

**Summary of Selected Information from Underwriter Proposals**

| Description                  | Bank of America Merrill Lynch | Citi                         | FTN Financial              | JP Morgan                     | Piper Jaffrey                     | PNC                          | Raymond James                 |
|------------------------------|-------------------------------|------------------------------|----------------------------|-------------------------------|-----------------------------------|------------------------------|-------------------------------|
| <b>GENERAL</b>               |                               |                              |                            |                               |                                   |                              |                               |
| <b>Division of liability</b> | 60/20/20 or 60/40             | n/a                          | 60/20/20 or 50/17/17/16    | 70/15/15 or 70/30             | n/a                               | 50/25/25                     | 60/13/13/14                   |
| <b>NC retail offices</b>     | 71                            | 26 (UBS/TMC)                 | n/a                        | 269 (LPL Fin/Schwab)          | n/a                               | n/a                          | 103                           |
| <b>NC retail brokers</b>     | 421                           | 324 (UBS/TMC)                | n/a                        | 392 (LPL Fin/Schwab)          | n/a                               | n/a                          | 235                           |
| <b>REFERENCES</b>            |                               |                              |                            |                               |                                   |                              |                               |
| <b>Reference #1</b>          | \$88M Raleigh 2014 LOBs       | \$35M Concord 2014 LOBs      | Co-manager W-S State Univ. | \$97M Raleigh 2015 Ent Revs   | \$74M Cabarrus Cnty 2016 LOBs     | \$45M Raleigh 2016 LOBs      | \$49M Wilm. 2016 LOBs pending |
| <b>Reference #2</b>          | \$56M Charlotte 2015 COPs     | \$54M Cary 2015 Utility Revs | \$5M Durham 2012B GO's     | Cary - long-term relationship | \$25M Dare Cnty 2016 LOBs pending | \$35M Durham Cnty 2016 LOBs  | \$36M WCU 2016 LOBs pending   |
| <b>Reference #3</b>          | \$44M W-S 2013 LOBs           | \$180M Raleigh 2013 Ent Revs | \$17M Kershaw Cnty SC 2015 | Co-sr. manager 2016 Win-Sal   | \$12M Carteret Cnty 2015 GO's     | \$22M Chatham Cnty 2015 LOBs | Co-manager 2016 Cary & W-S    |
| <b>STRUCTURING IDEAS</b>     |                               |                              |                            |                               |                                   |                              |                               |
| Lower coupons                | Yes                           | Yes                          | Yes                        | Yes                           | Yes                               | Yes                          | Yes                           |
| Open markets                 | Yes                           | Yes - worth \$847K           | No                         | Yes                           | No                                | Yes - worth \$1M             | Yes - worth \$460K            |
| Escrow yield                 | n/a                           | 1.05%                        | 1.05%                      | 1.04%                         | n/a                               | 1.05%                        | 1.08%                         |
| Maturity date mgt.           | Yes                           | No                           | No                         | No                            | No                                | Yes - worth \$725K           | Yes                           |
| Final maturity               | 6/1/37 and/or 12/1/36         | n/a                          | 6/1/37                     | 6/1/37                        | 1/1/37                            | 1/1/37                       | 6/1/36 and 1/1/37             |
| Extended settlement          | Yes                           | No                           | No                         | Yes                           | No                                | No                           | No                            |
| Call option alternatives     | No                            | Yes                          | No                         | No                            | No                                | Yes                          | No                            |
| <b>UNDERWRITERS' COMP</b>    |                               |                              |                            |                               |                                   |                              |                               |
| Takedown (\$/\$1,000)        | \$ 2.00                       | \$ 2.00                      | \$ 2.89                    | \$ 2.50                       | \$ 5.00                           | \$ 2.50                      | \$ 2.25                       |
| Takedown (assume \$200M)     | \$ 400,000                    | \$ 400,000                   | \$ 578,000                 | \$ 500,000                    | \$ 1,000,000                      | \$ 500,000                   | \$ 450,000                    |
| Management fee               | \$ -                          | \$ -                         | \$ -                       | \$ -                          | \$ -                              | \$ -                         | \$ 20,000                     |
| Underwriters' counsel        | \$ 55,000                     | \$ 55,000                    | \$ 55,000                  | \$ 55,000                     | \$ 35,000                         | \$ 55,000                    | \$ 55,000                     |
| Other expenses               | \$ 19,263                     | \$ 28,796                    | \$ 19,031                  | \$ 25,702                     | \$ 25,466                         | \$ 18,704                    | \$ 26,002                     |
| Total                        | \$ 474,263                    | \$ 483,796                   | \$ 652,031                 | \$ 580,702                    | \$ 1,060,466                      | \$ 573,704                   | \$ 551,002                    |

