

REQUEST FOR QUALIFICATIONS

FOR

NASSAU COUNTY INTERIM FINANCE AUTHORITY

UNDERWRITING SERVICES

DUE: MAY 21, 2020

VIA EMAIL BEFORE 4:00 PM EST TO JEREMY.WISE@NIFA.NY.GOV

NASSAU COUNTY INTERIM FINANCE AUTHORITY

1305 FRANKLIN AVENUE, SUITE 302

GARDEN CITY, NY 11530

NOTICE TO ALL PROPOSERS

PROPOSERS ARE HEREBY DIRECTED TO THE NASSAU COUNTY INTERIM FINANCE AUTHORITY'S WEB SITE AT WWW.NIFA.NY.GOV TO OBTAIN COMPLETE RFQ DOCUMENTS, RFQ ADDENDA, POST-RFQ ADDENDA AND RELATED NOTICES.

The Nassau County Interim Finance Authority (“NIFA” or the “Authority”) is soliciting statements of qualification from firms, registered with FINRA and/or SEC, to serve as Senior Managing Underwriters, Co-Managing Underwriters and Selling Group Members in connection with the proposed future issuance of bonds by NIFA. It is intended that through this Request for Qualification (“RFQ”), one or more firms that are qualified underwriters will be selected for inclusion on NIFA’s Qualified Underwriter List (“List”). NIFA expects to sell bond and note issues (sometimes, collectively referred to as “Bonds” or “bonds”) during the term of this engagement. Firms included on the List may also be used for other financings that may be undertaken by NIFA during the engagement period.

A description of the required Services is provided and detailed herein.

Proposals shall be delivered to the Authority by email before 4:00 pm EST to JEREMY.WISE@NIFA.NY.GOV no later than **May 21, 2020**. **Subject of email should be "RFQ, Underwriting Services." [Your institution's name].**

During the "Restricted Period" the proposer must communicate only by email and only with the Designated Contact Person (Jeremy Wise) for this RFQ. During the Restricted Period, proposers may not contact Nassau County, New York (the "County") or its representatives regarding this RFQ, other than to obtain debt or other objective information. The "Restricted Period" is defined to be the period of time commencing with the earliest written notice, advertisement or solicitation of a request for qualifications and ending with the selection by NIFA of a list of qualified firms.

The Authority's Designated Contact Person during the formal bid period is Jeremy Wise, NIFA General Counsel. No other Authority personnel are authorized to receive, initiate, or communicate information of any kind regarding this RFQ during the "Restricted Period." Failure of a prospective Proposer to fully comply with this requirement may result in the rejection of its Qualification Statement and disqualification from the final list of approved firms.

All expenses incurred by you in preparation of your proposal will be to your account. NIFA will not reimburse any such expenses.

NIFA reserves the right to reject any or all Qualification Statements.

Section 1. General Information

A. NIFA Description

The Authority is a corporate governmental agency and instrumentality of the State of New York, constituting a public benefit corporation. The Authority's operations are supported entirely through sales tax revenues and investment earnings.

NIFA is empowered to monitor and oversee the finances of the County and 'covered organizations,' as defined in the NIFA Act. In its oversight capacity, the Authority imposed a control period on March 24, 2011 and is currently empowered to, among other things, approve County contracts, financial plans, and proposed borrowings.

After a hiatus, State Legislation was recently enacted (see updated Act on NIFA website) that renewed NIFA's authority to issue bonds for various County purposes. That Legislation is the primary reason for this new solicitation.

The Authority will continue to be in existence until its oversight, control or other responsibilities and its liabilities (including the payment in full of Authority bonds and notes) have been met or discharged, but no later than 2051.

B. Purpose

NIFA seeks qualifications from qualified firms, registered with FINRA and/or SEC, to serve as Senior Managing Underwriters, Co-Managing Underwriters and Selling Group Members in connection with the proposed future issuance of bonds by NIFA. It is intended that through this Request for Qualifications ("RFQ"), one or more firms that are qualified underwriters will be selected for inclusion on NIFA's Qualified Underwriter List ("List"). NIFA expects to sell bonds during the term of this engagement. Firms included on the List may also be used for other financings that may be undertaken by NIFA during the engagement period.

