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FOR IMMEDIATE RELEASE

Rice Financial Senior Manages \$210 Million Refunding for New York Water Authority Promotes Firm from Senior Co-Manager Role to Run the Books on Transaction

New York, New York, September 23, 2010 – Rice Financial Products Company senior managed a successful tax-exempt refunding for the New York City Municipal Water Finance Authority this week, its first ever senior managed engagement with The City of New York. Designated by the City last year as a senior co-manager eligible for promotion to senior manager, the firm learned the news just two weeks ago that it would be leading the syndicate for the \$210,040,000 Water and Sewer System Second General Resolution Revenue Bonds, Fiscal 2011 Series BB.

Rice Financial created a customized refunding opportunity for the Authority, resulting in both the elevated appointment and the issue itself. Jose Yandun, Vice President and the senior quantitative professional at Rice, said, “New York City monitors its debt for refunding opportunities frequently and was well aware of the savings that the current refunding presented. We were able to identify additional refunding candidates that the City had not considered, but which produced substantial savings. The additional advance refunding yielded \$6.2 million in present value savings, or 14.5% of refunded par. Total present value savings for the transaction were \$18 million, or 8% of refunded par.”

The bonds were first offered during a retail order period on Monday, with the institutional offering commencing on Tuesday. The issue was distributed to a wide range of investors at spreads to industry benchmarks that were among the tightest the Authority had achieved on recent issues.

David Womack, Managing Director and Director of the Northeast Region at Rice, served as lead banker on the transaction. “As one of the three special bracket firms eligible to serve as senior manager, we have committed ourselves to identifying market opportunities that would appeal to the City,” he said. “We were delighted to have the chance to demonstrate our ability to provide both a creative banking solution and the underwriting and marketing strength to ensure a successful transaction.”

New York Water supplies water to nine million people in New York City and surrounding areas. Water usage fees, which back the bonds, are established by the city’s water board, which is separate from the authority board. Moody’s rates the deal Aa2. Fitch Ratings and Standard & Poor’s rate it AA-plus. All three agencies assign a stable outlook.

CEO Don Rice was pleased to have reached this critical milestone, for any firm and particularly for a New York headquartered company. "New York is home to our firm and most of our professionals," he said. "We were excited to execute our inaugural New York City financing and honored to work with the professionals who have committed their careers to serving our City and the extraordinary team of advisors they have assembled."

Rice Financial Products Company

Founded in New York City in 1993, Rice Financial Products Company is one of the fastest growing underwriters of municipal bonds in the United States today. The firm provides services to municipalities and not-for-profit institutions in four key areas: structuring and underwriting, municipal sales and trading, taxable fixed income investing, and derivative products. Through the first half of 2010, the firm participated as a manager in bond transactions totaling \$21.4 billion (a 40% increase over the first half of 2009). The firm employs 45 people in 12 offices coast to coast.