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| Description               | Rice Financial                       | Baird                          | Rockfleet                       | Stifel                                   | Wells Fargo                 |
|---------------------------|--------------------------------------|--------------------------------|---------------------------------|------------------------------------------|-----------------------------|
| <b>GENERAL</b>            |                                      |                                |                                 |                                          |                             |
| Division of liability     | 55/15/15/15                          | 60/10/10/10/10                 | 50/10/10/10/10/10               | 50/15/15/10/10                           | 50/17/17/16 or 50/25/25     |
| NC retail offices         | n/a                                  | 4                              | n/a                             | 10                                       | 45                          |
| NC retail brokers         | n/a                                  | n/a                            | n/a                             | 45                                       | 314                         |
| <b>REFERENCES</b>         |                                      |                                |                                 |                                          |                             |
| Reference #1              | \$44M Durham Cnty 2014 GO's          | \$180M Buncombe Cnty 2014 LOBs | City of New York                | \$231M Cuyahoga Cnty OH 2014 COPs        | \$120M Meck. Cnty 2015 LOBs |
| Reference #2              | Co-manager 2016 Win-Sal              | \$52M Winston-Salem 2014 LOBs  | NYC Transitionalk Fin Authority | \$113M Volusia Cnty FL Sch Bd 2014B COPs | \$35M Pitt Cnty 2015 LOBs   |
| Reference #3              | \$57M Charles. Cnty SC 2016 Util Rev | \$53M Brunswick Cnty 2015 LOBs | NYC Muni Water Fin Auth         | \$140M San Diego CA 2012 Lease Revs      | \$67M Mooresville 2015 LOBs |
| <b>STRUCTURING IDEAS</b>  |                                      |                                |                                 |                                          |                             |
| Lower coupons             | Yes                                  | Yes                            | n/a                             | Yes                                      | Yes                         |
| Open markets              | No                                   | Yes                            | n/a                             | No                                       | No                          |
| Escrow yield              | n/a                                  | 1.19%                          | n/a                             | n/a                                      | n/a                         |
| Maturity date mgt.        | No                                   | No                             | n/a                             | No                                       | No                          |
| Final maturity            | 6/1/37                               | 1/1/37                         | n/a                             | 6/1/37                                   | 1/1/37                      |
| Extended settlement       | No                                   | No                             | n/a                             | No                                       | No                          |
| Call option alternatives  | Yes                                  | Yes                            | n/a                             | Yes                                      | Yes                         |
| <b>UNDERWRITERS' COMP</b> |                                      |                                |                                 |                                          |                             |
| Takedown (\$/\$1,000)     | \$ 2.98                              | \$ 2.58                        | n/a                             | \$ 2.89                                  | \$ 2.50                     |
| Takedown (assume \$200M)  | \$ 596,000                           | \$ 516,000                     | n/a                             | \$ 577,200                               | \$ 500,000                  |
| Management fee            | \$ -                                 | \$ -                           | n/a                             | \$ -                                     | \$ -                        |
| Underwriters' counsel     | \$ 55,000                            | \$ 55,000                      | n/a                             | \$ 55,000                                | \$ 55,000                   |
| Other expenses            | \$ 26,948                            | \$ 24,250                      | n/a                             | \$ 23,538                                | \$ 16,222                   |
| Total                     | \$ 677,948                           | \$ 595,250                     | n/a                             | \$ 655,738                               | \$ 571,222                  |