office has had tremendous success selling bonds to individual investors. Over the course of fiscal 2009 when the Commonwealth sold approximately $2.4 billion in bonds, nearly 50% of the bonds sold (or approximately $1.2 billion) were sold during retail order periods, a significantly higher proportion than in previous years. This allowed the Commonwealth to finance its capital plan and borrow at very low borrowing rates, despite the turmoil and volatility in the capital markets throughout fiscal 2009.

The Commonwealth's current general obligation bond ratings are 'AA+/Aa1/AA' from Fitch Ratings, Moody's Investor Services, and Standard & Poor's, respectively. For more information on the upcoming sale, please go to **www.buymassachusettsbonds.com** as it gets updated with details of the bond offering.

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