Firms who wish to serve as Selling Group Members are required to provide a qualification in response to this RFQ as detailed herein; however, NIFA may add additional firms as Selling Group Members to its list at any time upon demonstration of satisfactory registration requirements.

C. Key Events/Dates

Provided below is the schedule for milestones in this RFQ process, listed in order of occurrence. NIFA reserves the right to change any or all of these dates as it deems necessary or convenient in its discretion. Proposing firms are responsible for checking the NIFA website for updates, clarifications and other important information concerning this RFQ.

Issuance of RFQ:	April 29, 2020
RFQ Question Deadline:	May 11, 2020
Qualification Due By:	May 21, 2020

Section 2. Engagement Requirements

A. Overall Scope of Services

The overall responsibilities of NIFA's Senior Managing Underwriter(s) shall include:

1. Providing the most cost-effective pricing and marketing of NIFA's bonds at the lowest interest rates possible;
2. Identifying new strategies, structures and initiatives as well as new ideas which could be utilized by NIFA to further enhance NIFA's operation and the performance of NIFA's mission to assist Nassau County achieve fiscal stability and independence;
3. Identifying refunding or restructuring opportunities for NIFA to reduce interest costs on its borrowings;
4. Pursuing ways for NIFA to improve the reduction of interest rate exposure as well as mitigate other risks commonly associated with swap and hedge strategies and continue to maximize interest rate savings;
5. Providing such other related services as requested by NIFA from time to time; and
6. Providing other additional ad hoc analysis as requested by NIFA.

B. Specific Scope of Services

The successful firm(s) will:

1. As Senior Managing Underwriter, provide services including (except as otherwise provided):
 - a. Structure and size bond issues;
 - b. Prepare cash flows and individual transaction cash flows for NIFA's programs;
 - c. Prepare financing schedules and calendar of events;
 - d. Prepare pricing memos discussing marketing conditions (including comparables) and preliminary pricing scales/analysis, syndicate rules, syndicate price views and marketing compensation;
 - e. Manage the underwriting process and provide advice on market timing and investor demand;

- f. Conduct bond sale conference calls and coordinate information with the syndicate group;
 - g. Market and distribute bonds;
 - h. Commit capital as required in underwriting NIFA's bonds;
 - i. Provide post-closing analysis of debt issuances including pricing, orders, allotments, designations, allocations, concentrations etc.;
 - j. Provide support for the bonds in the secondary market;
 - k. Undertake certain market-related analyses of various financial products as may be requested by NIFA;
 - l. Coordinate information meetings with institutional investors, credit analysts, rating agencies, financial advisors and other public presentations as requested by NIFA;
 - m. Participate in discussions with NIFA upon the occurrence of unexpected events such as dislocations in the market and assist NIFA in developing strategic and tactical responses; and
 - n. Other services as requested from time to time.
2. As Co-Managing Underwriter, provide services including (except as otherwise provided):
- a. Assist in marketing and distribution of bonds;
 - b. Commit capital as required in underwriting NIFA's bonds;
 - c. Provide support for the bonds in the secondary market; and
 - d. Other services as requested from time to time.

C. Engagement Standards; Rights of NIFA

Underwriting Partnerships – At the direction of NIFA, the firm must be willing to partner with other firms, including M/WBE firms and Service-Disabled Veteran Owned Business (SDVOB) firms.

Financial Information – As a condition of this engagement each firm will be required to update financial information prior to each appointment to senior manage or co-senior manage a transaction. Firms will also be required to notify NIFA when a significant change or impairment of financial position has occurred.

Syndicate Structures – NIFA reserves the right to review performance and reassign underwriters on the list to new roles at any time during the engagement.

Reports to NIFA – Firms will be required to provide pricing information to NIFA for each transaction for which they serve as Senior Manager.

