



Solicitation Information
November 8, 2013

RFP #7536364

TITLE: Disclosure Counsel Services for the Tobacco Settlement Financing Corporation

Submission Deadline: December 13, 2013 @ 2:30 PM (ET)

Questions concerning this solicitation may be e-mailed to the Division of Purchases at questions2@purchasing.ri.gov no later than **November 25, 2013 at 3:00PM EST**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the **RFP # 7536364** on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

PRE-BID CONFERENCE	NO
SURETY REQUIRED:	NO
BOND REQUIRED:	NO

Vendors must register on-line at the State Purchasing Website at www.purchasing.ri.gov

Note to Vendors:

Offers received without the entire completed four-page RIVIP Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

The Tobacco Settlement Financing Corporation is inviting all interested and qualified law firms to submit a proposal to serve as Disclosure Counsel for any financing of the Tobacco Settlement Financing Corporation. The Tobacco Settlement Financing Corporation reserves the right to terminate the contract if it believes that Counsel is not delivering the appropriate services. All proposals are due December 13, 2013 @ 2:30 PM (ET)

Enclosed you will find the following item:

- Request for Statement of Qualifications (“RFQ”)

No firm submitting a proposal may make inquiries with respect to this matter of any other person, member officer, or elected official of Tobacco Settlement Financing Corporation or Rhode Island State Government or in any other manner from the date above through the RFQ process.

Thank you for your interest in the Tobacco Settlement Financing Corporation.

Sincerely,

Thomas Mullaney
Executive Director/State Budget Officer
Chair, Tobacco Settlement Financing Corporation

TOBACCO SETTLEMENT FINANCING CORPORATION

REQUEST FOR PROPOSAL
DISCLOSURE COUNSEL FOR THE TOBACCO SETTLEMENT
FINANCING CORPORATION

SUBMISSION OF PROPOSALS BY:	December 13, 2013 @ 2:30 PM (ET)
DEADLINE FOR SUBMISSION OF WRITTEN QUESTIONS	November 25, 2013 at 3:00PM ET
SEALED BID OPENING:	December 13, 2013 @ 2:30 PM (ET)

STATEMENT OF QUALIFICATIONS

to serve as

DISCLOSURE COUNSEL FOR THE TOBACCO SETTLEMENT FINANCING CORPORATION

I. Background

The Tobacco Settlement Financing Corporation (the “Corporation”) was created in June 2002 pursuant to the Tobacco Settlement Financing Act and is a public corporation of the State. The Corporation has a legal existence distinct from the State and is not a department of State government.

In June, 2002, the Corporation sold \$685,390,000 of Tobacco Settlement Asset-Backed Bonds to finance the purchase, from the State of Rhode Island, of the settlement payments to be received by the State of Rhode Island as a result of a Master Settlement Agreement entered into by participating cigarette manufacturers, 46 states and six jurisdictions in the settlement of certain smoking-related litigation.

In June, 2007, the Corporation issued \$197,005,042 subordinate Tobacco Settlement Asset-Backed Bonds to finance the purchase of residual payments remaining after the 2002 bonds are repaid.

The sale of the bonds and the transaction between the Corporation and the State of Rhode Island are more fully described in the Annual Financial Report for the Fiscal Year ending June 30, 2012.

The Corporation is considered a component unit of the State of Rhode Island for financial reporting purposes and accordingly its financial statements are included in the State's Comprehensive Annual Financial Report. Audited financial statements exist for each year since Fiscal Year 2002.

The Corporation is governed by a five-member board of directors. The Chairperson/ Executive Director elected by the corporation is currently the Budget Officer for the State of Rhode Island.

II. Nature of Services Requested

The Corporation is seeking disclosure counsel for the purpose of any future financing and management of its outstanding debt. The scope of the legal work to be provided shall include, but is not limited to work related to any legislation required to authorize bonds, issuance of any bonds, and legal work associated with the bidding and investment of the bond proceeds, as well as post issuance compliance, including continuing disclosure obligations.

III. Qualifications

Proposals must include the following:

- A. A certification from all out of state law firms that they will seek the necessary authorization to practice law in the State of Rhode Island for this purpose.

- B. A Statement of Qualifications describing the background, qualifications, and firm's experience with other Tobacco Securitizations.

I. IV. Information to be Included in the Statement of Qualifications

Limited to 8 pages (excluding Appendices)

1. GENERAL INFORMATION

- 1.1 Provide a brief description of your firm, including but not limited to the following:
- a. Location(s), history and organization
 - b. Number of Partners and Associates in each of 2010, 2011, 2012 and 2013
 - c. Your firm's professional experience in bond law; number of partners and associates in your bond and tax departments. Identify specific areas of expertise of your firm and portion of total practice represented by public finance.
 - d. Describe any changes in personnel made at your firm involved in this type of work in the past 3 years and the impact on your firm's ability to provide quality services.

