Fidelity Capital Markets currently serves as a co-managing underwriter for the bonds issued by the Virginia Resources Authority (the “Authority” or “VRA”) in connection with the Virginia Pooled Financing Program and we invite you to learn more about the VRA and the Virginia Pooled Financing Program.

ABOUT THE VRA

- VRA is a political subdivision of the Commonwealth of Virginia that was created in 1984 pursuant to the Virginia Resources Authority Act to provide financial solutions to local governments and other public bodies for projects in Virginia. (Source: VRA Annual Report 2008)

ABOUT THE VIRGINIA POOLED FINANCING PROGRAM

- The Virginia Pooled Financing Program makes critical projects happen by offering financing solutions for local governments across the Commonwealth of Virginia. The investment in Virginia’s communities by the VRA’s Pooled Financing Program provides real value to local government borrowers in the form of speed, flexibility and cost savings. Each loan is customized to help meet the needs and financial policies of each locality or regional authority and shares in each locality’s commitment to community enhancement. Local borrowers realize savings from VRA’s state credit enhancements. VRA’s high credit ratings, natural “AAA” for the senior bonds and “AA” for the subordinate bonds, result in favorable access to the capital markets. (Source: VRA Annual Report 2008)

BOND FINANCING AND THE VIRGINIA POOLED FINANCING PROGRAM

- Under the Virginia Pooled Financing Program, the VRA uses the net proceeds of bonds to purchase or acquire local obligations from localities across the Commonwealth of Virginia to finance or refinance projects. The qualified projects that can be financed include, but are not limited to, the following: facilities related to water supply, wastewater treatment, solid waste management, recycling, resource recovery, energy conservation and efficiency, public safety, and local government buildings, as well as interests in land related thereto. To qualify under the Virginia Pooled Financing Program, a locality must submit to the VRA an application or other materials containing a description of the project and a summary of its estimated costs and the sources of funds, amongst other things. The acquisition of a local obligation by the VRA under the Virginia Pooled Financing Program will be determined by the VRA, generally, on the basis of the economic feasibility of the project. Additionally, the VRA will also consider either the locality’s demonstration of its ability to fix rates, fees and other charges at times and in amounts necessary to produce sufficient revenues to pay the operating and maintenance expenses of the project and any outstanding debt related to it or the tax base, existing tax rate structure and the historical performance of the locality’s general fund. (Source: VRA Annual Report 2008)

THE VIRGINIA POOLED FINANCING PROGRAM INVESTS IN VIRGINIA’S COMMUNITIES

- The Virginia Pooled Financing Program was established in 2003. Since its inception, VRA has financed over $928 million in projects for 65 local governments and authorities. This program provides custom-tailored loans, convenience and ease of use, economies of scale and access to capital for all borrowers across Virginia. (Source: VRA Website)
The Virginia Pooled Financing Program Flow of Funds

Virginia Resources Authority
Virginia Pooled Financing Program
Flow of Funds*

- Local Obligation Payments
- Commonwealth Appropriation
- SR Deb Service Fund
- Operating Reserve Fund
- Sub Deb Service Fund
- Capital Reserve Fund

Bond Issue(s)
- SR Bonds
- Sub Bonds

Bond Security

Source: Virginia Resources Authority

*By clicking on the links above you understand that you are about to leave the Fidelity web site for a web site that is unaffiliated with Fidelity. Fidelity has not been involved in the preparation of the content supplied at the unaffiliated site and does not guarantee or assume any responsibility for its content.

Disclaimers

This information does not constitute an offer of any securities for sale. Investors interested in participating in the VRA’s securities should review the preliminary official statement relating to the securities to learn about the VRA’s and the particular offering before investing. The information in the preliminary official statement is not complete and may be changed. We may not sell these securities until the preliminary official statement is properly filed and is effective. The preliminary official statement is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

This information has been provided by the VRA, an independent organization not affiliated with Fidelity Investments. Fidelity does not prepare, edit, or endorse Third Party Content. Fidelity therefore does not guarantee its accuracy, timeliness, completeness or usefulness, and is not responsible or liable for any content, advertising, products, or other materials on or available from third party sites. Information and logos used with permission from the VRA. Bond Ratings are from Standard & Poor’s and/or Moody’s.

You will use Third Party Content only at your own risk. Content is provided for informational and/or educational purposes and is not intended to provide tax, legal or investment advice and should not be construed as an offer to sell, a solicitation of an offer to buy, or a recommendation for any security by Fidelity or any Third-Party Provider. Although bonds generally present less short-term risk and volatility than stocks, bonds do entail interest rate risk (as interest rates rise, bond prices usually fall and vice versa) and the risk of default, or the risk that an issuer will be unable to make upcoming or principal payments. Additionally, bonds and short-term investments may entail greater inflation risk, or the risk that the return of an investment will not keep up with increases in the prices of goods and services, than stocks. Any fixed-income security sold or redeemed prior to maturity may be subject to substantial gain or loss. The information provided here is general in nature and should not be considered legal or tax advice. Consult with an attorney or tax professional regarding your specific legal or tax situation.