MWBE Reports – Firms will be required to report regularly, but no less than annually, on their development and diversity.

Section 3. Inquiries/Questions & Answers

A. Inquiries – All inquiries concerning this RFQ or any other aspects of this procurement must be emailed (no telephonic communications) to:

Jeremy Wise, NIFA General Counsel

Email: JEREMY.WISE@NIFA.NY.GOV

Subject of email should be “RFQ, Underwriting Services,” [Your institution’s name]

Questions & Answers

In order to provide NIFA with sufficient time to reply, questions must be received no later than 4:00pm EST time on May 11, 2020. A list of all questions received and deemed substantive by NIFA, with relevant responses, will be posted at www.NIFA.NY.GOV under the “RFPs/RFQs” portion of the website and will be entitled: “Addendum to RFQ for Underwriters.”

No firm which is considering submitting a qualification or which has submitted a qualification shall contact any employee other than the contact person listed above during the period of the RFQ process about any matters related to the RFQ or any qualifications submitted in response to this RFQ. Such contact may result in the rejection of the qualification.

Section 4. Evaluation of Qualifications

A. The Selection Process

The selection process will begin with the review and evaluation of each of the written qualifications. The purpose of the evaluation is two-fold: (1) to examine the responses for compliance with this RFQ, and (2) to identify the complying firms that have the highest probability of satisfactorily performing the scope of services. The evaluation will be conducted in a comprehensive and impartial manner as set forth herein.

B. Preliminary Review

NIFA reserves the right to reject all qualifications received after the RFQ due date and time. All Qualifications will be reviewed to determine if they contain all required submittals specified in this RFQ. Incomplete Qualifications may be rejected.

C. Evaluation and Criteria for Selection

Qualifications will undergo an evaluation process conducted by a Committee selected by NIFA.

The Committee will evaluate the Qualifications based upon the following criteria:

1. The information submitted in response to this RFQ, including each Underwriter's:
 - a. Experience;
 - b. Ability to structure and sell NIFA's bond issues;
 - c. Knowledge and technical expertise;
 - d. Capitalization, distribution capabilities;
 - e. Diversity and commitment to equal opportunity programs including status as a certified MWBE and/or SDVOB;
 - f. For firms applying to be Senior Managers, underwriter's insights and ideas will also be evaluated;
 - g. Where does your firm want to apply in the selling group (Sr. Manager, Sr. Co-Manager, Co-Manager, or Selling Group)?
 - h. Should your firm not be selected as Sr. Manager, would you still participate within the bond selling group?
 - i. CRA Rating, if applicable;
 - j. Material outstanding litigation;
 - k. Criminal judgements or settlements with federal, state, or other regulatory bodies (FINRA, SEC, Comptroller, OCC, and district attorneys' offices pertaining but not limited to: LIBOR price fixing, Auction Rate Securities, ongoing investigations, actions, restrictions, cease and desist orders, capital restrictions, fraud, and any other similar investigations or sanctions; and
 - l. Dedicated capital to public finance

D. Interviews

NIFA reserves the right to determine whether interviews will be necessary. The purpose of the interview is to further document the proposer's ability to provide the required services, and to impart to the Committee an understanding of how specific services will be furnished.

Section 5. Submission of Qualifications

A. Response Submission

Complete the items as appropriate pursuant to the instructions in this RFQ. In your response, please provide the information in the same order in which it is requested. Your Qualification must contain sufficient information to assure NIFA of its accuracy.

Firms must submit one (1) electronic copy of their Qualification in PDF format. Qualifications received after the due date will be rejected.

An official authorized to submit the proposal to the proposal must sign the Qualification. All Qualifications and accompanying documentation will become the property of NIFA and will not be returned. Upon a specific request by a proposer(s) for confidentiality of all or part of their proposal(s), the highlighted content will be held in confidence during the evaluation process and no details of any Qualification will be discussed outside the evaluation process.