2. BOND EXPERIENCE AND RESOURCES

- 2.1 List each of your firm's engagements as bond counsel, issuer's counsel, underwriter's counsel and/or disclosure counsel for the period from January 1, 2010 to the present. Separately list all experience with Tobacco Securitization and the allocation of taxable and tax-exempt issuance since 2002. Note: This information may be presented as an exhibit to your proposal. Please separately categorize by your firm's role and include information in the following format:

Your specific role in the Tobacco securitization or refunding of tobacco securitization bonds (bond counsel, issuer's counsel, underwriter's counsel or disclosure counsel)

Name of Client

Number of years serving this client or related entities

Name(s) of partners in charge of this relationship

Bond issues for this client and its related entities

- 2.2 Indicate which partners and associates would be involved with the account. Provide appropriate background information and identify what each professional's responsibilities would be in serving the Corporation.

2.3

- 2.4 How can your firm assure the dedication of adequate legal resources to the Corporation?
- 2.5 Provide references from three of your public finance clients, preferably from Tobacco securitizations, including contact names, addresses and telephone numbers.
- 2.6 Describe bond financing or disclosure situations that called for creativity in legal or tax analysis and your firm's approach to providing a solution to specific tobacco transactions.
- 2.7 Please provide three case studies demonstrating your firm's expertise in tobacco securitizations or refunding of tobacco securitization bonds.
- 2.8 Describe any challenges you have encountered in your experience with tobacco securitization or refunding of tobacco securitization bonds.
- 2.9 Indicate all cases in which your firm was dismissed as Bond Counsel, Issuer's Counsel, Underwriter's Counsel or Disclosure Counsel for any of your public clients since January 1, 2010 and the reasons therefor.

3. FEES

- 3.1 The Corporation is interested in achieving high quality services at the lowest possible cost. Please propose a fee structure based on either a: (1) hourly basis; (2) per bond basis; or (3) some combination. Justify your proposed fees in terms of how this structure achieves the Corporation's goal of high quality service and low costs. Please be as specific as possible.
- 3.2 Itemize your proposed fee quote on the basis of serving as bond counsel for each series of bonds issued and other services. Are these fees negotiable?
- 3.3 Please provide examples of fees that you have charged on recent issues.
- 3.4 Describe the overall cost of issuance in tobacco transactions on which you have worked.

4. MISCELLANEOUS

- 4.1 List any books or publications that members of your firm have written that would be of interest to the Corporation.
- 4.2 Include (in an Appendix) representative copies (no more than five) of bond, tax or special opinions given by your firm with respect to securitization of tobacco

revenues or refunding of such bonds for your public clients for the past year. Explain why you have selected these as examples.

- 4.3 Discuss how your firm deals with professional ethics in connection with public finance engagements. How do you handle actual or potential ethical problems that arise in the marketing and execution of your public finance business? What do you do to ensure that there are no conflicts of interest? What process do you maintain so as to provide a consistent high standard of professional ethics? Are there any potential areas of conflict with your firm and the issuance or refunding of Corporation bonds?
- 4.4 Describe (in an Appendix) the affirmative action programs undertaken by your firm and the number and percentage of minorities and women who are either partners or associates in your firm.
- 4.5 Identify (in an Appendix) any material litigation, administrative proceedings or investigations in which your firm is currently involved or which may be threatened against your firm or which have been settled since January 1, 2010.
- 4.6 Describe (in an Appendix) any relationships that you have with other parties, i.e. underwriters or financial advisory firms, regarding consulting or other relationships.
- 4.7 Please certify that you are in compliance with Title 17, Chapter 27 of Rhode Island General Laws with respect to the reporting of any contributions made to a candidate for public office in the State of Rhode Island.
- 4.8 Include (in an Appendix) a letter from your Firm Managing Partner or Chief Executive Officer certifying that (i) no member of your firm made inquiries with respect to this Request for Statements of Qualifications other than in a written communication to the Division of Purchases or the State Budget Office from the date of this Request for Qualifications through the date of your statement and (ii) that all information in your statement is true and correct to the best of her/his knowledge.
- 4.9 Discuss any topics not covered in this Statement of Qualifications which you would like to bring to the attention of the Corporation.

NOTE: The Corporation reserves the right to terminate the contract with Disclosure Counsel if the Chair or the State Department of Administration believes that Disclosure Counsel is not rendering the appropriate services or if there is a change in the status of key partners or associates of the firm.

IV Evaluation and Selection

Evaluation of Statements of Qualifications will be based on the following criteria, with associated maximum score for each:

1. Capability to provide required services on a timely basis, **17 points**
2. Team experience as tobacco securitization disclosure counsel, **17 points**
3. Team experience as tobacco securitization underwriters' or bond counsel, **16 points**
4. Fees, **17 points**
5. Other tobacco securitization experience, **17 points**
6. Innovations proposed/legal opinions maximizing opportunities, **16 points**

The Corporation will commission a review team to evaluate and score all Statements that are complete and minimally responsive using the criteria described above. The evaluation of any item may incorporate input from sources other than the bidder's response and supplementary materials submitted by the bidder. Those other sources could include assessments made by evaluators based on findings recorded from reference checks (including but not limited to those supplied by the bidder), prior experience with or knowledge of bidder's work, responses to follow-up questions posed by the State and/or oral presentations by the bidders if requested by the review team. The Corporation may elect to use any or all of these evaluation tools.

One vendor, with the highest Qualifications score, will be selected, and, upon satisfaction of compliance requirements associated with this solicitation, and negotiation of a Project Agreement, be awarded a Purchase Order by the Corporation.

Please include a letter from your Chief Executive Officer or Division Managing Director certifying that no member of your firm made inquiries to any member or officer or elected official of Rhode Island State Government or the Corporation with respect to this Request for Qualifications other than in a written communication to the Financial Advisor from the date of this RFQ through the date of your submission and all information in your submission is true and correct to the best of her/his knowledge.

All materials submitted in response to this solicitation become the property of the Corporation and will not be returned. Furthermore, please be advised that all proposals will be subject to public inspection. Respondents must agree to abide by and follow all applicable Rhode Island minority hiring laws, Equal Opportunity Employment Rules and Regulations, Executive Orders, and any and all other applicable Rhode Island employment laws, rule or regulations.

It is intended that an award pursuant to this request will be made to a prime vendor who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is clearly indicated in the vendor's proposal and the subcontractor(s) to be used is identified in the proposal.

In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact

business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful vendor(s).

INSTRUCTIONS AND NOTIFICATIONS TO OFFERORS:

1. Potential vendors are advised to review all sections of this request carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
2. All costs associated with developing or submitting a proposal in response to this request, or to provide oral or written clarification of its content shall be borne by the vendor. The State assumes no responsibility for these costs.
3. Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
4. All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
5. Proposals misdirected to other state locations, or which are otherwise not present in the Division at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division.
6. It is intended that an award pursuant to this request will be made to a prime vendor, or prime vendors in the various categories, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is clearly indicated in the vendor's proposal and the subcontractor(s) to be used is identified in the proposal.
7. The purchase of services under an award made pursuant to this request will be contingent on the availability of funds. There is no guarantee of any level of spending activity resulting from this solicitation.
8. Vendors are advised that all materials submitted to the Corporation for consideration in response to this request will be considered to be Public Records as defined in Title 38, Chapter 2 of the General Laws of Rhode Island, without exception, and will be released for inspection immediately upon request once an award has been made.
9. Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as answers to submitted questions, as well as any amendments or additional information relating to this request may be released in the form of an addendum to this request.
10. In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to

transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful vendor(s).

STATEMENTS SUBMISSION

Questions concerning this solicitation may be e-mailed to the Division of Purchases at questions2@purchasing.ri.gov no later than November 25, 2013 at 3:00PM EST Please reference **RFP # 7536364** on all correspondence. Questions should be submitted in a Microsoft Word attachment. Answers to questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. If technical assistance is required to download, call the Help Desk at (401) 574-9709. **No other contact with State parties will be permitted.**

Interested offerors may submit proposals to provide the services covered by this Request on or before the date and time listed on the cover page of this solicitation. Responses (**an original plus four copies**) should be mailed or hand-delivered in a sealed envelope marked "**RFP#7536364**" to:

RI Dept. of Administration
Division of Purchases, 2nd floor
One Capitol Hill
Providence, RI 02908-5855

NOTE: Proposals received after the closing date and time specified, December 13, 2013 @ 2:30 PM (ET) will not be considered. Proposals misdirected to other State locations or those not presented to the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed, to the Division of Purchases will not be considered. The official time clock is in the reception area of the Division of Purchases.

RESPONSE CONTENTS

Responses shall include the following:

1. One completed and signed four-page R.I.V.I.P generated bidder certification cover sheet downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
2. One completed and signed W-9 downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov.
3. **An original and four (4) copies of the** Statements of Qualifications as described above.
4. In addition to the multiple hard copies of Statements of Qualifications required, Respondents are requested to provide Statements of Qualifications in **electronic format (CD-Rom, disc, or flash drive)**. PDF format is preferable. Only 1 electronic copy is requested. Do not include form W-9 in the electronic copy.