



W. HOWARD FRANKLAND Smarking State Performs

A101 M W 1014 STREET r. g. sex 8008

I am listing for your information some questions and answers which might be asked you relative to this bond (saue:

Question: Will Shearson Hammill & Co. buy bonds at an interest rate which cannot be greater than 5% including bond discount?

Answer: Yes. See Paragraph d, Page 3.

Question: When will Shearson Hammill buy bonds? Answer: Within 30 days after final mandate from the

Supreme Court. See Paragraph b. Page 7. Question: What will be the cost of the project?

Answer: \$50,000,000 to \$55,000,000 depending on the amount of reserves and contingencies required by the engineers and bankers to make the bonds readily saleable. Question: Does his contract prohibit a further extension

of the Turnpike? Answer: Absolutely not.

Question: How can it be exte

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WILLIAM T. ALBER

JOE OROTERUT TALLAMASSEE, FLERIDA

Dear Whit:

P. O. Box 1504 Ocala, Florida

Mr. Whitfield Palmer, Jr.

July 19, 1960

LUDLOW 3-3111

page two Mr. Whitfield Palmer, Jr.

Answer: (1) As a separate entity at any time it is feasible (Florida law)

(2) By refunding the bonds on Projects 1 and 2 on call date, which is 1976, or five years earlier by placing in escrow the proceeds of the bond sale equivalent to the amount necessary to purchase the outstanding bonds. (This is legal under the Florida law.)

(3) At any time the annual average net earnings available for debt service on Project 2(Orlando extension) during the preceding two years plus,

The annual average net earnings available for debt service on Project 2 during the preceding two years from Project 1, plus

The annual average additional estimated earnings available for debt service for the succeeding five years on Projects 1, 2 and 3.

Shall not be less than 1 50 x level debt service

(Note: This is an open end indenture, and of course under Option 3 these would be parity bonds. See chart

Whit, this pari-passu business means "parity - entitled to receive out of same fund without any precedence over each other", and the third option describes the sources of the revenues which may be used in estimated coverage required to extend an open end bond issue of this type (over one as)

page three Mr. Whitfield Palmer, Jr. July 19, 1960

Alsop has a Trust Agreement under which we are now operating, and should you desire to check you will find that before a turnpike project other than the one already validated from Ft. Pierce to Jacksonville can be built as an extension to any turnpike in operation, similar procedures and sources of revenue are described.

It was certainly good to be with you, and I am very grateful to you for your help in getting this Turnpike extended. I hope that we can get together this weekend in Arcadia. By the way, don't forrest to call me about it.

With best wishes, I am

Sincerely

Thomas B. Manuel

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