Section 6. Term of Engagement

The engagement term will run for an initial three-year period. NIFA may exercise its option to extend the engagement period for up to two one-year additional periods at management's discretion. Inclusion on the list does not guarantee a minimum number of transactions, or any transaction with NIFA.

Section 7. Items to be Completed and Returned

Firms applying for Senior Managing Underwriters, Co-Managing Underwriters, and Selling Group status are required to complete and return:

- A. Common Application Coversheet
- B. Qualifications
- C. Performance
- D. Insights/Ideas

A. COMMON APPLICATION COVERSHEET

POSITION APPLYING FOR:

- Senior Manager (Book Runner)
- Co-Manager (Lead)
- Selling Group Member (Syndication Member)

DATE OF APPLICATION:

GENERAL INFORMATION ON FIRM:

Legal Name of Firm: _____

Firm's Mailing Address: _____

Firm's Website Address: _____

Firm's Main Telephone Number (including area code): _____

Federal Tax ID Number: _____

FINRA and/or SEC Registration Number: _____

CRA Rating: _____

Latest MRA Rating: _____

Bank's Credit Rating: _____

MWBE Registration Number (if applicable): _____

MAIN CONTACT INFORMATION FOR THIS QUALIFICATION:

Please list the individual that will be the main contact regarding this Qualification:

Contact Name: _____

Title: _____

Contact Telephone Number (including area code): _____

Contact Email Address: _____

Address: _____

PRIMARY STAFF PERSON(S):

Please list the primary staff person(s) who will provide services relating to NIFA. Attach resumes, which will not be counted against your page limit.

Contact Name(s):

Title(s):

Contact Telephone Number(s) (including area code):

Contact Email Address(es)

B. QUALIFICATIONS

Please limit your response to five (5) pages for this section.

1. Briefly describe your firm's qualifications to serve as either a senior manager, co-manager, or selling group for a NIFA bond issuance. Your response should include:
 - a. A brief description of your firm and its organizational structure including a list of business lines in which your firm engages in addition to public finance;
 - b. The ownership structure of the firm and, if applicable, your firm's long-term ratings for each of the last two years and a description of any events that may have caused any of the rating agencies to change their rating or outlook;
 - c. The firm's capital structure and leveraging practices, including total capital, equity capital, uncommitted excess net capital, underwriting capacity and, if available, a financial and operational combined uniform single "FOCUS" report.
2. Discuss your firm's commitment to public finance. Have there been any major changes within the past year in the firm's municipal finance department staffing? If so, please discuss how these changes may affect coverage of NIFA. Include the number of staff members assigned to investment banking, underwriting, sales and trading.
3. Discuss your firm's capital commitment to public finance. Your response should include:
 - a. How much uncommitted excess net capital is allocated to public finance?
 - b. How much uncommitted excess net capital was allocated to support public finance operations since 2016? Describe in detail any major changes.
 - c. Please briefly discuss examples of transactions and circumstances where your firm used its capital to support the sale and distribution of bonds during the past two years. Also include whether the bonds were taken into inventory at the stated yield and if not, why?
 - d. What are the three largest positions your firm has taken down into inventory during the last six months when your firm was senior manager on a transaction? Please include in your response the total par amount of the issue, the total amount of unsold bonds, the type of bonds (Revenue etc.), as well as the amount of bonds your firm took into inventory, the amount of time it took to work off the bonds and the change in price/yield/spread over this time period.
4. NIFA is committed to diversity, inclusion, and equal employment opportunities in all of its procurements and encourages workforce diversity goals for its financial professional service procurements to encourage the hiring of minority and female staff by our underwriters, bond counsel, broker-dealers, accounting firms and other financial

services providers and the involvement of minority and female staff in meaningful roles on the assignments undertaken for NIFA.

a. Describe your firm's affirmative action track-record, programs, policies, practices and/or activities used to attract and maintain a work force that integrates minorities and females at all levels throughout your firm. Please include this information as an appendix to your response (not subject to the respective page limit) entitled "Affirmative Action Policies."

b. Describe the demographic diversity of your firm's overall work force, including the total number of employees in your public finance department and include the numbers and percentages of minorities and women employed as officers, associates, and paraprofessionals. Please provide this same information with respect to the personnel who would cover NIFA's account as well as the roles and responsibilities of each team member. If your firm is a New York State-certified MWBE firm, please indicate so and provide documentation.

5. NIFA is committed to increasing the utilization of MWBE firms and SDVOB firms in underwriting its bond issues. Please share any ideas you may have for joint venture partnerships which would benefit NIFA.
6. Provide NIFA with a list and description of any proceedings by any governmental authority against your firm, including but not limited to, any pending or anticipated proceedings or rule or order relating to a violation or alleged violation by your firm of any federal or state statute or regulation pertaining to the underwriting or sale of securities, the provision of investment advisory services or the issuance of securities. Provide a list of all sanctions and/or fines imposed on your firm during the last 36 months in connection with any proceeding of the type described in the preceding sentence. Also provide NIFA with a list and description of any proceedings by private parties against your firm (individually or in the aggregate) that your firm has determined may have a material adverse impact on the current financial status or operations of the firm.
7. Disclose any existing or contemplated relationship with any other person or entity, including relationships with any parent, subsidiary or affiliated firm, which would constitute an actual or potential conflict of interest in connection with your rendering services enumerated in this RFQ. If a conflict does or might exist, please describe how your firm would eliminate or prevent it.

C. PERFORMANCE

Please limit your response to five (5) pages for this section.

1. List up to five of your firm's or principal's combined experience in NYS as senior manager, co-manager or selling group member for appropriation, revenue, subordinate

bonds, or other comparable financing programs. For each financing mentioned, describe any unique contribution your firm or principals have made to the transaction and how the issuer benefited. Elaborate on any innovations developed by your firm or principals or any special marketing efforts undertaken by the firm for such financings

2. Discuss the firm's bond distribution capabilities, both institutional and retail, in detail. Include any significant increases or decreases in the number of employees devoted to these functions in the last three years or any planned in the near future. Please give examples of how your firm's bond distribution capabilities have served NIFA or similar credits for other issuers in the past three years.

D. INSIGHTS/IDEAS

Please limit your response to five (5) pages for this section.

1. Discuss how NIFA's renewed bonding authority could be used to assist Nassau County by such measures as deferral of debt service payments, refundings, restructurings or the use of taxable or tax-exempt bonds.
2. Discuss what role your firm normally plays in the rating process and if you have staff with special expertise in dealing with rating agencies.
3. Discuss the pros and cons of competitive sales and negotiated sales for the sale of NIFA debt.
4. Discuss how NIFA can limit financing costs. For example, do you recommend the use of disclosure counsel and financial advisors?
5. The Tax Cuts and Jobs Act eliminated the ability to undertake tax-exempt advance refundings. Please discuss any alternatives such as forward delivery of refunding bonds, taxable refundings, Cinderella bonds and/or other products and the pros and cons of these alternatives.
6. Discuss any statutory changes or new programs announced in response to the pandemic that could benefit NIFA's bond programs.

F. Certification Concerning Independent Qualification

Hereby certifies as follows in connection with our Qualification for the position of:

A. Except as described below, we have prepared our response to this Request for Qualifications independently, without consultation, communication, or agreement as to any matter with any other respondent to the RFQ or with any competitor.

B. Except as described below, we have not disclosed our response and, unless otherwise required by law, will not disclose our response prior to announcement of a qualified list by NIFA, either directly or indirectly, with any other firm or to any competitor.

C. Except as described below, we have made no attempt and will make no attempt to induce any other person or firm to submit or not to submit a Qualification.

D. Except as described below, there are no fee splitting arrangements, finder's fees, consulting arrangements or any other financial arrangement in connection with this response or the subsequent transactions contemplated by this response.

Exceptions if any:

Authorized Signatory:

Dated: