

INVITATION TO TENDER BONDS
(this "Invitation")
describing an offer (the "Tender Offer") made by the
STATE OF OHIO
(the "Issuer")
Acting by and through the Treasurer of State

All terms used below with initial capitalization where not required by the rules of grammar and not otherwise defined herein have the meanings given to them in this Invitation.

The Issuer invites Bondowners, as described herein, of all or any portion of its bonds of the series designation with base CUSIP numbers identified below with maturity dates and CUSIP numbers listed on pages (ii) and (iii) hereof (the **"Target Bonds"**) to offer to sell to the Issuer for cash:

State of Ohio (Treasurer of State)
Capital Facilities Lease-Appropriation Bonds
(Parks and Recreation Improvement Fund Projects)
Series 2016C and Series 2017A
(Base CUSIPs: 67759H, 67760A)

State of Ohio (Treasurer of State)
Capital Facilities Lease-Appropriation Bonds
(Adult Correctional Building Fund Projects)
Series 2016A, Series 2017A and Series 2017B
(Base CUSIPs: 677522, 677524)

THIS INVITATION WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME ON DECEMBER 1, 2025, UNLESS EARLIER TERMINATED OR EXTENDED AS DESCRIBED HEREIN.

Key Dates and Times

*All of these dates and times are subject to change. All times are New York City time.
Notices of changes will be sent in the manner provided for in this Invitation.*

Launch Date	November 13, 2025
Pricing Notice	November 21, 2025
Tender Expiration Date.....	5:00 p.m., December 1, 2025
Preliminary Notice of Acceptance	December 2, 2025
Final Acceptance Date and Final Notice of Acceptance	December 3, 2025
Settlement Date (unless earlier terminated or extended).....	December 16, 2025

To make an informed decision as to whether, and how, to offer Target Bonds, beneficial owners of Target Bonds (**"Bondowners"**) must read this Invitation carefully and should consult with their broker-dealer, financial, legal, accounting, tax and/or other advisors and professionals in making this decision.

The Dealer Manager is:
Jefferies LLC

The Information Agent and Tender Agent is:
Globic Advisors Inc.

The date of this Invitation is November 13, 2025.

TARGET BONDS SUBJECT TO TENDER OFFER FOR CASH

State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2016C (Parks and Recreation Improvement Fund Projects)

CUSIP (Base No. 67759H) ⁽¹⁾	Maturity Date (December 1)	Par Call Date (December 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Indicative Offer Purchase Price ⁽²⁾
HY3	2028	2026	5.000	7,890,000	102.794
HZ0	2029	2026	5.000	8,290,000	102.765
JA3	2030	2026	5.000	8,715,000	102.794
JB1	2031	2026	5.000	9,165,000	102.746

State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2017A (Parks and Recreation Improvement Fund Projects)

CUSIP (Base No. 67760A) ⁽¹⁾	Maturity Date (December 1)	Par Call Date (December 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Indicative Offer Purchase Price ⁽²⁾
DV5	2029	2027	5.000	7,955,000	105.224
DW3	2030	2027	5.000	8,365,000	105.532
DX1	2031	2027	5.000	8,795,000	105.435
DY9	2032	2027	5.000	9,245,000	105.182

State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2016A (Adult Correctional Building Fund Projects)

CUSIP (Base No. 677522) ⁽¹⁾	Maturity Date (October 1)	Par Call Date (October 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Indicative Offer Purchase Price ⁽²⁾
LM4	2028	2026	5.000	2,765,000	102.313

State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2017A (Adult Correctional Building Fund Projects)

CUSIP (Base No. 677524) ⁽¹⁾	Maturity Date (October 1)	Par Call Date (October 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Indicative Offer Purchase Price ⁽²⁾
BP4	2029	2027	5.000	5,050,000	104.766
BQ2	2030	2027	5.000	5,310,000	105.070
BR0	2031	2027	5.000	5,580,000	104.998
BS8	2032	2027	5.000	5,870,000	104.766
BT6	2033	2027	5.000	6,170,000	104.677
BU3	2034	2027	5.000	6,485,000	104.571
BV1	2035	2027	5.000	6,820,000	104.393
BW9	2036	2027	5.000	7,170,000	104.198
BX7	2037	2027	5.000	7,535,000	104.004

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc., solely for the convenience of the Bondowners of the Target Bonds and the Issuer is not responsible for the selection or correctness of the CUSIP numbers printed herein and does not make any representation with respect to such numbers or undertake any responsibility for their accuracy.

⁽²⁾ Indicative Offer Purchase Prices are expressed as a dollar amount per \$100 principal amount of the Target Bonds, exclude Accrued Interest, and are preliminary and subject to change. Actual Offer Purchase Prices for each maturity and corresponding CUSIP will appear in the Pricing Notice. Accrued Interest on purchased Target Bonds will be paid by the Issuer to but not including the Settlement Date in addition to the applicable Purchase Price. All capitalized terms used as defined herein.

TARGET BONDS SUBJECT TO TENDER OFFER FOR CASH

**State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2017B
(Adult Correctional Building Fund Projects)**

CUSIP (Base No. 677524)⁽¹⁾	Maturity Date (October 1)	Par Call Date (October 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Indicative Offer Purchase Price⁽²⁾
CH1	2029	2027	5.000	5,285,000	104.766
CJ7	2030	2027	5.000	5,560,000	105.070

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc., solely for the convenience of the Bondowners of the Target Bonds and the Issuer is not responsible for the selection or correctness of the CUSIP numbers printed herein and does not make any representation with respect to such numbers or undertake any responsibility for their accuracy.

⁽²⁾ Indicative Offer Purchase Prices are expressed as a dollar amount per \$100 principal amount of the Target Bonds, exclude Accrued Interest, and are preliminary and subject to change. Actual Offer Purchase Prices for each maturity and corresponding CUSIP will appear in the Pricing Notice. Accrued Interest on purchased Target Bonds will be paid by the Issuer to but not including the Settlement Date in addition to the applicable Purchase Price. All capitalized terms used as defined herein.

IMPORTANT INFORMATION

This Invitation and other information with respect to this Tender Offer are available from the Dealer Manager and the Information Agent and Tender Agent at www.globic.com/ohiotos. Bondowners wishing to offer their Target Bonds for purchase pursuant to this Invitation must follow the procedures more fully described herein. Pursuant to the terms of this Invitation as more fully described herein, the Issuer reserves the right to cancel or modify this Invitation at any time on or prior to the Expiration Date and reserves the right to make a future invitation to purchase Unpurchased Bonds (as defined herein) at prices different than the Offer Purchase Prices (defined herein and in the Pricing Notice), in its sole discretion. Except as described in this Invitation, the Issuer will have no obligation to purchase Target Bonds offered pursuant to this Invitation. The Issuer further reserves the right to waive any irregularities or defects in any offer received.

This Tender Offer is not being made to, and Target Bonds offered for purchase in response to this Invitation will not be accepted from or on behalf of, Bondowners in any jurisdiction in which this Tender Offer, the making of an offer to sell Target Bonds or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions whose laws require the Tender Offer to be made through a licensed or registered broker or dealer, the Tender Offer is being made on behalf of the Issuer by the Dealer Manager.

The Issuer, the Dealer Manager, and the Information Agent and Tender Agent are not recommending to any Bondowner whether or not to tender their Target Bonds for purchase in connection with this Tender Offer. Each Bondowner must make this decision for itself and should read this Invitation and the POS (as defined herein), attached as **Appendix A**, and the Pricing Notice (as defined herein) in the form attached hereto as **Appendix B**, in their entirety and should consult with its broker-dealer, financial, legal, accounting, tax and other advisors and professionals in making this decision.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Invitation, including **Appendices A** and **B** hereto, and, if given or made, such information or representation may not be relied upon as having been authorized by the Issuer.

The delivery of this Invitation shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or materials delivered herewith or in the affairs of the Issuer since the date hereof.

The Dealer Manager makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, including **Appendix A**. The Dealer Manager has not independently verified any of the information contained herein, and assumes no responsibility for the accuracy or completeness of any such information. References to website addresses herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not a part of, this Invitation.

This Invitation contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Invitation and other materials referred to or incorporated herein, the words "estimate", "anticipate", "forecast", "project", "intend", "propose", "plan", "expect", and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

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Appendix A -- PRELIMINARY OFFICIAL STATEMENT

Appendix B -- FORM OF PRICING NOTICE

INVITATION TO TENDER BONDS
made by the
STATE OF OHIO
ACTING BY AND THROUGH THE TREASURER OF STATE

1. Introduction. This Invitation to Tender Bonds, dated November 13, 2025 (as it may be amended or supplemented, this "**Invitation**"), which includes the Appendices hereto, describes an offer (the "**Tender Offer**") made by the State of Ohio (the "**Issuer**") acting by and through the Treasurer of State to the beneficial owners (the "**Bondowners**") of the Issuer's outstanding maturities of the bonds of each series identified on pages (ii) and (iii) hereof (the "**Target Bonds**") for cash purchase on the Settlement Date (as defined herein) by the Issuer at the applicable price per \$100 of principal amount thereof (each an "**Offer Purchase Price**") set forth in the Pricing Notice (defined below) expected to be published on or about November 21, 2025. See Section 2, "Information to Bondowners – *Tender Consideration – Determination of Offer Purchase Prices*" herein. Interest on purchased Target Bonds accruing to but not including the Settlement Date ("**Accrued Interest**") will also be paid on the Settlement Date. On or about November 21, 2025, the Issuer expects to publish the Pricing Notice (as it may be amended and supplemented, the "**Pricing Notice**") in the form attached hereto as **Appendix B**, which will include the Offer Purchase Price for each maturity and corresponding CUSIP of the respective Target Bonds. All times in this Invitation are local time in New York City. The Tender Offer is being made by the Issuer with the assistance of Jefferies LLC, as dealer manager (the "**Dealer Manager**"), and Globic Advisors Inc., as information agent and tender agent (the "**Information Agent and Tender Agent**").

The purchase of any Target Bonds pursuant to this Invitation is contingent on the Issuer receiving sufficient net proceeds from the issuance of its State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025A (Parks and Recreation Improvement Fund Projects) (the "**Parks and Recreation Refunding Bonds**") and State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025C (Adult Correctional Building Fund Projects) (the "**Adult Correctional Refunding Bonds**") and together with the Parks and Recreation Refunding Bonds, the "**Refunding Bonds**") each issued to refinance Target Bonds of the same corresponding program (and with respect to the Parks and Recreation Refunding Bonds, also to refund certain bonds that are callable on February 1, 2026 as shown in the below defined POS) and is also subject to the terms of this Invitation and certain other conditions as described herein, including satisfaction of the Financing Conditions (as defined herein). The Issuer's obligation to accept for purchase and to pay for Target Bonds validly tendered (and not withdrawn) pursuant to this Invitation is also subject to the satisfaction or waiver of certain conditions. See "*Issuer's Obligation to Purchase Offered Target Bonds*" below and Section 14, "Conditions to Purchase," for additional information regarding certain of such conditions.

Purpose. This Tender Offer is part of a plan by the Issuer to refinance certain of its outstanding indebtedness for debt service savings (the "**Refunding Plan**"), as described in the Preliminary Official Statement of the Issuer dated November 13, 2025, and attached hereto as **Appendix A** (the "**POS**"). **The Issuer's outstanding bonds of any series that are not identified in the table on pages (ii) and (iii) of this Invitation are not subject to this Tender Offer.** For additional information concerning the Issuer and its plan of refunding, see the POS attached hereto as **Appendix A**.

Offers by Bondowners. Pursuant to this Invitation, each Bondowner may submit an offer to tender to the Issuer for a cash purchase all or a part of its Target Bonds, in a denomination of \$5,000 principal amount (the "**Minimum Authorized Denomination**") or any integral multiple thereof, with respect to which the Bondowner has a beneficial ownership interest. The applicable Offer Purchase Prices for each maturity and corresponding CUSIP of the Target Bonds at which such Target Bonds may be tendered by a Bondowner for purchase pursuant to this Invitation will be set forth in the Pricing Notice in the form of **Appendix B** expected to be published on or about November 21, 2025. The applicable Offer Purchase Price for each maturity and corresponding CUSIP of the Target Bonds will be determined as further described below in Section 2, "Information to Bondowners – *Tender Consideration – Determination of Offer Purchase Prices*" herein.

Source of Funds. The total amount paid to Bondowners to purchase the Target Bonds validly tendered and accepted for purchase pursuant to this Invitation (the "**Aggregate Purchase Price**") is anticipated to be from net proceeds of the respective series of Refunding Bonds to be issued on the Settlement Date. Other available funds of the Issuer may be used to pay Accrued Interest on purchased Target Bonds. The purchase of any of the Target Bonds offered for purchase and accepted pursuant to this Invitation is contingent on the issuance of the Refunding Bonds. The Issuer's obligations to accept offers for purchase and to pay for Target Bonds validly tendered (and not validly withdrawn) pursuant to this Invitation are also subject to the satisfaction or waiver of certain conditions. See "Issuer's Obligation to Purchase Offered Target Bonds" below and Section 14, "Conditions to Purchase," for additional information regarding certain of such conditions.

Issuer's Obligation to Purchase Offered Target Bonds. Subject to the terms of this Invitation and the satisfaction of all conditions to the Issuer's obligation to purchase tendered Target Bonds as described herein, and provided that (i) a Bondowner's Target Bonds tendered for purchase have been validly tendered and not validly withdrawn by 5:00 p.m., New York City time, on December 1, 2025 (as may be extended from time to time in accordance with this Invitation, the "**Expiration Date**"), and (ii) accepted by the Issuer on or before December 3, 2025 (as may be extended from time to time in accordance with this Invitation, the "**Final Acceptance Date**"), the Issuer will purchase such Target Bonds tendered and accepted for purchase on December 16, 2025 (the "**Settlement Date**"). Accrued Interest on the Target Bonds purchased will also be paid on the Settlement Date.

The Issuer's obligation to accept for purchase any tendered Target Bonds and the Issuer's obligation to pay for Target Bonds validly tendered (and not validly withdrawn) and accepted pursuant to this Invitation is subject to the satisfaction of or waiver of the following conditions on or prior to the Settlement Date: (A) the successful completion by the Issuer of the issuance of the Refunding Bonds, the proceeds of which will be sufficient, together with other available moneys of the Issuer, to (x) fund the Aggregate Purchase Price of all Target Bonds validly tendered and accepted for purchase pursuant to this Invitation, plus Accrued Interest, and (y) pay all fees and expenses associated with the issuance of the Refunding Bonds and this Tender Offer; (B) receipt of all certifications and opinions required by the "Dealer Manager Agreement" executed between the Issuer and the Dealer Manager in connection with this Tender Offer, and (C) when taken together with the issuance of the Refunding Bonds, the Issuer, determining in its reasonable discretion that it will obtain a satisfactory and sufficient economic benefit as a result of market conditions, including (x) all or any portion of the maturities listed on pages (ii) and (iii) will produce sufficient debt service savings for the Issuer, (y) the expected or actual level of participation by Bondowners, or (z) any other factors not within the sole control of the Issuer, all on terms and conditions that are in the Issuer's best interest (collectively, the "**Financing Conditions**").

No assurances can be given that the Refunding Bonds will be issued or that any Target Bonds tendered for purchase by a Bondowner will be purchased. See Section 10, "Determination of Amounts to be Purchased; Acceptance of Offers; Final Notice of Acceptance", for more information on the selection of tendered Target Bonds to be purchased, if any. The Issuer reserves the right, subject to applicable law, to amend or waive any of the conditions to this Invitation, in whole or in part, any time prior to the Expiration Date or from time to time subject to the Financing Conditions and other conditions described in this Invitation. The Issuer also has the right to terminate this Tender Offer at any time up to and including the Expiration Date. See Section 15, "Extension, Termination and Amendment of Tender Offer", herein.

Any Target Bonds not tendered by Bondowners, or Target Bonds tendered by Bondowners pursuant to this Invitation but not accepted for purchase by the Issuer (the "**Unpurchased Bonds**"), will continue to be payable and secured by their terms until maturity or prior defeasance, purchase and cancellation, or redemption. Any Target Bonds tendered by Bondowners pursuant to this Invitation but not accepted for purchase by the Issuer will be returned to such Bondowners. If all conditions to this Invitation are not satisfied or waived by the Issuer on or prior to the Settlement Date, all Target Bonds tendered by Bondowners pursuant to this Invitation will be returned to the Bondowners and will continue to be payable

and secured under their terms until maturity or prior defeasance, purchase and cancellation, or redemption. See Section 17, "Additional Considerations – *Potential Subsequent Transactions*" herein.

Future Refunding, Defeasance or Purchase of Unpurchased Bonds. The Issuer further reserves the right, in its sole discretion to refund, defease and/or purchase some or all of the Unpurchased Bonds in the future.

To make an informed decision as to whether, and how, to offer Target Bonds for purchase pursuant to this Invitation, a Bondowner must read this Invitation carefully and entirely, including the POS attached hereto as Appendix A and the Pricing Notice in the form attached hereto as Appendix B. This Invitation, including the POS and the Pricing Notice, and all other notices, amendments, and supplements thereto, if any, collectively shall constitute an invitation to Bondowners to offer to tender their Target Bonds for purchase.

None of the Issuer, the Dealer Manager, or the Information Agent and Tender Agent make any recommendation that any Bondowner tender or refrain from tendering all or any portion of such Bondowner's Target Bonds for purchase. Bondowners must make these decisions and should consult with their broker-dealer, account executive and other financial, legal, accounting, tax, and other professionals and advisors.

2. Information to Bondowners

General. The Issuer will provide additional information about this Tender Offer to Bondowners of the Target Bonds, including, without limitation, the information contained in the Pricing Notice in the form attached hereto as **Appendix B** expected to be delivered on or about November 21, 2025 and the information contained in **Appendix A** and any supplement to the POS, by delivery of such information in the following ways (collectively, the "**Information Services**"):

(a) to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system website, currently located at <http://emma.msrb.org> (the "**EMMA Website**"), using the CUSIP numbers for the Target Bonds listed on pages (ii) and (iii) hereof;

(b) to DTC (defined below) and to the DTC participants holding the Target Bonds;
and

(c) by posting electronically on the website of the Information Agent and Tender Agent at www.globic.com/ohiotos.

Delivery by the Issuer of information in the foregoing manner will be deemed to constitute delivery of the information to each Bondowner of the Target Bonds. The Issuer, the Dealer Manager, and the Information Agent and Tender Agent have no obligation to ensure that any such Bondowner actually receives any information provided by the Issuer in this manner. Any such Bondowner who would like to receive information furnished by or on behalf of the Issuer as described above must make appropriate arrangements with its broker-dealer, account executive or other financial advisor or representative.

Pricing Notice. On or about November 21, 2025, the Issuer will provide the Pricing Notice in the manner described under the heading "*General*" above in the form attached hereto as **Appendix B**, which Pricing Notice will set forth the Offer Purchase Prices for each respective CUSIP of the Target Bonds (which may be different from the "Indicative Offer Purchase Prices" listed on pages (ii) and (iii) hereof).

Tender Consideration – Determination of Offer Purchase Prices. The Offer Purchase Prices will be set forth in the Pricing Notice for each respective maturity and corresponding CUSIP of Target Bonds tendered pursuant to this Invitation.

The purchase price to be received on the Settlement Date by a Bondowner whose Target Bonds were validly tendered and accepted for purchase, in whole or in part, by the Issuer will equal the par amount of such Bondowners' purchased Target Bonds multiplied by the Offer Purchase Price of such Target Bonds set forth in the Pricing Notice divided by 100. In addition to the purchase price of the Target Bonds accepted for purchase by the Issuer, Accrued Interest on such Target Bonds will be paid by the Issuer on the Settlement Date.

3. Expiration Date; Offers Only Through Financial Institutions; Brokerage Commissions. This Tender Offer to tender Target Bonds will expire at 5:00 p.m., New York City time, on December 1, 2025, the Expiration Date, unless earlier terminated, and Target Bonds received after 5:00 p.m., New York City time, on the Expiration Date will not be considered. See Section 15, "Extension, Termination and Amendment of Tender Offer" herein for a discussion of the Issuer's ability to extend the Expiration Date and to terminate or amend this Invitation.

In the sole discretion of the Issuer, the Issuer may extend the Expiration Date, the Preliminary Acceptance Date (defined herein), the Final Acceptance Date, or the Settlement Date.

All of the Target Bonds are held in book-entry-only form through the facilities of The Depository Trust Company of New York ("DTC"). The Information Agent and Tender Agent and DTC have confirmed that this Tender Offer is eligible for submission of tenders for purchase through DTC's Automated Tender Offer Program (known as the "ATOP" system). **Bondowners of Target Bonds who want to tender Target Bonds for purchase pursuant to the Issuer's Invitation must do so through a DTC participant in accordance with the relevant DTC procedures for the ATOP system. The Issuer will not accept any tenders of Target Bonds for purchase that are not made through the ATOP system.** A Bondowner that is not a DTC participant can only tender Target Bonds for purchase pursuant to this Invitation by making arrangements with and instructing the bank or brokerage firm through which it holds Target Bonds (sometimes referred to herein as a "custodial intermediary") to tender the Bondowner's Target Bonds on its behalf through the ATOP system. To ensure a Bondowner's Target Bonds are tendered through the ATOP system by 5:00 p.m., New York City time, on the Expiration Date, the Bondowner must provide instructions to its custodial intermediary with sufficient time for such custodial intermediary to tender the Target Bonds in accordance with DTC procedures through the ATOP system by this deadline. Each Bondowner wishing to tender Target Bonds should contact its custodial intermediary for information on when such custodial intermediary needs the Bondowner's instructions in order to tender the Bondowner's Target Bonds through the ATOP system by 5:00 p.m., New York City time, on the Expiration Date. See also Sections 5, "Provisions Applicable to All Offers" below.

The Issuer, the Dealer Manager, and the Information Agent and Tender Agent are not responsible for making or transmitting any tender of Target Bonds or for the transfer of any tendered Target Bonds through the ATOP system or for any mistakes, errors or omissions in the making or transmission of any offer or transfer.

Bondowners will not be obligated to pay any brokerage commissions or solicitation fees to the Issuer, the Dealer Manager, or the Information Agent and Tender Agent in connection with this Tender Offer. However, Bondowners should check with their broker-dealer, account executive or other financial institution which maintains the account in which their Target Bonds are held to determine if it will charge any commission or fees.

4. Minimum Denominations

Authorized Denominations for Offers. A Bondowner may tender, as aforesaid, all or a portion of its Target Bonds of a particular maturity and corresponding CUSIP in a principal amount of its choosing, but only in principal amounts equal to the Minimum Authorized Denomination or any integral multiple of \$5,000 in excess thereof.

5. Provisions Applicable to all Offers. A Bondowner should ask its financial advisor, investment manager, broker or account executive for advice in determining whether to tender Target Bonds for purchase and the principal amount of Target Bonds to be tendered. A Bondowner should also inquire as to whether its financial institution will charge a fee for submitting tenders. The Issuer, the Dealer Manager, and the Information Agent and Tender Agent will not charge fees to any tendering Bondowner for completing the purchase of Target Bonds.

A tender of Target Bonds cannot exceed the par amount of Target Bonds owned by the Bondowner. Target Bonds may be tendered and accepted for payment only in principal amounts equal to the Minimum Authorized Denomination and integral multiples of \$5,000 in excess thereof.

"All or none" tenders are not permitted. No alternative, conditional or contingent tenders will be accepted. All tenders shall survive the death or incapacity of the tendering Bondowner.

By tendering Target Bonds pursuant to this Invitation, each such Bondowner will be deemed to have represented and warranted to and agreed with the Issuer and the Dealer Manager that:

(a) the Bondowner has received, and has had the opportunity to review, this Invitation (including the POS attached as **Appendix A** hereto) and the Pricing Notice prior to making the decision as to whether or not it should tender its Target Bonds for purchase;

(b) the Bondowner has full authority to tender, sell, assign and transfer such Target Bonds, and that, on the Settlement Date, the Issuer, as transferee, will acquire good title, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations and not subject to any adverse claims, subject to payment to the Bondowner of the applicable Offer Purchase Price, plus payment of Accrued Interest on the Target Bonds;

(c) the Bondowner has made an independent decision to tender, the appropriateness of the terms thereof, and whether the tender is appropriate for the Bondowner;

(d) such decisions are based upon the Bondowner's judgment and upon advice from such advisors as the Bondowner has consulted;

(e) the Bondowner is not relying on any communication from the Issuer, the Dealer Manager, or the Information Agent and Tender Agent as investment advice or as a recommendation to make the offer, it being understood that the information from any of the foregoing related to the terms and conditions of this Invitation shall not be considered investment advice or a recommendation to tender Target Bonds; and

(f) the Bondowner is capable of assessing the merits of and understanding (on its own and/or through independent professional advice), and does understand and accept, the terms and conditions of this Invitation.

6. Transmission of Offers by Financial Institutions; DTC ATOP Procedures. Tenders of Target Bonds pursuant to this Invitation may only be made through DTC's ATOP system. Bondowners that are not DTC participants must make their tenders through their custodial intermediary. A DTC participant must tender the Target Bonds on behalf of the Bondowner for whom it is acting pursuant to this Invitation, by book-entry through the ATOP system. In so doing, such custodial intermediary and the Bondowner on whose behalf the custodial intermediary is acting, agree to be bound by DTC's rules for the ATOP system. In accordance with ATOP procedures, DTC will then verify receipt of the Tender Offer and send an Agent's Message (as described below) to the Information Agent and Tender Agent.

The term "Agent's Message" means a message transmitted by DTC to, and received by, the Information Agent and Tender Agent, forming a part of the book-entry confirmation stating that DTC has

received an express acknowledgement from the DTC participant tendering Target Bonds for purchase that are the subject of such book-entry confirmation that includes: (i) the CUSIP number(s) and the par amount(s) of the Target Bonds that have been validly tendered by such DTC participant on behalf of the Bondowner pursuant to this Invitation, and (ii) that the Bondowner agrees to be bound by the terms of this Invitation, including the representations, warranties, agreements and affirmations deemed made by it as set forth in Section 5 above. By causing DTC to transfer Target Bonds into the Issuer's ATOP system, a financial institution warrants to the Issuer that it has full authority, and has received from the Bondowner(s) of such Target Bonds all direction necessary, to tender and sell such Target Bonds as set forth in this Invitation.

Agent's Messages must be transmitted to and received by the Information Agent and Tender Agent by not later than 5:00 p.m., New York City time, on the Expiration Date. Target Bonds will not be deemed to have been tendered for cash purchase pursuant to this Invitation until an Agent's Message with respect thereto is received by the Information Agent and Tender Agent.

Each DTC participant is advised to submit each beneficial owner's instruction individually into DTC's ATOP system to ensure proper settlement.

The Issuer, the Dealer Manager, and the Information Agent and Tender Agent are not responsible for making or transmitting any tender of Target Bonds or for the transfer of any tendered Target Bonds through the ATOP system or for any mistakes, errors or omissions in the making or transmission of any offer or transfer.

7. Determinations as to Form and Validity of Tenders; Right of Waiver and Rejection.

All questions as to the validity (including the time of receipt of Agent's Messages by the Information Agent and Tender Agent), eligibility, and acceptance of any tenders of Target Bonds will be determined by the Issuer in its sole discretion and will be final, conclusive and binding.

The Issuer reserves the right to waive any irregularities or defects in any tender. The Issuer, the Dealer Manager, and the Information Agent and Tender Agent are not obligated to give notice of any defects or irregularities in tenders, and they will have no liability for failing to give such notice.

8. Withdrawals of Tenders Prior to Expiration Date; Irrevocability of Tenders on Expiration Date. A Bondowner may withdraw its offer to tender of Target Bonds pursuant to this Invitation by causing a withdrawal notice to be transmitted via DTC's ATOP system to, and received by, the Information Agent and Tender Agent at or before 5:00 p.m., New York City time, on the Expiration Date (as the date and time may have been changed as provided in this Invitation).

A Bondowner that is not a DTC participant can only withdraw its offer to tender by making arrangements with and instructing the custodial intermediary through which it holds its Target Bonds to submit the Bondowner's notice of withdrawal through the DTC ATOP system.

All tenders of Target Bonds will become irrevocable as of 5:00 p.m., New York City time, on the Expiration Date.

9. Preliminary Acceptance Notice. On December 2, 2025, unless such time or date is extended by the Issuer (the "**Preliminary Acceptance Date**"), the Issuer will determine the preliminary principal amount, if any, of the Target Bonds for each CUSIP that it will purchase, based on satisfaction of the Financing Conditions. Notice of the preliminary principal amount of the Target Bonds, if any, for each CUSIP that the Issuer initially agrees to purchase pursuant to the Invitation will be provided to the Information Services on the Preliminary Acceptance Date via the publication of a "**Preliminary Notice of Acceptance**."

10. Determination of Amounts to be Purchased; Acceptance of Offers; Final Notice of Acceptance. This Tender Offer is part of the Refunding Plan as described in the POS. A portion of the proceeds from the Refunding Bonds, if issued, will be used to finance the Refunding Plan and to pay the costs and expenses of the Tender Offer and issuing the Refunding Bonds. The Issuer intends to purchase each maturity of the Target Bonds validly tendered pursuant to this Invitation, though depending upon the results of this Tender Offer and other factors including the Financing Conditions, the Issuer, in its sole discretion, may elect to purchase less than all of the Target Bonds so tendered. The Issuer shall be under no obligation to accept any Target Bonds tendered for purchase pursuant to this Invitation. The Issuer, in its sole discretion, will select which, if any, Target Bonds validly tendered of a particular maturity and corresponding CUSIP are purchased based on its determination of the economic benefit from such purchase.

Should the Issuer decide to only purchase a portion of the Target Bonds being tendered for purchase of a certain CUSIP, the Issuer will accept such Target Bonds tendered for purchase on a pro rata basis. The principal amount of each individual offer will be adjusted, pro rata, based upon a proration factor for each such CUSIP (each a "**Proration Factor**"). In such event, should the principal amount of any individual offer, when adjusted by the Proration Factor, result in an amount that is not a multiple of \$5,000, the principal amount of such offer will be rounded up to the nearest multiple of \$5,000. If as a result of such adjustment, the principal amount of a Bondowner's unaccepted Target Bonds is less than the Minimum Authorized Denomination of \$5,000, the Issuer will reject such Bondowner's offer in whole. The Issuer will determine the Proration Factor that permits it to accept the amount of Target Bonds it has determined to purchase.

On the Final Acceptance Date (i.e. December 3, 2025), upon the terms and subject to the conditions of this Invitation, the Issuer will announce its acceptance for purchase of Target Bonds, if any, validly tendered by Bondowners pursuant to this Invitation via the publication of a "**Final Notice of Acceptance**," with acceptance subject to the satisfaction or waiver by the Issuer of the conditions to the purchase of tendered Target Bonds. See Section 11, "Acceptance of Tenders Constitutes Irrevocable Agreement" and Section 14, "Conditions to Purchase."

The Final Notice of Acceptance will state: (i) the principal amount of the Target Bonds of each maturity and corresponding CUSIP number that the Issuer has accepted for purchase in accordance with this Invitation, which may be zero for a particular maturity and corresponding CUSIP, or (ii) that the Issuer has decided not to purchase any Target Bonds.

Any Target Bonds not accepted for purchase as a result of the procedures described herein will be returned to tendering institutions in accordance with DTC's procedures.

Notwithstanding any other provision of this Invitation, the obligation of the Issuer to accept for purchase and to pay for Target Bonds validly tendered (and not validly withdrawn) by Bondowners pursuant to this Invitation is subject to the satisfaction or waiver of the conditions set forth under Section 14, "Conditions to Purchase" below. The Issuer reserves the right, subject to applicable law, to amend or waive any of the conditions to this Invitation, in whole or in part, any time prior to the Expiration Date or from time to time subject to the Financing Conditions and other conditions described in this Invitation. This Tender Offer may be withdrawn by the Issuer at any time prior to the Expiration Date.

11. Acceptance of Tenders Constitutes Irrevocable Agreement. Acceptance by the Issuer of validly tendered Target Bonds will constitute an irrevocable agreement between the tendering Bondowner and the Issuer to sell and purchase such Target Bonds, subject to the conditions and terms of this Invitation, including the Conditions to Purchase set forth in Section 14.

12. Settlement Date; Purchase of Target Bonds. Subject to satisfaction of all conditions to the Issuer's obligation to purchase tendered Target Bonds, as described herein, the Settlement Date is the day on which Target Bonds accepted for purchase will be purchased and paid for at the applicable Offer

Purchase Price, plus Accrued Interest. The Settlement Date has initially been set as December 16, 2025, unless extended by the Issuer, assuming all conditions to this Invitation have been satisfied or waived by the Issuer.

The Issuer may, in its sole discretion, change the Settlement Date by giving notice thereof in the manner described in Section 2 of this Invitation prior to the change. However, the Settlement Date may not be later than January 13, 2026. If the Issuer does not complete the purchase of the Target Bonds by 3:00 p.m., New York City time, on January 13, 2026, the right and obligation of the Issuer to purchase any Target Bonds will automatically terminate, without any liability to any Bondowner, and the Issuer will instruct DTC to release from the controls of the ATOP system all Target Bonds.

Subject to satisfaction of all conditions to the Issuer's obligation to purchase Target Bonds tendered for purchase pursuant to this Invitation, as described herein, payment by the Issuer will be made through DTC on the Settlement Date. The Issuer expects that, in accordance with DTC's standard procedures, DTC will transmit the Aggregate Purchase Price to be paid for the Target Bonds tendered for purchase (plus Accrued Interest) to DTC participants holding the Target Bonds accepted for purchase on behalf of Bondowners for subsequent disbursement to the Bondowners. **The Issuer, the Dealer Manager, and the Information Agent and Tender Agent have no responsibility or liability for the distribution of the Aggregate Purchase Price and Accrued Interest paid by DTC to DTC participants or by DTC participants to tendering Bondowners.**

Promptly following such deliveries and payments, the Issuer will instruct the paying agent/registrars for the purchased Target Bonds to cause such purchased Target Bonds to be cancelled and retired.

13. Source of Funds. The source of funds to purchase the Target Bonds validly tendered for purchase pursuant to this Invitation and accepted by the Issuer (including Accrued Interest on such Target Bonds) is anticipated to be proceeds received by the Issuer from the sale of its Refunding Bonds, expected to be issued on the Settlement Date. The Issuer's ability to settle the cash purchase of Target Bonds tendered for purchase is contingent upon the successful delivery of its Refunding Bonds and the other conditions set forth herein.

14. Conditions to Purchase. The consummation of the purchase of the Target Bonds pursuant to this Invitation is conditioned upon the satisfaction, or waiver by the Issuer, of the Financing Conditions and other conditions described in this Invitation. Furthermore, the Issuer will not be required to purchase any Target Bonds, and will incur no liability as a result, if, before payment for Target Bonds on the Settlement Date:

(a) The Issuer does not, for any reason, have sufficient funds on the Settlement Date from the proceeds of the Refunding Bonds to pay the Aggregate Purchase Price plus Accrued Interest of tendered Target Bonds accepted for purchase pursuant to this Invitation and pay all fees and expenses associated with the Refunding Bonds and this Tender Offer;

(b) Litigation or another proceeding is pending or threatened which the Issuer believes may, directly or indirectly, have an adverse impact on this Tender Offer or the expected benefits of this Tender Offer to the Issuer or the Bondowners;

(c) A war, other hostilities, or the escalation thereof, public health or other national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists and the Issuer believes this fact makes it inadvisable to proceed with the purchase of Target Bonds;

(d) A material change in the business or affairs of the Issuer has occurred which the Issuer believes makes it inadvisable to proceed with the purchase of Target Bonds;

(e) A material change in the net benefits of the transaction contemplated by this Tender Offer and the POS has occurred due to a material change in market conditions that the Issuer reasonably believes makes it inadvisable to proceed with the purchase of Target Bonds;

(f) There shall have occurred a material disruption in securities settlement, payment or clearance services.

These conditions are for the sole benefit of the Issuer. They may be asserted by the Issuer prior to the time of payment for the Target Bonds on the Settlement Date. The conditions may be waived by the Issuer in whole or in part at any time and from time to time in its sole discretion and may be exercised independently for each maturity date and CUSIP number of the Target Bonds. The failure by the Issuer at any time to exercise any of these rights will not be deemed a waiver of any of these rights, and the waiver of these rights with respect to particular facts and other circumstances will not be deemed a waiver of these rights with respect to any other facts and circumstances. Each of these rights will be deemed an ongoing right of the Issuer that may be asserted at any time and from time to time. Any determination by the Issuer concerning the events described in this Section 14 will be final and binding upon all parties. If, prior to the time of payment of any Target Bonds any of the events described happens, the Issuer will have the absolute right to cancel its obligations to purchase Target Bonds without any liability to any Bondowner or any other person.

15. Extension, Termination and Amendment of Tender Offer. Through and including the Expiration Date, the Issuer has the right to extend this Tender Offer, to any date in its sole discretion. Notice of an extension of the Expiration Date will be given in the manner described in Section 2 of this Invitation, on or about 11:00 a.m., New York City time, on the first Business Day after the then current Expiration Date.

The Issuer also has the right, prior to the Final Acceptance Date to terminate this Invitation at any time by giving notice of such termination in the manner described in this Invitation.

The Issuer also has the right, prior to the Expiration Date, to amend or waive the terms of this Invitation in any respect and at any time by giving notice of the amendment or waiver in the manner described in Section 2 of this Invitation. The amendment or waiver will be effective at the time specified in such notice.

If the Issuer modifies or amends the terms of this Invitation, including a waiver of any term, in any material respect, or makes any change to the Offer Purchase Prices, notice of such amendment or waiver will be given in the manner described in Section 2, to provide reasonable time for dissemination of such amendment or waiver to Bondowners and for Bondowners to respond. **In the event of any such amendment or change, any offers submitted with respect to the affected Target Bonds prior to such amendment or change will remain in full force and effect, and any Bondowner of such affected Target Bonds wishing to revoke its offer to tender must affirmatively withdraw its offer to tender of such Target Bonds prior to the Expiration Date in the manner described in Section 8 hereof.**

No extension, termination or amendment of this Invitation (or waiver of any terms of this Invitation) will: (i) change the Issuer's right to decline to purchase any Target Bonds without liability; or (ii) give rise to any liability of the Issuer, the Dealer Manager, or the Information Agent and Tender Agent to any Bondowner or nominee.

16. Summary of Certain Federal Income Tax Consequences.

General Matters. The following discussion summarizes certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) that tender their Target Bonds for cash. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective tendering

investors should note that no rulings have been or are expected to be sought from the U.S. Internal Revenue Service (the "**IRS**") with respect to any of the U.S. federal income tax considerations discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not address U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Target Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose "functional currency" is not the U.S. dollar, or certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies. Furthermore, it does not address: (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Internal Revenue Code of 1986 (the "**Code**"), or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Target Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors who will hold their Target Bonds as "capital assets" within the meaning of Section 1221 of the Code. The following discussion does not address tax considerations applicable to any investors in the Target Bonds other than investors that are U.S. Holders. As used herein, "U.S. Holder" means a Bondowner of a Target Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). If a partnership holds Target Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Target Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Target Bonds (including their status as U.S. Holders).

Any federal income tax discussions in this Invitation are included for general information only and should not be construed as a tax opinion nor tax advice by the Issuer, the Dealer Manager, the Information Agent and Tender Agent, the Issuer's advisors, or agents to Bondowners. Such discussions also do not purport to address all aspects of federal income taxation that may be relevant to particular Bondowners (e.g., a foreign person, bank, thrift institution, personal holding company, tax exempt organization, regulated investment company, insurance company, or other broker or dealer in securities or currencies). **Bondowners should not rely on such discussions and are urged to consult their own tax advisors to determine the particular federal, state, local and foreign tax consequences of sales made by them pursuant to purchase offers involving the Target Bonds, including the effect of possible changes in the tax laws. In addition to federal tax consequences, the sale of Target Bonds may be treated as a taxable event for state, local and foreign tax purposes. Bondowners are urged to consult their own tax advisors to determine the particular state, local and foreign tax consequences of sales made by them pursuant to purchase offers involving the Target Bonds, including the effect of possible changes in the tax laws.**

Tendering U.S. Holders. The purchase by the Issuer of a Target Bond for cash will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder will recognize gain or loss equal to the difference between (i) the amount of cash received (except to the extent attributable to accrued interest on the Target Bond, which will be taxed as ordinary interest income unless such interest is excludible from gross income under Section 103 of the Code) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Target Bond (generally, the purchase price paid by the U.S. Holder for the Target Bond, decreased by any amortized acquisition premium, and increased by the amount of any original issue discount previously included in income by such U.S. Holder with respect to such Target Bond or

otherwise required to be added to the cost basis of the U.S. Holder in such Target Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Target Bonds holding the Target Bond for a period exceeding one year, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income. The deductibility of capital losses is subject to limitations.

Backup Withholding. Amounts paid to Bondowners may be subject to backup withholding by reason of the events specified by Section 3406 of the Code which include failure of a Bondowner to supply the broker, dealer, commercial bank or trust company acting on behalf of such Bondowner with such Bondowner's taxpayer identification number certified under penalty of perjury. Certification can be made by completing a substitute IRS Form W-9, a copy of which is available from the Information Agent and Tender Agent. Backup withholding may also apply to Bondowners who are otherwise exempt from such backup withholding if such Bondowners fail to properly document their status as exempt recipients.

17. Additional Considerations. In deciding whether to participate in this Tender Offer, each Bondowner should consider carefully, in addition to the other information contained in this Invitation, the following:

Market for Target Bonds. The Target Bonds are not listed on any national or regional securities exchange. To the extent that the Target Bonds are traded, their prices may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Bondowners may be able to effect a sale of the Target Bonds at a price higher than the Offer Purchase Price established pursuant to this Invitation.

Target Bonds Not Purchased. Bondowners of Target Bonds who do not accept this Invitation will continue to hold their respective interests in such Target Bonds. If Target Bonds are purchased pursuant to this Invitation, the principal amount of Target Bonds for a particular maturity and corresponding CUSIP that remains outstanding will be reduced, which could adversely affect the liquidity and market value of the Target Bonds of that maturity and CUSIP that remain outstanding.

Target Bonds that remain outstanding will continue to be governed by their terms.

Potential Subsequent Transactions. To the extent Target Bonds are not purchased pursuant to this Invitation, the Issuer reserves the right to, and may in the future decide to, acquire some or all of the Unpurchased Bonds through open market purchases, privately negotiated transactions, subsequent tender offers, exchange offers or otherwise, upon such terms and at such prices as it may determine, which may be more or less than the consideration offered pursuant to this Invitation, and which could be cash or other consideration. Any future acquisition of Target Bonds may be on the same terms or on terms that are more or less favorable to Bondowners than the terms described in this Invitation. The Issuer also reserves the right in the future to refund or redeem any remaining portion of outstanding Target Bonds, pursuant to their terms, through the issuance of publicly offered or privately placed tax-exempt or taxable bonds. The decision to undertake any such future transactions will depend on various factors existing at that time. There can be no assurance as to which of these alternatives, if any, the Issuer may ultimately choose to pursue in the future.

Ratings. As of the date of this Invitation, the Target Bonds are rated "AA+" by Fitch Ratings, "Aa1" by Moody's Ratings and "AA+" S&P Global Ratings. The ratings of the Target Bonds by each rating agency reflect only the views of such organization and any desired explanation of the significance of such ratings and any outlooks or other statements given by such rating agency with respect thereto should be obtained from such rating agency.

There is no assurance that the current ratings assigned to the Target Bonds will continue for any given period of time or that any of such ratings will not be revised upward or downward, suspended or withdrawn entirely by any rating agency. Any such upward or downward revision, suspension or withdrawal of such ratings may have an effect on the availability of a market for or the market price of the

Target Bonds. Each Bondowner should review these ratings and consult with its financial representatives concerning them. The Issuer has not applied for any rating confirmation or other action with respect to the Target Bonds in connection with the Tender Offer.

Market Conditions. The purpose of this Tender Offer is to provide the Issuer with the opportunity to purchase a portion of the Target Bonds. The final decision to purchase Target Bonds, and which Target Bonds will be accepted for purchase by the Issuer will, in part, be based upon market conditions and other factors outside of the control of the Issuer.

The Dealer Manager is not acting as a financial or municipal advisor to the Issuer in connection with this Tender Offer.

18. The Dealer Manager. References in this Invitation to the Dealer Manager are to Jefferies LLC only in its capacity as the Dealer Manager.

The Dealer Manager may contact Bondowners regarding this Tender Offer and may request brokers, dealers, custodian banks, depositories trust companies and other nominees to forward this Invitation to beneficial owners of the Target Bonds.

The Issuer, subject to the terms of the Dealer Manager Agreement, will pay the Dealer Manager a fee for its services in connection with this Tender Offer, and in addition, the Issuer will pay the Dealer Manager its reasonable out-of-pocket costs and expenses relating to this Tender Offer.

The Dealer Manager, including its affiliates, is a full-service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage, and other financial and non-financial activities and services. The Dealer Manager and its affiliates have, from time to time, performed, and may in the future perform, a variety of these services for the Issuer, for which they received and or will receive customary fees and expenses. In the ordinary course of their various business activities, the Dealer Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own accounts and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities of the Dealer Manager and/or its affiliates may involve securities and instruments of the Issuer, including but not limited to Target Bonds, whether or not tendered for purchase pursuant to this Invitation.

In addition to its role as Dealer Manager in connection with this Tender Offer, the Dealer Manager is currently expected to act as the lead book-running underwriter of the Refunding Bonds, anticipated to be issued by the Issuer as described in the POS attached as **Appendix A** and, as such, they will receive compensation in connection with that transaction as well.

19. Information Agent and Tender Agent. The Authorized Officer has appointed, and hereby affirms such appointment by publication of this Invitation, Globic Advisors Inc. to act as the Information Agent and Tender Agent in connection with the Tender Offer and has authorized Jefferies LLC to engage the Information and Tender Agent to advise the Issuer and Dealer Manager as to such matters related to the Tender Offer. The Issuer will pay the Information Agent and Tender Agent customary fees for its services in connection with this Tender Offer, and in addition, the Issuer will pay the Information Agent and Tender Agent its reasonable out-of-pocket costs and expenses related to this Tender Offer, subject to the terms of the Dealer Manager Agreement.

20. Miscellaneous. This Invitation is not being made to, and offers will not be accepted from or on behalf of, Bondowners in any jurisdiction in which this Invitation or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions whose laws require this

Tender Offer to be made through a licensed or registered broker or dealer, this Tender Offer is being made on behalf of the Issuer by the Dealer Manager.

No one has been authorized by the Issuer, the Dealer Manager, or the Information Agent and Tender Agent to recommend to any Bondowners whether to tender Target Bonds for purchase pursuant to this Invitation. No one has been authorized to give any information or to make any representation in connection with this Tender Offer other than those contained in this Invitation. Any recommendation, information and representations given or made cannot be relied upon as having been authorized by the Issuer, the Dealer Manager, or the Information Agent and Tender Agent.

None of the Issuer, the Dealer Manager, or the Information Agent and Tender Agent makes any recommendation that any Bondowner tender or refrain from tendering all or any portion of such Bondowner's Target Bonds for purchase. Bondowners must make these decisions and should consult with their broker-dealer, account executive, financial advisor, attorney and/or other appropriate professionals.

21. Available Information; Contact Information. Certain information relating to the Target Bonds and the Issuer may be obtained by contacting the Dealer Manager or Information Agent and Tender Agent at the contact information set forth below. Such information is limited to (i) the Invitation, including the information set forth in the POS, which is attached hereto as **Appendix A**, and (ii) information about the Issuer available through the EMMA Website.

Investors with questions about this Tender Offer should contact the Dealer Manager or the Information Agent and Tender Agent utilizing the contact information below:

The Dealer Manager for this Tender Offer is:

JEFFERIES LLC

Contact your Jefferies LLC Representative or Jefferies LLC's Municipal Syndicate Desk
520 Madison Avenue
New York, NY 10022
Tel: (212) 336-7151
muni_underwriting@jefferies.com

The Information Agent and Tender Agent for this Tender Offer is:

GLOBIC ADVISORS INC.

Attention: Robert Stevens
477 Madison Avenue, 6th Floor
New York, NY 10022
Tel.: (212) 227-9622
rstevens@globic.com
Document Website: www.globic.com/ohiotos

Appendix A

PRELIMINARY OFFICIAL STATEMENT

NEW ISSUES (FOUR)

Ratings: [See Cover for each issue]

OFFICIAL STATEMENT

STATE OF OHIO
(TREASURER OF STATE)

\$89,590,000*

**Capital Facilities Lease-Appropriation Bonds, Series 2025A
(Mental Health Facilities Improvement Fund Projects) (Tax-Exempt)**

and

\$58,055,000*

**Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025A
(Parks and Recreation Improvement Fund Projects) (Tax-Exempt)**

and

\$26,175,000*

**Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025C
(Adult Correctional Building Fund Projects) (Tax-Exempt)**

and

\$38,245,000*

**Capital Facilities Lease-Appropriation Bonds, Series 2025C
(Administrative Building Fund Projects) (Federally Taxable)**

Reference is made to the Cover for each of the respective four issues
of the Series 2025 Bonds immediately following this page.

This Preliminary Official Statement and information contained in it are subject to change, completion or amendment without notice. These Series 2025 Bonds may not be sold and offers to buy may not be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of any offer to buy and there shall not be any sale of the Series 2025 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

* Preliminary, subject to change.

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This Preliminary Official Statement and information contained in it are subject to change, completion or amendment without notice. These Series 2025 Bonds may not be sold and offers to buy may not be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of any offer to buy and there shall not be any sale of the Series 2025 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.



PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 13, 2025

Ratings (See RATINGS)	
Fitch	AA+
Moody's	Aa1
S & P	AA+

NEW ISSUE

In the opinion of Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Mental Health Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (ii) the Mental Health Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State of Ohio. Interest on the Mental Health Bonds may be subject to certain federal taxes imposed only on certain corporations. See "TAX MATTERS FOR TAX-EXEMPT BONDS" herein.

OFFICIAL STATEMENT
\$89,590,000*
STATE OF OHIO
(TREASURER OF STATE)
Capital Facilities Lease-Appropriation Bonds, Series 2025A
(Mental Health Facilities Improvement Fund Projects) (Tax-Exempt)

Dated: Date of Initial Delivery

Due: On February 1, as shown below

The Bonds: The \$89,590,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025A (Mental Health Facilities Improvement Fund Projects) (Tax-Exempt) (the "Mental Health Bonds") will be issued for the purpose of paying Costs of Capital Facilities leased to the Department of Behavioral Health and the Department of Developmental Disabilities of the State (each a "Mental Health Department" and together the "Mental Health Departments"). (See **THE SERIES 2025 BONDS**)

Security and Sources of Payment: The Mental Health Bonds are special obligations of the State, issued by the State Treasurer of Ohio (the "Treasurer"), and are payable solely from Pledged Receipts, principally rental payments to be made by the Mental Health Departments under a lease between the Ohio Public Facilities Commission (the "OPFC") and the Mental Health Departments, and a supplemental lease thereto relating to the Mental Health Bonds. The obligation of the Mental Health Departments to make the rental payments is subject to and dependent upon biennial appropriations being made for such purposes by the General Assembly. The failure of the General Assembly to so appropriate moneys to the Mental Health Departments will result in termination of their Lease. The Mental Health Bonds do not represent or constitute a debt of the Treasurer, the Mental Health Departments, the OPFC or the State of Ohio or any political subdivision thereof, or a pledge of the faith and credit of the Treasurer, the Mental Health Departments, the OPFC or the State of Ohio or any political subdivision thereof. *The Holders and Beneficial Owners of the Mental Health Bonds shall have no right to have excises or taxes levied by the General Assembly for the payment of Bond Service Charges on the Mental Health Bonds.* (See **THE BONDS GENERALLY – Security**)

Payment: Principal and interest will be payable to the Registered Owner (initially, The Depository Trust Company or its nominee ("DTC")), the principal on presentation and surrender to the Trustee for the Mental Health Bonds, being U.S. Bank Trust Company, National Association (as successor to The Huntington National Bank), and interest transmitted on each Interest Payment Date. The Interest Payment Dates for the Mental Health Bonds are February 1 and August 1, beginning August 1, 2026.* (See **THE SERIES 2025 BONDS**)

Prior Redemption*: The Mental Health Bonds maturing on and after February 1, ____ are subject to optional redemption prior to maturity in whole or in part on or after ____ 1, _____. (See **THE SERIES 2025 BONDS – Prior Redemption**)

Form and Denomination; Book-Entry: The Mental Health Bonds will be initially issued only as fully registered bonds under a book-entry only method in denominations of \$5,000 or any multiple of \$5,000 in excess thereof. DTC, New York, New York, is the Securities Depository. There will be no distribution of bond certificates to others. (See **APPENDIX C –BOOK-ENTRY SYSTEM; DTC**)

PRINCIPAL MATURITY SCHEDULE*

February 1		Interest			February 1		Interest		
<u>Maturity</u>	<u>Principal*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP**</u>	<u>Maturity</u>	<u>Principal*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2027	\$6,630,000				2032	\$9,145,000			
2028	7,525,000				2033	9,600,000			
2029	7,900,000				2034	10,085,000			
2030	8,295,000				2035	10,585,000			
2031	8,710,000				2036	11,115,000			

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The Mental Health Bonds are offered when, as and if issued by the Treasurer and accepted by the Underwriters, subject to the opinion on certain legal matters relating to their issuance by Tucker Ellis LLP, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriters by their counsel Ice Miller LLP. Certain legal matters will be passed upon for the Treasurer by his counsel, the Attorney General of Ohio, Mike DeWine, and Dinsmore & Shohl LLP, which is serving as Issuer and Disclosure Counsel to the Treasurer. The Mental Health Bonds are expected to be available in definitive form for delivery through DTC on or about December 16, 2025.*

JEFFERIES
KEYBANC CAPITAL MARKETS, INC.

LOOP CAPITAL MARKETS LLC

JANNEY MONTGOMERY SCOTT
RAYMOND JAMES & ASSOCIATES, INC.

The date of this Official Statement is _____, 2025, and the information speaks only as of that date.

* Preliminary, subject to change.
**See inside regarding copyright.

This Preliminary Official Statement and information contained in it are subject to change, completion or amendment without notice. These Series 2025 Bonds may not be sold and offers to buy may not be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of any offer to buy and there shall not be any sale of the Series 2025 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.



PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 13, 2025

Ratings (See RATINGS)	
Fitch	AA+
Moody's	Aa1
S & P	AA+

NEW ISSUE

In the opinion of Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Parks and Recreation Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (ii) the Parks and Recreation Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State of Ohio. Interest on the Mental Health Bonds may be subject to certain federal taxes imposed only on certain corporations. See "TAX MATTERS FOR TAX-EXEMPT BONDS" herein.

OFFICIAL STATEMENT
\$58,055,000*
STATE OF OHIO
(TREASURER OF STATE)
Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025A
(Parks and Recreation Improvement Fund Projects) (Tax-Exempt)

Dated: Date of Initial Delivery

Due: On December 1, as shown below

The Bonds: The \$58,055,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025A (Parks and Recreation Improvement Fund Projects) (Tax-Exempt) (the "Parks and Recreation Bonds") will be issued for the purposes of refunding bonds, by defeasance and redemption or by purchase and cancellation by means of a Tender Offer (as hereinafter defined), that were previously issued for the purpose of paying Costs of Capital Facilities that are leased to the Department of Natural Resources of the State (the "DNR"). (See **THE SERIES 2025 BONDS**)

Security and Sources of Payment: The Parks and Recreation Bonds are special obligations of the State, issued by the State Treasurer of Ohio (the "Treasurer"), and are payable solely from Pledged Receipts, principally rental payments to be made by the DNR under a lease between the Ohio Public Facilities Commission (the "OPFC") and the DNR, and a supplemental lease thereto relating to the Parks and Recreation Bonds. The obligation of the DNR to make the rental payments is subject to and dependent upon biennial appropriations being made for such purposes by the General Assembly. The failure of the General Assembly to so appropriate moneys to the DNR will result in termination of its Lease. The Parks and Recreation Bonds do not represent or constitute a debt of the Treasurer, the DNR, the OPFC or the State of Ohio or any political subdivision thereof, or a pledge of the faith and credit of the Treasurer, the DNR, the OPFC or the State of Ohio or any political subdivision thereof. *The Holders and Beneficial Owners of the Parks and Recreation Bonds shall have no right to have excises or taxes levied by the General Assembly for the payment of Bond Service Charges on the Parks and Recreation Bonds.* (See **THE BONDS GENERALLY – Security**)

Payment: Principal and interest will be payable to the Registered Owner (initially, The Depository Trust Company or its nominee ("DTC")), the principal on presentation and surrender to the Trustee for the Parks and Recreation Bonds, being U.S. Bank Trust Company, National Association, and interest transmitted on each Interest Payment Date. The Interest Payment Dates for the Parks and Recreation Bonds are June 1 and December 1, beginning June 1, 2026.* (See **THE SERIES 2025 BONDS**)

No Prior Redemption:* The Parks and Recreation Bonds are not subject to redemption prior to maturity. (See **THE SERIES 2025 BONDS – Prior Redemption**)

Form and Denomination; Book-Entry: The Parks and Recreation Bonds will be initially issued only as fully registered bonds under a book-entry only method in denominations of \$5,000 or any multiple of \$5,000 in excess thereof. DTC, New York, New York, is the Securities Depository. There will be no distribution of bond certificates to others. (See **APPENDIX C –BOOK-ENTRY SYSTEM; DTC**)

PRINCIPAL MATURITY SCHEDULE*

December 1		Interest			December 1		Interest		
<u>Maturity</u>	<u>Principal*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP**</u>	<u>Maturity</u>	<u>Principal*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2026	\$5,790,000				2030	\$13,555,000			
2027	6,090,000				2031	6,820,000			
2028	9,395,000				2032	3,510,000			
2029	12,895,000								

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The Parks and Recreation Bonds are offered when, as and if issued by the Treasurer and accepted by the Underwriters, subject to the opinion on certain legal matters relating to their issuance by Tucker Ellis LLP, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriters by their counsel Ice Miller LLP. Certain legal matters will be passed upon for the Treasurer by his counsel, the Attorney General of Ohio, Mike DeWine, and Dinsmore & Shohl LLP, which is serving as Issuer and Disclosure Counsel to the Treasurer. The Parks and Recreation Bonds are expected to be available in definitive form for delivery through DTC on or about December 16, 2025.*

JEFFERIES
KEYBANC CAPITAL MARKETS, INC.

LOOP CAPITAL MARKETS LLC

JANNEY MONTGOMERY SCOTT
RAYMOND JAMES & ASSOCIATES, INC.

The date of this Official Statement is _____, 2025, and the information speaks only as of that date.

* Preliminary, subject to change.
**See inside regarding copyright.

This Preliminary Official Statement and information contained in it are subject to change, completion or amendment without notice. These Series 2025 Bonds may not be sold and offers to buy may not be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of any offer to buy and there shall not be any sale of the Series 2025 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 13, 2025



Ratings (See RATINGS)	
Fitch	AA+
Moody's	Aa1
S & P	AA+

NEW ISSUE

In the opinion of Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Adult Correctional Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (ii) the Adult Correctional Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State of Ohio. Interest on the Adult Correctional Bonds may be subject to certain federal taxes imposed only on certain corporations. See "TAX MATTERS FOR TAX-EXEMPT BONDS" herein.

OFFICIAL STATEMENT
\$26,175,000*
STATE OF OHIO
(TREASURER OF STATE)
Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025C
(Adult Correctional Building Fund Projects) (Tax-Exempt)

Dated: Date of Initial Delivery

Due: On October 1, as shown below

The Bonds: The \$26,175,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025C (Adult Correctional Building Fund Projects) (Tax-Exempt) (the "Adult Correctional Bonds") will be issued for the purpose of refunding bonds, by purchase and cancellation by means of a Tender Offer (as hereinafter defined), that were previously issued for the purpose of paying Costs of Capital Facilities that are leased to the Department of Rehabilitation and Correction of the State (the "DRC"). (See **THE SERIES 2025 BONDS**)

Security and Sources of Payment: The Adult Correctional Bonds are special obligations of the State, issued by the State Treasurer of Ohio (the "Treasurer"), and are payable solely from Pledged Receipts, principally rental payments to be made by the DRC under a lease between the Ohio Public Facilities Commission (the "OPFC") and the DRC, and a supplemental lease thereto relating to the Adult Correctional Bonds. The obligation of the DRC to make the rental payments is subject to and dependent upon biennial appropriations being made for such purposes by the General Assembly. The failure of the General Assembly to so appropriate moneys to the DRC will result in termination of its Lease. The Adult Correctional Bonds do not represent or constitute a debt of the Treasurer, the DRC, the OPFC or the State of Ohio or any political subdivision thereof, or a pledge of the faith and credit of the Treasurer, the DRC, the OPFC or the State of Ohio or any political subdivision thereof. *The Holders and Beneficial Owners of the Adult Correctional Bonds shall have no right to have excises or taxes levied by the General Assembly for the payment of Bond Service Charges on the Adult Correctional Bonds.* (See **THE BONDS GENERALLY – Security**)

Payment: Principal and interest will be payable to the Registered Owner (initially, The Depository Trust Company or its nominee ("DTC")), the principal on presentation and surrender to the Trustee for the Adult Correctional Bonds, being The Bank of New York Mellon Trust Company, N.A., and interest transmitted on each Interest Payment Date. The Interest Payment Dates for the Adult Correctional Bonds are April 1 and October 1, beginning April 1, 2026.* (See **THE SERIES 2025 BONDS**)

Prior Redemption:* The Adult Correctional Bonds maturing on and after October 1, _____ are subject to optional redemption prior to maturity in whole or in part on or after _____ 1, _____. (See **THE SERIES 2025 BONDS – Prior Redemption**)

Form and Denomination; Book-Entry: The Adult Correctional Bonds will be initially issued only as fully registered bonds under a book-entry only method in denominations of \$5,000 or any multiple of \$5,000 in excess thereof. DTC, New York, New York, is the Securities Depository. There will be no distribution of bond certificates to others. (See **APPENDIX C –BOOK-ENTRY SYSTEM; DTC**)

PRINCIPAL MATURITY SCHEDULE*

October 1 Maturity	Principal*	Interest Rate	Yield	CUSIP**	October 1 Maturity	Principal*	Interest Rate	Yield	CUSIP**
2028	\$1,040,000				2033	\$2,320,000			
2029	3,885,000				2034	2,440,000			
2030	4,090,000				2035	2,565,000			
2031	2,095,000				2036	2,695,000			
2032	2,210,000				2037	2,835,000			

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The Adult Correctional Bonds are offered when, as and if issued by the Treasurer and accepted by the Underwriters, subject to the opinion on certain legal matters relating to their issuance by Tucker Ellis LLP, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriters by their counsel Ice Miller LLP. Certain legal matters will be passed upon for the Treasurer by his counsel, the Attorney General of Ohio, Mike DeWine, and Dinsmore & Shohl LLP, which is serving as Issuer and Disclosure Counsel to the Treasurer. The Adult Correctional Bonds are expected to be available in definitive form for delivery through DTC on or about December 16, 2025.*

JEFFERIES
KEYBANC CAPITAL MARKETS, INC.

LOOP CAPITAL MARKETS LLC

JANNEY MONTGOMERY SCOTT
RAYMOND JAMES & ASSOCIATES, INC.

The date of this Official Statement is _____, 2025, and the information speaks only as of that date.

* Preliminary, subject to change.
**See inside regarding copyright.

This Preliminary Official Statement and information contained in it are subject to change, completion or amendment without notice. These Series 2025 Bonds may not be sold and offers to buy may not be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of any offer to buy and there shall not be any sale of the Series 2025 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.



PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 13, 2025

Ratings (See RATINGS)	
Fitch	AA+
Moody's	Aa1
S & P	AA+

NEW ISSUE

In the opinion of Bond Counsel, under existing law, the Administrative Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State of Ohio. Interest on the Administrative Bonds is not excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended. See "TAX MATTERS FOR TAXABLE BONDS" herein.

OFFICIAL STATEMENT
\$38,245,000*
STATE OF OHIO
(TREASURER OF STATE)
Capital Facilities Lease-Appropriation Bonds, Series 2025C
(Administrative Building Fund Projects) (Federally Taxable)

Dated: Date of Initial Delivery

Due: On October 1, as shown below

The Bonds: The \$38,245,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025C (Administrative Building Fund Projects) (Federally Taxable) (the "Administrative Bonds") will be issued for the purpose of paying Costs of Capital Facilities leased to the Department of Administrative Services of the State (the "DAS"). (See **THE SERIES 2025 BONDS**)

Security and Sources of Payment: The Administrative Bonds are special obligations of the State, issued by the State Treasurer of Ohio (the "Treasurer"), and are payable solely from Pledged Receipts, principally rental payments to be made by the DAS under a lease between the Ohio Public Facilities Commission (the "OPFC") and the DAS, and a supplemental lease thereto relating to the Administrative Bonds. The obligation of the DAS to make the rental payments is subject to and dependent upon biennial appropriations being made for such purposes by the General Assembly. The failure of the General Assembly to so appropriate moneys to the DAS will result in termination of its Lease. The Administrative Bonds do not represent or constitute a debt of the Treasurer, the DAS, the OPFC or the State of Ohio or any political subdivision thereof, or a pledge of the faith and credit of the Treasurer, the DAS, the OPFC or the State of Ohio or any political subdivision thereof. *The Holders and Beneficial Owners of the Administrative Bonds shall have no right to have excises or taxes levied by the General Assembly for the payment of Bond Service Charges on the Administrative Bonds.* (See **THE BONDS GENERALLY – Security**)

Payment: Principal and interest will be payable to the Registered Owner (initially, The Depository Trust Company or its nominee ("DTC")), the principal on presentation and surrender to the Trustee for the Administrative Bonds, being U.S. Bank Trust Company, National Association (as successor to The Huntington National Bank), and interest transmitted on each Interest Payment Date. The Interest Payment Dates for the Administrative Bonds are April 1 and October 1, beginning April 1, 2026.* (See **THE SERIES 2025 BONDS**)

Prior Redemption:* The Administrative Bonds are subject to redemption prior to maturity at the Make-Whole Redemption Price as provided herein (See **THE SERIES 2025 BONDS – Prior Redemption**)

Form and Denomination; Book-Entry: The Administrative Bonds will be initially issued only as fully registered bonds under a book-entry only method in denominations of \$5,000 or any multiple of \$5,000 in excess thereof. DTC, New York, New York, is the Securities Depository. There will be no distribution of bond certificates to others. (See **APPENDIX C –BOOK-ENTRY SYSTEM; DTC**)

PRINCIPAL MATURITY SCHEDULE*

October 1 Maturity	Principal*	Interest Rate	Yield	CUSIP**
2026	\$7,065,000			
2027	7,340,000			
2028	7,635,000			
2029	7,940,000			
2030	8,265,000			

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The Administrative Bonds are offered when, as and if issued by the Treasurer and accepted by the Underwriters, subject to the opinion on certain legal matters relating to their issuance by Tucker Ellis LLP, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriters by their counsel Ice Miller LLP. Certain legal matters will be passed upon for the Treasurer by his counsel, the Attorney General of Ohio, Mike DeWine, and Dinsmore & Shohl LLP, which is serving as Issuer and Disclosure Counsel to the Treasurer. The Administrative Bonds are expected to be available in definitive form for delivery through DTC on or about December 16, 2025.*

JEFFERIES
KEYBANC CAPITAL MARKETS, INC.

LOOP CAPITAL MARKETS LLC

JANNEY MONTGOMERY SCOTT
RAYMOND JAMES & ASSOCIATES, INC.

The date of this Official Statement is _____, 2025, and the information speaks only as of that date.

* Preliminary, subject to change.
**See inside regarding copyright.

REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Mental Health Bonds, the Parks and Recreation Bonds, the Adult Correctional Bonds, and the Administrative Bonds (collectively, the "Series 2025 Bonds") of the State of Ohio (the "State") identified on the Cover. The Mental Health Bonds, the Parks and Recreation Bonds and the Adult Correctional Bonds are sometimes referred to herein as the "Tax-Exempt Bonds" and the Administrative Bonds are sometimes referred to herein as the "Taxable Bonds." No person has been authorized by the Treasurer, the Mental Health Departments, the DNR, the DRC, the DAS, the OPFC or the State to give any information or to make any representation, other than that contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been given or authorized by the Treasurer, the Mental Health Departments, the DNR, the DRC, the DAS, the OPFC or the State. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall be no sale of the Series 2025 Bonds by any person, in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

Upon issuance, the Series 2025 Bonds will not be registered by the Treasurer, the Mental Health Departments, the DNR, the DRC, the DAS, the OPFC or the State under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency, except the Treasurer, the Mental Health Departments, the DNR, the DRC, the DAS and the Ohio Office of Budget and Management will have passed upon the accuracy or adequacy of this Official Statement or approved the Series 2025 Bonds for sale. In making an investment decision, investors must rely on their own examination of the terms of the offering, including the merits and risks involved.

The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder, under any circumstances, shall create any implication that there has been no change in the affairs of the Treasurer, the Mental Health Departments, the DNR, the DRC, the DAS, the OPFC or the State since its date.

The information approved and provided by the State in this Official Statement is the information relating to the particular subjects provided by the State or State agencies for the purpose of this Official Statement. Reliance for the purpose should not be placed on any other information publicly provided, in any format including electronic, by any State agency for other purposes, including general information provided to the public or to portions of the public. The Trustees have not reviewed this Official Statement and make no representations as to the information contained in this Official Statement.

This Official Statement, including its Appendices and Exhibits, contains statements that the State or the Treasurer believes may be "forward-looking statements." Words such as "plan," "estimate," "project," "budget," "anticipate," "expect," "intend," "believe" and similar terms are intended to identify forward-looking statements. The achievement of results or other expectations expressed or implied by such forward-looking statements involve known and unknown risks, uncertainties and other factors that are difficult to predict, may be beyond the control of the State or the Treasurer and could cause actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. The State and the Treasurer undertake no obligation, and do not plan, to issue any updates or revisions to any of the forward-looking statements in this Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

In connection with this offering, the Underwriters may over allot or effect transactions that stabilize or maintain the market price of the Series 2025 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

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SUMMARY STATEMENT

The following summary statement supplements certain of the information on the Cover and summarizes selected other information in this Official Statement relating to the Series 2025 Bonds. It is not intended as a substitute for the more detailed discussions in this Official Statement to which reference should be made.

ISSUER. The State of Ohio, by the State Treasurer of Ohio.

AUTHORIZATION. The Series 2025 Bonds are issued pursuant to Section 2i of Article VIII of the Constitution of the State, Chapter 154 of the Revised Code, the respective General Bond Orders, each respective Trust Agreement, each respective Lease and each respective Series Order, providing for the issuance and sale of the Series 2025 Bonds.

SECURITY AND SOURCES OF PAYMENT. The Series 2025 Bonds are special obligations of the State, issued by the Treasurer, payable solely from the respective Pledged Receipts. Holders and Beneficial Owners have no right to have excises or taxes levied by the General Assembly for payment of the Series 2025 Bonds. The Series 2025 Bonds (and any other Obligations issued) are secured by each respective Trust Agreement. Principal, interest and any premium on the Series 2025 Bonds are payable from and secured by a pledge of payments received in the applicable Bond Service Fund for each of the Series 2025 Bonds from rentals and other revenues and receipts under the applicable Lease. There are no receipts from any Projects pledged to pay Bond Service Charges on the Series 2025 Bonds. The Projects are not mortgaged to pay, and otherwise are not security for, the Series 2025 Bonds. The Series 2025 Bonds are not parity bonds across programs and therefore, there is no pledge of revenues or receipts received by or on behalf of any state agency to Bond Service Charges on Obligations other than those issued to finance or refinance Capital Facilities which are in whole or in part useful to, constructed by, or financed by the state agency that receives the revenues or receipts so pledged. No series of the Series 2025 Bonds issued pursuant to one of the Trust Agreements is secured by a pledge of Pledged Receipts securing another series of the Series 2025 Bonds issued pursuant to another Trust Agreement. For example but without limitation, the pledge of Pledged Receipts with respect to Bond Service Charges on the Adult Correctional Bonds is not pledged for the repayment of the Mental Health Bonds.

All moneys received by the Treasurer under the respective Leases, excepting the portion of those moneys to be credited to the Administrative Service Funds, shall be deposited to the Bond Service Fund for those respective Series 2025 Bonds and allocated to the Bond Service Account and Special Funds and Accounts as provided by each respective Lease. The obligation of each of the Mental Health Departments, the DNR, the DRC or the DAS to make rental payments under its respective Lease is subject to and dependent upon separate biennial appropriations being made by the General Assembly for such purposes. Those appropriations may not be made for a period longer than the fiscal biennium, which initially ends June 30, 2027 but which thereafter is a two-year period ending on June 30 of each odd-numbered year. The failure of the General Assembly to appropriate moneys to any of the Mental Health Departments, the DNR, the DRC or the DAS will result in termination of the respective Lease for which the appropriation was not made. The Series 2025 Bonds do not represent or constitute a debt of the Treasurer, the Mental Health Departments, the DNR, the DRC, the DAS, the OPFC or the State or of any political subdivision thereof, or a pledge of the faith and credit of the Treasurer, the Mental Health Departments, the DNR, the DRC, the DAS, the OPFC or the State or of any political subdivision thereof.

Certain financial and other information concerning the State is contained in **APPENDIX A – INFORMATION CONCERNING THE STATE OF OHIO**, which is attached hereto and should be reviewed carefully because rental payments under the Leases are paid with moneys appropriated from the State General Revenue Fund. (See **APPENDIX A – INFORMATION CONCERNING THE STATE OF OHIO – STATE DEBT – General** and **APPENDIX A – INFORMATION CONCERNING THE STATE OF OHIO – FISCAL MATTERS – Recent Receipts and Disbursements**)

PURPOSE OF BONDS. The Series 2025 Bonds are being issued for the purpose of (i) paying Costs of Capital Facilities to be leased to the Mental Health Departments and paying Costs of Capital Facilities to be leased to the DAS, (ii) refunding bonds, by defeasance and redemption or by purchase and cancellation by means of Tender Offer (as hereinafter defined), that were previously issued for the purposes of paying costs of Capital Facilities that are leased to the DNR and the DRC, and (iii) paying costs incidental to the issuance and sale of the Series 2025 Bonds. (See **PLAN OF FINANCE**)

PRIOR REDEMPTION.* The Parks and Recreation Bonds are not subject to redemption prior to maturity. The Mental Health Bonds maturing on and after February 1, ____ are subject to redemption prior to maturity at the option of the Treasurer, either in whole or in part (as selected by the Treasurer and in integral multiples of \$5,000), on any date on or after _____ 1, ____ at 100% of the principal amount redeemed plus interest accrued to the redemption date. The Adult

* Preliminary, subject to change.

Correctional Bonds maturing on and after October 1, ____ are subject to redemption prior to maturity at the option of the Treasurer, either in whole or in part (as selected by the Treasurer and in integral multiples of \$5,000), on any date on or after _____ 1, ____ at 100% of the principal amount redeemed plus interest accrued to the redemption date. The Administrative Bonds are subject to redemption prior to maturity in whole or in part, on any date, at the sole option of the Treasurer, at the Make-Whole Redemption Price, plus accrued interest to the date fixed for redemption. (See **THE SERIES 2025 BONDS – Prior Redemption**)

FORM AND MANNER OF MAKING PAYMENTS. The Series 2025 Bonds will be originally issued only as fully registered bonds, one for each respective maturity bearing the same interest rate, under a book-entry only method, and registered initially in the name of The Depository Trust Company, New York, New York, or its nominee ("DTC"). The Series 2025 Bonds will be initially issued in denominations of \$5,000 or any multiple of \$5,000 in excess thereof. There will be no distribution of Series 2025 Bonds to the ultimate purchasers. The Series 2025 Bonds in book-entry form will not be transferable or exchangeable, except for transfer to another nominee of DTC or as otherwise described in this Official Statement. (See **APPENDIX C – BOOK-ENTRY SYSTEM; DTC**)

Principal and interest will be payable to the Holder (initially, DTC or its nominee). Principal will be payable on presentation and surrender to the respective Trustee. Interest will be transmitted by the respective Trustee on each Interest Payment Date to the Holder as of the 15th day of the month preceding the Interest Payment Date (the "Regular Record Date"). The Interest Payment Dates for the Mental Health Bonds are February 1 and August 1, beginning August 1, 2026*, the Interest Payment Dates for the Parks and Recreation Bonds are June 1 and December 1, beginning June 1, 2026* and Interest Payment Dates for the Adult Correctional Bonds and the Administrative Bonds are April 1 and October 1, beginning April 1, 2026.* (See **THE SERIES 2025 BONDS**)

TAX MATTERS. In the opinion of Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (ii) the Series 2025 Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State of Ohio. Interest on the Tax-Exempt Bonds may be subject to certain federal taxes imposed only on certain corporations. **INTEREST ON THE TAXABLE BONDS IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES.**

For a more complete discussion of the tax aspects of the Series 2025 Bonds, see **TAX MATTERS FOR TAX-EXEMPT BONDS** and **TAX MATTERS FOR TAXABLE BONDS** herein.

TRUSTEE AND BOND REGISTRAR. The Bank of New York Mellon Trust Company, N.A. is the Trustee and the Bond Registrar for the Adult Correctional Bonds. U.S. Bank Trust Company, National Association is the Trustee and the Bond Registrar for the Mental Health Bonds, the Parks and Recreation Bonds, and the Administrative Bonds.

BOND COUNSEL. Tucker Ellis LLP.

ISSUER AND DISCLOSURE COUNSEL. Dinsmore & Shohl LLP.

MUNICIPAL ADVISOR. PFM Financial Advisors LLC.

UNDERWRITERS. Jefferies LLC, Janney Montgomery Scott LLC, KeyBanc Capital Markets, Inc., Loop Capital Markets LLC, and Raymond James & Associates, Inc. (collectively, the "Underwriters"). The Tax-Exempt Bonds have been purchased by the Underwriters at an aggregate price of \$_____. The Taxable Bonds have been purchased by the Underwriters at a purchase price of \$_____. (See **UNDERWRITING**)

Questions regarding this Official Statement or the Series 2025 Bonds should be directed to the Director of the Office of Debt Management, State of Ohio, Treasurer of State, 30 East Broad Street, 9th Floor, Columbus, Ohio 43215-3414, telephone (614) 466-7752. For additional information concerning the Treasurer and the Treasurer's bond programs, visit www.ohiotreasurerbonds.com. The information contained on that website is not incorporated as part of this Official Statement.

* Preliminary, subject to change.

GENERAL INTRODUCTORY STATEMENT

This Official Statement has been prepared by the State Treasurer of Ohio (the "Treasurer") to provide certain information in connection with the original issuance and sale of the \$89,590,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025A (Mental Health Facilities Improvement Fund Projects) (Tax-Exempt) (the "Mental Health Bonds"), \$58,055,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025A (Parks and Recreation Improvement Fund Projects) (Tax-Exempt) (the "Parks and Recreation Bonds"), the \$26,175,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025C (Adult Correctional Building Fund Projects) (Tax-Exempt) (the "Adult Correctional Bonds"), and the \$38,245,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025C (Administrative Building Fund Projects) (Federally Taxable) (the "Administrative Bonds" and, collectively with the Mental Health Bonds, Parks and Recreation Bonds, and the Adult Correctional Bonds, the "Series 2025 Bonds"). The Mental Health Bonds, the Parks and Recreation Bonds and the Adult Correctional Bonds are sometimes referred to herein as the "Tax-Exempt Bonds" and the Administrative Bonds are sometimes referred to herein as the "Taxable Bonds." The Series 2025 Bonds are being issued pursuant to Section 2i of Article VIII of the Ohio Constitution under powers granted to the Treasurer by Chapter 154 of the Revised Code as the issuing authority in all matters relating to the issuance of special obligation bonds for the financing of Capital Facilities, as that term is defined in Sections 154.01 and 154.24 of the Revised Code, for Behavioral Health and Developmental Disabilities Purposes, parks and recreation purposes, and housing branches and agencies of state government.

Capitalized terms not otherwise defined in the text of this Official Statement shall have the meanings given to them in **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES.**

Mental Health Bonds

The Mental Health Bonds are issued pursuant to a Trust Agreement dated as of May 1, 2012 (the "Mental Health Original Trust Agreement") and the Series 2025A Supplemental Trust Agreement thereto dated as of December 1, 2025 (the "Mental Health Series 2025A Supplemental Trust Agreement"), each between the State, acting by and through the Treasurer, and U.S. Bank Trust Company, National Association, as Trustee (the "Mental Health Trustee"), as successor trustee to The Huntington National Bank. The Mental Health Original Trust Agreement as amended and supplemented, including as supplemented by the Mental Health Series 2025A Supplemental Trust Agreement, is referred to as the "Mental Health Trust Agreement." The Mental Health Bonds are authorized by the General Bond Order No. 8-12 issued by the Treasurer on May 3, 2012 (the "Mental Health General Bond Order") and Series Order No. 5-25 issued by the Treasurer on December __, 2025 (the "Mental Health Series 2025A Order").

Proceeds from the sale of the Mental Health Bonds will be used for the purpose of paying (i) Costs of Capital Facilities to be leased to the Department of Behavioral Health and the Department of Developmental Disabilities of the State of Ohio (each a "Mental Health Department" and together the "Mental Health Departments") by the OPFC, and (ii) costs incidental to the issuance and sale of the Mental Health Bonds. (See **PLAN OF FINANCE – Sources and Uses of Bond Proceeds**)

The OPFC will lease the Capital Facilities financed with the Mental Health Bonds to the Mental Health Departments pursuant to the terms of a Lease Agreement dated as of May 1, 2012 (the "Mental Health Original Lease Agreement") and a Series 2025A Supplemental Lease Agreement thereto dated as of December 1, 2025 (the "Mental Health Series 2025A Supplemental Lease"), each between the OPFC and the Mental Health Departments. The Mental Health Original Lease Agreement as amended and supplemented, including as supplemented by the Mental Health Series 2025A Supplemental Lease, is referred to as the "Mental Health Lease." The term of the Mental Health Lease expires June 30, 2027, and is renewable for successive terms not to exceed two years upon appropriation by the General Assembly to the Mental Health Departments of the amounts required for rental payments for each successive term.

Parks and Recreation Bonds

The Parks and Recreation Bonds are issued pursuant to a Trust Agreement dated as of May 1, 2012 (the "Parks and Recreation Original Trust Agreement") and the Series 2025A Supplemental Trust Agreement thereto dated as of December 1, 2025 (the "Parks and Recreation Supplemental Trust Agreement"), each between the State, acting by and through the Treasurer, and U.S. Bank Trust Company, National Association, as Trustee (the "Parks and Recreation Trustee"). The Parks and Recreation Original Trust Agreement, as amended and supplemented, including as supplemented by the Parks and Recreation Supplemental Trust Agreement, is referred to as the "Parks and Recreation Trust Agreement." The Parks and Recreation Bonds are authorized

* Preliminary, subject to change.

by the General Bond Order No. 10-12 issued by the Treasurer on May 3, 2012 (the "Parks and Recreation General Bond Order") and Series Order No. 6-25 issued by the Treasurer on December __, 2025 (the "Parks and Recreation Series 2025A Order").

Proceeds from the sale of the Parks and Recreation Bonds will be used for the purpose of (i) refunding bonds, by defeasance and redemption or by purchase and cancellation by means of a Tender Offer (as hereinafter defined), that were previously issued to pay Costs of Capital Facilities leased to the Department of Natural Resources of the State of Ohio (the "DNR") by the OPFC, and (ii) paying costs incidental to the issuance and sale of the Parks and Recreation Bond. (See **PLAN OF FINANCE – Sources and Uses of Bond Proceeds**)

The OPFC will lease the Capital Facilities refinanced with Parks and Recreation Bonds to the DNR pursuant to the terms of a Lease Agreement dated as of May 1, 2012 (the "Parks and Recreation Original Lease Agreement") and a Series 2025A Supplemental Lease thereto dated as of December 1, 2025 (the "Parks and Recreation Supplemental Lease"), each between the OPFC and the DNR. The Parks and Recreation Original Lease Agreement, as amended and supplemented, including as supplemented by the Parks and Recreation Supplemental Lease, is referred to as the "Parks and Recreation Lease." The term of the Parks and Recreation Lease expires June 30, 2027 and is renewable for successive terms not to exceed two years upon appropriation by the General Assembly to the DNR of the amounts required for rental payments for each successive term.

Adult Correctional Bonds

The Adult Correctional Bonds are issued pursuant to a Trust Agreement dated as of May 1, 2012 (the "Adult Correctional Original Trust Agreement") and the Series 2025C Supplemental Trust Agreement thereto dated as of December 1, 2025 (the "Adult Correctional Series 2025C Supplemental Trust Agreement"), each between the State, acting by and through the Treasurer, and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Adult Correctional Trustee"). The Adult Correctional Original Trust Agreement as amended and supplemented, including as supplemented by the Adult Correctional Series 2025C Supplemental Trust is referred to as the "Adult Correctional Trust Agreement." The Adult Correctional Bonds are authorized by the General Bond Order No. 12-12 issued by the Treasurer on May 3, 2012 (the "Adult Correctional General Bond Order") and Series Order No. 7-25 issued by the Treasurer on December __, 2025 (the "Adult Correctional Series 2025C Order").

Proceeds from the sale of the Adult Correctional Bonds will be used for the purpose of (i) refunding bonds by purchase and cancellation by means of a Tender Offer that were previously issued to pay Costs of Capital Facilities leased to the Department of Rehabilitation and Correction of the State of Ohio (the "DRC") by the OPFC, and (ii) paying costs incidental to the issuance and sale of the Adult Correctional Bonds. (See **PLAN OF FINANCE – Sources and Uses of Bond Proceeds**)

The OPFC will lease the Capital Facilities refinanced with the Adult Correctional Bonds to the DRC pursuant to the terms of a Lease Agreement dated as of May 1, 2012 (the "Adult Correctional Original Lease Agreement") and a Series 2025C Supplemental Lease Agreement thereto dated as of December 1, 2025 (the "Adult Correctional Series 2025C Supplemental Lease"), each between the OPFC and the DRC. The Adult Correctional Original Lease Agreement as amended and supplemented, including as supplemented by the Adult Correctional Series 2025C Supplemental Lease is referred to as the "Adult Correctional Lease." The term of the Adult Correctional Lease expires June 30, 2027 and is renewable for successive terms not to exceed two years upon appropriation by the General Assembly to the DRC of the amounts required for rental payments for each successive term.

Administrative Bonds

The Administrative Bonds are issued pursuant to a Trust Agreement dated as of March 1, 2012 (the "Administrative Original Trust Agreement") and the Series 2025C Supplemental Trust Agreement thereto dated as of December 1, 2025 (the "Administrative Series 2025C Supplemental Trust Agreement"), each between the State, acting by and through the Treasurer, and U.S. Bank Trust Company, National Association, as Trustee (the "Administrative Trustee"), as successor trustee to The Huntington National Bank. The Administrative Original Trust Agreement as amended and supplemented, including as supplemented by the Administrative Series 2025C Supplemental Trust Agreement, is referred to as the "Administrative Trust Agreement." The Administrative Bonds are authorized by the General Bond Order No. 1-12 issued by the Treasurer on February 28, 2012 (the "Administrative General Bond Order") and Series Order No. 8-25 issued by the Treasurer on December __, 2025 (the "Administrative Series 2025C Order").

Proceeds from the sale of the Administrative Bonds will be used for the purpose of paying (i) Costs of Capital Facilities to be leased to the Department of Administrative Services of the State of Ohio (the "DAS") by the OPFC, and (ii) costs incidental to the issuance and sale of the Administrative Bonds. (See **PLAN OF FINANCE – Sources and Uses of Bond Proceeds**)

The OPFC will lease the Capital Facilities financed with the Administrative Bonds to the DAS pursuant to the terms of a Lease Agreement dated as of March 1, 2012 (the "Administrative Original Lease Agreement") and a Series 2025C Supplemental Lease Agreement thereto dated as of December 1, 2025 (the "Administrative Series 2025C Supplemental Lease"), each between the OPFC and the DAS. The Administrative Original Lease Agreement as amended and supplemented, including as supplemented by the Administrative Series 2025B Supplemental Lease, is referred to as the "Administrative Lease." The term of the Administrative Lease expires June 30, 2027 and is renewable for successive terms not to exceed two years upon appropriation by the General Assembly to the DAS of the amounts required for rental payments for each successive term.

Rental Payments and Bond Service Charges

Each of the aforementioned Leases requires rental payments from each of the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, sufficient to pay (i) the Bond Service Charges on the applicable series of the Series 2025 Bonds and any other Obligations issued under the respective Trust Agreements, (ii) certain administrative costs of the Treasurer and (iii) any rebate amount or other related payments to maintain the exclusion from gross income for federal income tax purposes of the interest on the applicable series of the Tax-Exempt Bonds pursuant to Section 148(f) of the Code, if necessary. The rental payments from each of the Mental Health Departments, the DNR, the DRC, and the DAS constituting Basic Rent for the applicable Lease are assigned by the OPFC to the Treasurer and are paid directly to the Treasurer and are pledged by the State pursuant to the respective Trust Agreements for the payment of Bond Service Charges on the applicable series of the Series 2025 Bonds and are required to be deposited to each of the Bond Service Funds pursuant to the respective Trust Agreements. (See **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES**)

The obligations of each of the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, to make rental payments and to perform other obligations involving expenditures under its Lease are subject to and dependent upon separate biennial appropriations to the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, being made by the General Assembly for such purposes. If the General Assembly fails to appropriate moneys to renew a particular Lease, that Lease will terminate. Under each Lease, the OPFC has waived all rights it may have to recover possession of the Projects in the event of the termination of the Lease. **If the General Assembly fails to appropriate moneys to renew a Lease, the OPFC does not have the remedies generally available to lessors upon default under or termination of a lease and the OPFC and the Treasurer may have no practical remedy to ensure that moneys are available for the payment of Bond Service Charges on the Series 2025 Bonds.** (See **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENT AND THE LEASE**)

Based upon the projected Bond Service Charges on the Series 2025 Bonds and the Treasurer's estimated administrative expenses for the biennium ending June 30, 2027, the amounts currently appropriated by the General Assembly for the rental payments to be paid by each of the Mental Health Departments, the DNR, the DRC, and the DAS to the Treasurer under their respective Leases, together with existing moneys on deposit in the respective Bond Service Funds, will be sufficient to pay the Bond Service Charges, together with such sums, if any, as shall be necessary to pay certain administrative expenses of the Treasurer (for example, applicable Trustee fees) for such biennium, including any amounts due as Additional Rent under those Leases. There is no Required Reserve for the Series 2025 Bonds.

This Official Statement contains brief descriptions of the Series 2025 Bonds, the security for the Series 2025 Bonds, the Treasurer, Mental Health Departments, the DNR, the DRC, the DAS, the OPFC, the Projects, the Leases and the Trust Agreements. **Certain financial and other information concerning the State is contained, or incorporated by reference, in APPENDIX A – INFORMATION CONCERNING THE STATE OF OHIO hereto and should be reviewed carefully because rental payments under the Lease are paid with moneys appropriated from the State General Revenue Fund.** (See **APPENDIX A – INFORMATION CONCERNING THE STATE OF OHIO – STATE DEBT – General and APPENDIX A – INFORMATION CONCERNING THE STATE OF OHIO – FISCAL MATTERS – Recent Receipts and Disbursements**)

All financial and other data included herein have been provided by the Treasurer, Mental Health Departments, the DNR, the DRC, the DAS, or the State, except that which is attributed to other sources. The summaries of the documents described herein do not purport to be comprehensive or definitive and are qualified in their entirety by reference to such documents. Copies of the Leases and the Trust Agreements may be obtained from the Treasurer and the applicable Trustee and, during the initial offering period, from the Underwriters.

References to provisions of Ohio law or of the Ohio Constitution are to those provisions now in effect. Those provisions may from time to time be amended, repealed or supplemented.

THE SERIES 2025 BONDS

General

The Series 2025 Bonds will be issued pursuant to the constitutional and statutory authorities described herein and the respective General Bond Orders and the respective Series Orders issued by the Treasurer. The Series 2025 Bonds are issuable in the form and denominations, and will be dated and mature, as described in this Official Statement. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Series 2025 Bonds are issued under the respective Trust Agreements and are payable from separate appropriations by the General Assembly for rental payments under the respective Leases.

Registration, Payment and Transfer

The Series 2025 Bonds will be issued and issuable only as one fully registered bond for each respective maturity bearing the same interest rate in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, as Holder of all the Series 2025 Bonds. The fully registered Series 2025 Bonds will be retained and immobilized in the custody of DTC. For discussion of the book-entry system and DTC, see **APPENDIX C – BOOK-ENTRY SYSTEM; DTC**. DTC (or any successor Securities Depository), or its nominee, for all purposes under the Trust Agreement will be considered to be the sole Holder of the Series 2025 Bonds. The Series 2025 Bonds will be initially issued in denominations of \$5,000 or any multiple of \$5,000 in excess thereof.

Payments of Bond Service Charges on the Series 2025 Bonds

The principal of the Series 2025 Bonds will be payable to the Holder (initially DTC, or its nominee) upon presentation and surrender of the Series 2025 Bonds at the designated corporate trust office of the applicable Trustee as Paying Agent for the Series 2025 Bonds. The Series 2025 Bonds will bear interest on their unpaid principal amounts payable on each Interest Payment Date to the Holder (initially DTC, or its nominee) at the address shown on the applicable Bond Register as of the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"); provided that, so long as the Series 2025 Bonds remain in book-entry form, the applicable Trustee for the series of the Series 2025 Bonds will make any payment of Bond Service Charges by wire transfer of funds on each Interest Payment Date. The Interest Payment Dates for the Mental Health Bonds are February 1 and August 1, beginning August 1, 2026*, the Interest Payment Dates for the Parks and Recreation Bonds are June 1 and December 1, beginning June 1, 2026* and Interest Payment Dates for the Adult Correctional Bonds and the Administrative Bonds are April 1 and October 1, beginning April 1, 2026*.

Prior Redemption*

The Parks and Recreation Bonds are not subject to redemption prior to maturity.

The Mental Health Bonds maturing on or before February 1, ____ are not subject to redemption prior to maturity. The Mental Health Bonds maturing on and after February 1, ____ (the "Mental Health Callable Bonds") are subject to redemption prior to maturity at the option of the Treasurer, either in whole or in part (as selected by the Treasurer and in integral multiples of \$5,000), on any date on or after _____ 1, ____ at 100% of the principal amount redeemed plus interest accrued to the redemption date.

The Adult Correctional Bonds maturing on or before October 1, ____ are not subject to redemption prior to maturity. The Adult Correctional Bonds maturing on and after October 1, ____ (the "Adult Correctional Callable Bonds" and together with the Mental Health Callable Bonds, the "Tax-Exempt Callable Bonds," and the Tax-Exempt Callable Bonds together with the Administrative Bonds, the "Callable Bonds") are subject to redemption prior to maturity at the option of the Treasurer, either in whole or in part (as selected by the Treasurer and in integral multiples of \$5,000), on any date on or after _____ 1, ____ at 100% of the principal amount redeemed plus interest accrued to the redemption date.

The Administrative Bonds, being the "Taxable Bonds," are subject to redemption prior to maturity in whole or in part, on any date, at the sole option of the Treasurer, at the Make-Whole Redemption Price, plus accrued interest to the date fixed for redemption. The "Make-Whole Redemption Price" shall be determined by the Calculation Agent (defined below) and is equal to the greater of:

* Preliminary, subject to change.

(i) 100% of the principal amount of the Taxable Bonds to be redeemed; and

(ii) the sum of the present values of the remaining scheduled payments of principal and interest to maturity on any Taxable Bonds being redeemed (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months), at the Treasury Rate (defined below) plus _____ (___) basis points.

"Treasury Rate" means, as of any redemption date for Taxable Bonds, the yield to maturity as of such redemption date of the United States Treasury security with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days, but no more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the Taxable Bonds to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Business Day" means any day other than (a) a Saturday, (b) a Sunday, or (c) a day on which the Trustee is authorized by law to remain closed.

"Calculation Agent" means an independent accounting firm, investment banking firm or financial advisor that is retained by the Treasurer at the State's expense to calculate the Make-Whole Redemption Price.

Notice and Procedure for Redemption

Notice of call for any redemption of any Callable Bonds identifying the Callable Bonds or portions thereof to be redeemed, the date fixed for redemption and the places where the amounts due upon that redemption are payable, will be given by the applicable Trustee, on behalf of the Treasurer, by mailing a copy of the redemption notice no less than 30 days prior to the date fixed for redemption to the Holders of the Callable Bonds to be redeemed as shown on the applicable Bond Register for those Callable Bonds who are shown as Holders at the close of business on the 15th day preceding such mailing, at the address then appearing on the applicable Bond Register; provided that failure to receive notice, or any defect in that notice as to any Callable Bond will not affect the validity of the proceedings for the redemption of any other Callable Bond. So long as the Callable Bonds remain in book entry form, the applicable Trustee will send the notice for those Callable Bonds to the Securities Depository, currently DTC, or its nominee. Any failure of the Securities Depository to notify any Direct or Indirect Participant, or of any Direct or Indirect Participant to notify the Beneficial Owner of any such notice, will not affect the validity of the redemption of the Callable Bonds.

Selection of Tax-Exempt Callable Bonds to be Redeemed

If fewer than all of the Tax-Exempt Callable Bonds of a series are to be called for redemption at one time, the Treasurer will determine the maturities of the Tax-Exempt Callable Bonds of the series to be redeemed. If fewer than all of the Tax-Exempt Callable Bonds of a single maturity bearing the same interest rate for a series are to be redeemed, the selection of the Tax-Exempt Callable Bonds to be redeemed, or portions thereof in amounts of \$5,000 or any integral multiple thereof, will, so long as such Tax-Exempt Callable Bonds remain in book entry form, be made by the Securities Depository and its participants. If the Tax-Exempt Callable Bonds are not then in a book entry form and if less than all of the Tax-Exempt Callable Bonds of a single maturity bearing the same interest rate for a series are to be redeemed, the selection of Tax-Exempt Callable Bonds or portions thereof in amounts of \$5,000 or in an integral multiple thereof to be redeemed, will be made by the Treasurer in any manner in which the Treasurer shall determine.

For so long as the Tax-Exempt Callable Bonds are registered in book entry form and the Securities Depository or its nominee is the sole Registered Owner of the Tax-Exempt Callable Bonds, the applicable Bond Registrar will give notice of redemption only to the Securities Depository, currently DTC or its nominee, as Registered Owner. The allocation and the selection of the book entry interests of Tax-Exempt Callable Bonds to be redeemed, and the notice thereof from the Securities Depository, currently DTC or its nominee, will be by and is the sole responsibility of DTC and its Direct Participants and those working through those Direct Participants.

Selection of Taxable Bonds to be Redeemed

If fewer than all of the Taxable Bonds are to be called for redemption at one time, the Treasurer will determine the maturities of the Taxable Bonds to be redeemed. If less than all of a maturity of the same interest rate of the Taxable Bonds is

to be called for redemption, the particular Taxable Bonds in that maturity are to be redeemed on a pro rata pass-through distribution of principal basis as described below.

So long as the Taxable Bonds are registered in book-entry only form and DTC or a successor Securities Depository is the sole registered owner of such Taxable Bonds, if less than all of the Taxable Bonds of a maturity of the same interest rate are called for prior redemption, the Treasurer shall endeavor to cause the particular Taxable Bonds of the series or portions thereof to be redeemed shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Taxable Bonds are held in book-entry form, the selection for redemption of such Taxable Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Taxable Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

PLAN OF FINANCE*

Sources and Uses of Bond Proceeds

The proceeds of the Series 2025 Bonds will be applied for the following uses and purposes:

<u>Sources of Funds:</u>	<u>Mental Health Bonds</u>	<u>Parks and Recreation Bonds</u>	<u>Adult Correctional Bonds</u>	<u>Administrative Bonds</u>
Par Amount	\$89,590,000*	\$58,055,000*	\$26,175,000*	\$38,245,000*
[Net] Premium				
Total Sources				
<u>Uses of Funds:</u>				
Deposit to Improvement Fund ¹				
Deposit to the Escrow Account				
Deposit to Bond Redemption Account ²				
Financing Costs ³				
Total Uses				

¹ Referred to as the "Mental Health Facilities Improvement Fund" and the "Administrative Building Taxable Fund" herein.

² Used to purchase and cancel and thereby refund Tendered Bonds on the issuance date of the Series 2025 Bonds.

³ Includes underwriters' discount, certain legal fees, printing costs and other costs of issuance.

A portion of the premium, if any, received by the Treasurer from the sale of a series of the Series 2025 Bonds will be used to pay costs of issuance of the Series 2025 Bonds for that particular series and will be deposited in the respective Administrative Service Fund.

General

The Series 2025 Bonds are being issued for the purpose of (i) paying Costs of Capital Facilities to be leased to the Mental Health Departments and paying Costs of Capital Facilities to be leased to the DAS, (ii) refunding bonds, by defeasance and redemption or by purchase and cancellation by means of Tender Offer, that were previously issued for the purposes of paying costs of Capital Facilities that are leased to the DNR and the DRC, and (iii) paying costs incidental to the issuance and sale of the Series 2025 Bonds.

Certain proceeds received by the Treasurer from the sale of the Mental Health Bonds will be deposited in the Mental Health Facilities Improvement Fund to pay Costs of Capital Facilities.

* Preliminary; subject to change.

Certain proceeds received by the Treasurer from the sale of the Administrative Bonds will be deposited in the Administrative Building Taxable Fund to pay Costs of Capital Facilities.

Refunded Parks and Recreation Bonds

A portion of the proceeds received by the Treasurer from the sale of the Parks and Recreation Bonds will be used to refund the following maturities of outstanding bonds (collectively, the "Refunded Bonds")* on the earliest permitted redemption date shown below:

Parks and Recreation Refunded Bonds*

<u>Series</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Earliest Permitted Redemption Date</u>	<u>Redemption Price</u>
2016A	2/1/2027	5.00%	\$6,055,000	2/1/2026	100%
2016A	2/1/2028	5.00	6,360,000	2/1/2026	100
2016A	2/1/2029	5.00	6,675,000	2/1/2026	100
2016A	2/1/2030	5.00	7,010,000	2/1/2026	100
2016A	2/1/2031	5.00	7,360,000	2/1/2026	100

On the date of delivery and payment, proceeds of the Parks and Recreation Bonds will be used to purchase eligible securities (the "Defeasance Obligations") to be held in trust by U.S. Bank Trust Company, National Association, as escrow agent for the Parks and Recreation Refunded Bonds, to provide for payment of principal of and interest on those Refunded Bonds to their respective Earliest Permitted Redemption Dates shown above. The mathematical accuracy of (a) the computations of the adequacy of the cash and the maturing principal and interest earned on the Defeasance Obligations to be purchased to provide for the payment of the principal and interest due and to be due on the Refunded Bonds, and (b) the computations supporting the conclusion by Bond Counsel that the Parks and Recreation Bonds are not "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986, as amended, will be verified by Causey Public Finance LLC.

Upon the purchase and deposit of the cash and the Defeasance Obligations and receipt of the verification report, the Refunded Bonds will be deemed to have been paid and will no longer be considered outstanding debt of the State, and will be called for redemption on their respective Earliest Permitted Redemption Dates and at the Redemption Prices shown above.

Tender Offer

On or about November 13, 2025, the Treasurer released an Invitation to Tender Bonds for Purchase (the "Invitation") inviting owners of certain State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds identified in the Invitation (the "Target Bonds") to tender Target Bonds for purchase (the "Tender Offer"), on the terms and conditions set forth in the Invitation. The purpose of the Tender Offer is to give the Treasurer the opportunity to purchase and cancel the Target Bonds on the date of issuance of the Series 2025 Bonds (the "Settlement Date").

Pursuant to the Tender Offer as set forth in the Invitation, the owners of Target Bonds may tender their Target Bonds for cash. Subject to the conditions set forth in the Invitation, the Treasurer expects to effectuate the purchase of the Target Bonds that are tendered and accepted for purchase (the "Tendered Bonds") at the purchase prices and according to the terms set forth in the Invitation. The Tendered Bonds purchased pursuant to the Tender Offer will be cancelled on the Settlement Date and shall no longer be deemed "outstanding" within the meaning of the respective and applicable Trust Agreements. Funds to pay the purchase price of the Tendered Bonds, including accrued interest thereon, and to pay the costs of the Tender Offer and related issuance costs of the Parks and Recreation Bonds and Adult Correctional Bonds are expected to be provided by the Treasurer from the proceeds of those respective series of the Series 2025 Bonds.

Information provided under this heading is not intended to summarize all of the terms of the Tender Offer and reference is made to the Invitation for a discussion of the terms of the Tender Offer and the conditions for purchase of the Tendered Bonds. The Treasurer may conduct additional tender and/or exchange offers in the future and reserves the right to redeem any of the Target Bonds not selected for purchase pursuant to the Tender Offer, or not identified as Target Bonds in the Invitation, in accordance with the terms of such outstanding bonds. For further reference and detail, the Invitation has been posted on, and can be viewed on, EMMA (as hereinafter defined).

As set forth above, proceeds of the Parks and Recreation Bonds may be used to purchase any of the following Target Bonds that are *State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds (Parks and Recreation Improvement Fund Projects)*:

Parks and Recreation Target Bonds*

<u>Series</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount Outstanding Before Refunding</u>	<u>Amount to be Purchased</u>	<u>Amount Outstanding After Purchase</u>
2016C	12/1/2028	5.00%	\$7,890,000		
	12/1/2029	5.00	8,290,000		
	12/1/2030	5.00	8,715,000		
	12/1/2031	5.00	9,165,000		
2017A	12/1/2029	5.00%	\$7,955,000		
	12/1/2030	5.00	8,365,000		
	12/1/2031	5.00	8,795,000		
	12/1/2032	5.00	9,245,000		

As set forth above, proceeds of the Adult Correctional Bonds may be used to purchase any of the following Target Bonds that are *State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds (Adult Correctional Building Fund Projects)*:

Adult Correctional Target Bonds*

<u>Series</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount Outstanding Before Refunding</u>	<u>Amount to be Purchased</u>	<u>Amount Outstanding After Purchase</u>
2016A	10/1/2028	5.00%	\$2,765,000		
2017A	10/1/2029	5.00%	\$5,050,000		
	10/1/2030	5.00	5,310,000		
	10/1/2031	5.00	5,580,000		
	10/1/2032	5.00	5,870,000		
	10/1/2033	5.00	6,170,000		
	10/1/2034	5.00	6,485,000		
	10/1/2035	5.00	6,820,000		
	10/1/2036	5.00	7,170,000		
	10/1/2037	5.00	7,535,000		
2017B	10/1/2029	5.00%	\$5,285,000		
	10/1/2030	5.00	5,560,000		

THE BONDS GENERALLY

Constitutional and Statutory Authorization

The Series 2025 Bonds are authorized under Section 2i of Article VIII of the Ohio Constitution. This constitutional amendment, adopted in November 1968, authorized the issuance of State special obligation bonds or notes for the purpose of paying the Costs of Capital Facilities for housing branches and agencies of state government and the costs of Capital Facilities for Behavioral Health and Developmental Disabilities Purposes. Chapter 154 of the Revised Code (the "Act") implements the bond issuing aspects of that constitutional provision. The "issuing authority" for the Series 2025 Bonds is the Treasurer. The Treasurer is part of the executive department of the State and is a key officer of the State elected to office for a four-year term.

Previously Issued Bonds and Additional Bonds

The Treasurer has previously issued several series of bonds for the purpose of financing or refinancing the Costs of Capital Facilities for Behavioral Health and Developmental Disabilities Purposes for the Mental Health Departments, the Costs of Capital Facilities for parks and recreation purposes for the DNR and the Costs of Capital Facilities for housing branches and

agencies of state government for the DRC and the DAS. The Treasurer has the authority to issue Obligations, including the Series 2025 Bonds and any subsequent Additional Bonds under the respective Trust Agreements, for the purpose of paying Costs of Capital Facilities for those respective purposes in amounts not exceeding the amounts authorized by the General Assembly (See **APPENDIX A – INFORMATION CONCERNING THE STATE OF OHIO – STATE DEBT – Constitutional Limitation on Annual Debt Service**). Any applicable Additional Bonds will be payable from the Pledged Receipts under the applicable Trust Agreement on a parity basis with the applicable series of the Series 2025 Bonds and any other Obligations outstanding under that Trust Agreement. (See **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES**)

Security

The Series 2025 Bonds are special obligations of the State issued by the Treasurer under and pursuant to the respective Trust Agreements. Each series of the Series 2025 Bonds is payable solely from, and together with any applicable Additional Bonds and any other Obligations outstanding under that Trust Agreement, are equally and ratably secured by, a pledge of the applicable Pledged Receipts. See **Rental Payments and Related Budget Requirements** below.

The Series 2025 Bonds are payable from separate appropriations by the General Assembly to each of the Mental Health Departments, the DNR, the DRC, and the DAS for rental payments under the respective Leases.

The Series 2025 Bonds will be entitled only to the security afforded by the applicable Pledged Receipts under the respective Trust Agreements on a parity basis with Additional Bonds and any other Obligations issued under that particular Trust Agreement for the series. None of the financed or refinanced Projects, nor any interest therein, is pledged or mortgaged as security for the Series 2025 Bonds, nor will the OPFC, the applicable Trustee or the Treasurer have the right to take possession of or operate the Projects upon a default under, or termination of, a Lease. (See **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES**)

The proceeds of the Mental Health Bonds deposited in the Mental Health Facilities Improvement Fund and proceeds of the Administrative Bonds deposited in the Administrative Building Taxable Fund, each maintained in the custody of the Treasurer, are not held by the Mental Health Trustee under the Mental Health Trust Agreement or by the Administrative Trustee under the Administrative Trust Agreement. Funds in the Mental Health Facilities Improvement Fund and the Administrative Building Taxable Fund are not pledged as security for the Mental Health Bonds and the Administrative Bonds, respectively, or any other bonds issued by the Treasurer. (See **MENTAL HEALTH FACILITIES IMPROVEMENT FUND**)

Rental Payments and Related Budget Requirements

Each Lease requires payment of Basic Rent in an amount at least equal to: (i) Bond Service Charges on all outstanding Obligations issued under the respective Trust Agreement (whether due as scheduled, as a result of a call for redemption or as a result of an acceleration of principal and interest on such Obligations); and (ii) such sums, if any, as shall be necessary to maintain any applicable Required Reserve in the applicable Bond Service Reserve Account (no Required Reserve is provided for or required with respect to any series of the Series 2025 Bonds or any Obligations previously issued under the respective Trust Agreements). Each Lease also requires payment of Additional Rent in an amount equal to certain administrative fees, expenses and obligations other than Bond Service Charges incurred by the Treasurer and amounts sufficient to pay any rebate amount or other related payments to maintain the exclusion from gross income for federal income tax purposes of the interest on the Series 2025 Bonds that are Tax-Exempt Bonds pursuant to Section 148(f) of the Code, to the extent not available from other sources.

Each Lease requires the OPFC (by and through the Treasurer) to periodically prepare and submit to the Mental Health Departments, the DNR, the DRC, and the DAS, as applicable, reports estimating the rental payments to be due on the applicable Lease, taking into account existing moneys on deposit in the respective Bond Service Funds, which reports must be confirmed by the Director of the State's Office of Budget and Management. The obligations of the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, to make rental payments pursuant to its Lease are expressly made subject to the separate appropriation of moneys by the General Assembly for such purposes. Under the Ohio Constitution, an appropriation may not be made beyond the fiscal biennium. The term of each Lease expires no later than the end of each State fiscal biennium (currently June 30 of each odd-numbered year, e.g., June 30, 2027), unless the General Assembly has appropriated funds for the purpose of paying the rents and other sums payable thereunder for the next succeeding State fiscal biennium. The term of each Lease will be renewed for an additional term not exceeding two years (commencing on the first day of the new State fiscal biennium) upon such appropriations becoming effective on or prior to the beginning of each State fiscal biennium (currently July 1 of each odd-numbered year, e.g., July 1, 2027). The present obligation of each of the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, to make rental payments under its Lease will continue, so long as its Lease is

renewed, until all applicable Obligations issued under the respective Trust Agreement have been paid. So long as its Lease remains in effect, the obligation of each of the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, to make its rental payments thereunder in amounts sufficient to pay the applicable Bond Service Charges and for other purposes set forth above is absolute and unconditional, subject only to the availability of moneys appropriated for such purposes. In its Lease, each of the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, has agreed to submit budget requests in accordance with applicable laws in amounts sufficient to pay rental payments under its Lease.

The obligation of each of the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, to make rental payments under its Lease is subject to and dependent upon separate biennial appropriations for the Mental Health Departments, the DNR, the DRC, and the DAS being made by the General Assembly for such purposes. As noted above, the General Assembly may not, under the provisions of the Ohio Constitution, make appropriations for a period longer than two years. While the Treasurer and the OPFC expect that the General Assembly will, for each State fiscal biennium, continue to appropriate amounts to each of the Mental Health Departments, the DNR, the DRC, and the DAS sufficient to meet its rental payment obligations to the OPFC under its Lease consistent with the State budget, the General Assembly is not under a legal obligation to make appropriations in accordance with such State budgets for future State fiscal biennia. Accordingly, none of the Treasurer, OPFC, the Mental Health Departments, the DNR, the DRC, and the DAS can make any assurance that appropriations will be made. THE SERIES 2025 BONDS ARE SPECIAL OBLIGATIONS OF THE STATE ISSUED BY THE TREASURER PAYABLE SOLELY FROM THE APPLICABLE PLEDGED RECEIPTS UNDER THE APPLICABLE TRUST AGREEMENT. THE SERIES 2025 BONDS DO NOT REPRESENT OR CONSTITUTE A DEBT OF THE STATE, THE TREASURER, THE MENTAL HEALTH DEPARTMENTS, THE DNR, THE DRC, THE DAS, THE OPFC OR ANY POLITICAL SUBDIVISION OF THE STATE, NOR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE, THE TREASURER, THE MENTAL HEALTH DEPARTMENTS, THE DNR, THE DRC, THE DAS, THE OPFC OR ANY POLITICAL SUBDIVISION OF THE STATE. THE HOLDERS AND BENEFICIAL OWNERS OF THE SERIES 2025 BONDS WILL HAVE NO RIGHT TO HAVE EXCISES OR TAXES LEVIED BY THE GENERAL ASSEMBLY FOR THE PAYMENT OF THE BOND SERVICE CHARGES ON THE SERIES 2025 BONDS. The Series 2025 Bonds are not parity bonds across programs. No series of the Series 2025 Bonds issued pursuant to one of the Trust Agreements is secured by a pledge of Pledged Receipts securing another series of the Series 2025 Bonds issued pursuant to another Trust Agreement. For example but without limitation, the Pledged Receipts pledged to Bond Service Charges on the Parks and Recreation Bonds are not pledged for the repayment of the Administrative Bonds. (See **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES**)

THE MENTAL HEALTH PROJECTS

The Mental Health Projects financed with the proceeds from the Mental Health Bonds include a portion of the costs of various Capital Facilities of the Mental Health Departments as provided in the General Assembly appropriation acts. These capital improvements consist of acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, improving, altering, equipping and furnishing such facilities, including the sites therefor.

DEPARTMENT OF BEHAVIORAL HEALTH AND DEPARTMENT OF DEVELOPMENTAL DISABILITIES

The Department of Behavioral Health and the Department of Developmental Disabilities (collectively, the "Mental Health Departments") are administrative departments of the State. The Directors of the Mental Health Departments are appointed by the Governor with the advice and consent of the Senate. By their Directors and through their offices and divisions, the Departments have primary authority and responsibility with respect to providing programs, services and support for persons who are mentally ill, developmentally disabled or who suffer with alcohol and drug addiction. In each biennial budget, separate appropriations for rental payments to the OPFC are made by the General Assembly to the Mental Health Departments. The Department of Behavioral Health is the successor department to the Department of Mental Health and Addiction Services pursuant to House Bill No. 96 of the 136th General Assembly, and pursuant thereto has assumed the obligations of, and otherwise constitutes the continuation of the Department of Mental Health and Addiction Services, and therefore is a lessee under the Mental Health Lease.

MENTAL HEALTH FACILITIES IMPROVEMENT FUND

The Mental Health Facilities Improvement Fund was created by the General Assembly in the State treasury as a separate account in the custody of the Treasurer. A portion of the proceeds from the sale of the Mental Health Bonds will be deposited in the Mental Health Facilities Improvement Fund. (See **PLAN OF FINANCE – Sources and Uses of Bond Proceeds**) Moneys in the Mental Health Facilities Improvement Fund are applied and disbursed for the payment or reimbursement of Costs of Capital Facilities incurred for and in connection with the Projects for the Mental Health Departments and are invested and

reinvested in accordance with law and in accordance with procedures therefor established by the Treasurer, the Mental Health Departments and the Director of Budget and Management. Any investment income or moneys in the Mental Health Facilities Improvement Fund shall be credited to that fund, but may be transferred to the applicable Administrative Service Fund to pay any rebate amount, or to pay an amount in lieu of or in addition to any rebate amount to be paid to the United States of America to maintain the exclusion from gross income for federal income tax purposes of interest on bonds, including the Mental Health Bonds, pursuant to Section 148(f) of the Code.

Moneys on deposit in the Mental Health Facilities Improvement Fund are not pledged to the payment of Bond Service Charges on the Mental Health Bonds or any other Obligations issued by the Treasurer.

DEPARTMENT OF NATURAL RESOURCES

The Department of Natural Resources (the "DNR") is one of many administrative departments of the State. Among other duties, the DNR has the responsibility for providing, operating and maintaining a system of state parks and promoting their use by the public. The Director of DNR is appointed by the Governor with the advice and consent of the Senate. Through its Division of Parks and Watercraft, DNR plans, constructs, equips and furnishes public service facilities in State parks. Other DNR divisions include Forestry, Geological Survey, Engineering, Soil and Water Resources, Wildlife, Natural Areas and Preserves, Mineral Resources Management, Oil & Gas Resources Management and Office of Coastal Management. Various administrative services are provided by DNR Administration, Office of Budget and Finance, Office of Information Technology, Office of Law Enforcement and Office of Human Resources and Office of Communications

DEPARTMENT OF REHABILITATION AND CORRECTION

The Department of Rehabilitation and Correction (the "DRC") was created by legislation in 1972 amending Chapter 121 and adding Chapter 5120 to the Ohio Revised Code which separated the responsibilities and functions of the DRC from those of what was then the Department of Mental Health and Mental Retardation. The DRC is empowered by law to maintain, operate, manage and govern all State institutions for the custody, control, training and rehabilitation of persons convicted of crime and sentenced to penal institutions. The DRC utilizes correctional institutions for those purposes. The DRC does not have jurisdiction over juvenile offenders, who are the responsibility of the Department of Youth Services. The DRC is administered by the Director of Rehabilitation and Correction, who is appointed by the Governor with the advice and consent of the Senate.

THE DAS PROJECTS

The DAS Projects financed with proceeds from the Administrative Bonds include a portion of the costs of various Capital Facilities of the DAS as provided in the General Assembly appropriation acts. These capital improvements consist of acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, improving, altering, equipping and furnishing such facilities, including the sites therefor.

DEPARTMENT OF ADMINISTRATIVE SERVICES

The Department of Administrative Services of the State (the "DAS") was created in December 1973 and provides centralized services and specialized support to the State's departments, boards, commissions and agencies as well as political subdivisions and state universities and colleges. The DAS is generally responsible for, among other functions, procuring goods and services, operating the State's Office of Information Technology, leasing and managing office space, processing payroll, managing print shops, and overseeing personnel and equal employment opportunity matters.

The DAS is administered by the Director of Administrative Services, who is appointed by the Governor with the advice and consent of the Senate, is a member of the Governor's Cabinet and serves at the pleasure of the Governor. The DAS is organized into the divisions of General Services and State Human Resources as well as the Office of Collective Bargaining and Office of Information Technology.

ADMINISTRATIVE BUILDING TAXABLE FUND

The Administrative Building Taxable Fund was created in the State treasury by the Director of Budget and Management under authority delegated by the General Assembly, which fund is in the custody of the Treasurer as a separate account. A portion of the proceeds from the sale of the Taxable Bonds will be deposited in the Administrative Building Taxable Fund. (See **PLAN OF FINANCE – Sources and Uses of Bond Proceeds**) Moneys in the Administrative Building Taxable Fund are applied and disbursed for the payment or reimbursement of Costs of Capital Facilities incurred for and in connection with the Projects for the DAS and are invested and reinvested in accordance with law and in accordance with procedures therefor

established by the Treasurer, the DAS and the Director of Budget and Management. Any investment income or moneys in the Administrative Building Taxable Fund shall be credited to that fund. The Administrative Building Taxable Fund was created for purposes of receiving proceeds of federally taxable Obligations.

Moneys on deposit in the Administrative Building Taxable Fund are not pledged to the payment of Bond Service Charges on the Series 2025 Bonds or any other obligations issued by the Treasurer.

OHIO PUBLIC FACILITIES COMMISSION

The Ohio Public Facilities Commission (the "OPFC") is a body politic and corporate, constituting an agency and instrumentality of the State and performing essential functions of the State. It is comprised of six members, being the incumbents in the elective offices of Governor (Mike DeWine), Attorney General (Dave Yost), Auditor of State (Keith Faber), Secretary of State (Frank LaRose), Treasurer of State (Robert Cole Sprague), and the Director of Budget and Management (Kimberly Murnieks, appointed by the Governor with the consent of the Senate, and serving at the pleasure of the Governor). The Governor serves as the Chair, the Treasurer of State as the Treasurer and the Director of Budget and Management as the Secretary of the Commission. The current elective terms run to January 2027. Commission members may, at Commission meetings, act through appointed designees.

THE TRUST AGREEMENTS

Each Trust Agreement provides for a pledge of the applicable Pledged Receipts (primarily the Basic Rent payable under the applicable Lease) by the State to the applicable Trustee, for the benefit of Holders of the Obligations issued under that Trust Agreement, including the applicable Series 2025 Bonds. All outstanding Obligations issued under a particular Trust Agreement are equally and ratably secured, without distinction by reason of series designation, number, date of authorization, issuance, sale, execution or delivery, or issue date or of maturity, by the pledge of the Pledged Receipts to the extent provided in, and except as otherwise permitted by, the applicable General Bond Order. Each of the Mental Health Bonds, Parks and Recreation Bonds, Adult Correctional Bonds, and the Administrative Bonds are issued under a separate Trust Agreement.

Nothing in the Act, the General Bond Orders, the Trust Agreements or other applicable Bond Proceedings gives the holders of Obligations, and they do not have, the right to have the General Assembly levy any excises or taxes for the payment of Bond Service Charges; each Obligation bears on its face a statement to that effect and to the effect that the right of Bondholders to the payment of Bond Service Charges is limited to payment from the applicable Pledged Receipts, the applicable Bond Service Account, and any other source of moneys as provided in the applicable General Bond Order and in the applicable Series Order. However, nothing in a Trust Agreement or in other Bond Proceedings shall be deemed to prohibit the Treasurer or the State, of the Treasurer's or the State's own volition, from using to the extent lawfully authorized to do so any other resources for the fulfillment of the terms, conditions or obligations of the applicable Bond Proceedings and the Obligations.

Each Trust Agreement is an essential document for the security of the Series 2025 Bonds to which it applies and should be read in its entirety. For additional information and a document summary of the Trust Agreements, see **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES**. Copies of the Trust Agreement and the Lease are available upon request from the Office of Debt Management, Treasurer of State, 30 East Broad Street, 9th Floor, Columbus, Ohio 43215 (telephone (614) 466-7752).

THE LEASES

The Act provides that the OPFC may lease any Capital Facilities to, and make or provide for other agreements with respect to the use or purchase of such Capital Facilities with, the Mental Health Departments, the DNR, the DRC, and the DAS and, with their approval, any governmental agency having authority under law to operate such Capital Facilities. The OPFC and the Mental Health Departments have previously entered into the Mental Health Lease and will enter into a supplemental lease agreement in connection with the Projects to be financed with the proceeds of the Mental Health Bonds and the issuance of the Mental Health Bonds. The OPFC and the DNR have previously entered into the Parks and Recreation Lease and will enter into a supplemental lease agreement in connection with the Projects to be refinanced with the proceeds of the Parks and Recreation Bonds and the issuance of the Parks and Recreation Bonds. The OPFC and the DRC have previously entered into the Adult Correctional Lease and will enter into a supplemental lease agreement in connection with the Projects to be refinanced with proceeds of the Adult Correctional Bonds and the issuance of the Adult Correctional Bonds. The OPFC and the DAS have previously entered into the Administrative Lease and will enter into a supplemental lease agreement in connection with the Projects to be financed with proceeds of the Administrative Bonds and the issuance of the Administrative Bonds. An additional supplemental lease agreement will be entered into in connection with each issue of Additional Bonds under a particular Trust Agreement identifying the Projects to be financed or refinanced and providing for the related rentals.

The agreement of each of the Mental Health Departments, the DNR, the DRC, and the DAS to make rental payments pursuant to its Lease, and to perform other obligations involving expenditures thereunder, at the times and in the amounts provided for in its Lease, is effective and binding upon the Mental Health Departments, the DNR, the DRC, and the DAS only when and to the extent that funds have been separately appropriated by the General Assembly and are available for that purpose. Under the Ohio Constitution, an appropriation may not be made beyond the fiscal biennium, and the Leases may be renewed only for two-year periods. Under the terms of each Lease, a failure by the General Assembly to appropriate moneys at least equal to Bond Service Charges for a particular Lease, amounts the OPFC estimates are necessary for Additional Rent under that Lease, and other sums payable under that Lease for the next State fiscal biennium would result in the termination of that Lease at the end of the two-year term then in effect. A Lease will, however, be fully reinstated, as if it had never been terminated, provided (a) all overdue installments, if any, of interest on outstanding Obligations, all principal of all Obligations then outstanding which have become due and payable otherwise than by acceleration, if any, in accordance with the terms of the applicable Trust Agreement, and all other sums then payable under or pursuant to the applicable Trust Agreement (except the principal of and the interest on such Obligations which by such acceleration shall have become due and payable) shall have been paid, and such acceleration, if any, shall have been duly rescinded and annulled, and (b) the General Assembly shall have appropriated funds to enable the Mental Health Departments, the DNR, the DRC, and the DAS, as the case may be, to pay or provide for the payment of the amounts to be paid under that Lease, then in such event that Lease shall be fully reinstated, as if it had never been terminated.

Under the provisions of the Ohio Constitution, appropriations by the General Assembly may not be made for a period longer than the fiscal biennium, which begins July 1 and ends June 30 in each odd-numbered year. While the Treasurer and the OPFC expect that for each State fiscal biennium the General Assembly will appropriate amounts to each of the Mental Health Departments, the DNR, the DRC, and the DAS estimated to be sufficient to meet payments under its Lease consistent with the State budget, the General Assembly is not under a legal obligation to make such appropriations to any of the Mental Health Departments, the DNR, the DRC, and the DAS. Accordingly, none of the Treasurer, OPFC, Mental Health Departments, the DNR, the DRC, nor the DAS can make any assurance that appropriations will be made. Section 2i of Article VIII of the Ohio Constitution and the Act provide that the owners and Holders of the Series 2025 Bonds are not given the right to have excises or taxes levied by the General Assembly for the payment of principal or interest thereon.

Each Lease is an essential document for the security of the applicable Series 2025 Bonds to which it applies and should be read in its entirety. For additional information and a document summary of the Leases, see **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES**. Copies of the Lease are available upon request from the Office of Debt Management, Treasurer of State, 30 East Broad Street, 9th Floor, Columbus, Ohio 43215 (telephone (614) 466-7752).

TAX MATTERS FOR TAX-EXEMPT BONDS

General

In the opinion of Tucker Ellis LLP, Bond Counsel to the Treasurer, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals under the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) the Tax-Exempt Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State of Ohio. Interest on the Tax-Exempt Bonds may be subject to certain federal taxes imposed only on certain corporations, and certain taxpayers may have other federal tax consequences as a result of owning the Tax-Exempt Bonds. Bond Counsel will express no opinion as to any other tax consequences regarding the Tax-Exempt Bonds.

INTEREST ON THE TAXABLE BONDS IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES (SEE TAX MATTERS FOR TAXABLE BONDS HEREIN).

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the State contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Tax-Exempt Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the State's certifications and representations or the continuing compliance with the State's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal

Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which, including provisions for the rebate of certain investment earnings to the federal government, require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the State may cause the interest on the Tax-Exempt Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Tax-Exempt Bonds. The State has covenanted to take the actions required of it for the interest on the Tax-Exempt Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Tax-Exempt Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds or the market value of the Tax-Exempt Bonds.

Interest on the Tax-Exempt Bonds may be subject: (1) to a federal branch profits tax imposed on certain foreign corporations doing business in the United States; (2) to a federal tax imposed on excess net passive income of certain S corporations; and (3) to the alternative minimum tax imposed under Section 55(b) of the Code on "applicable corporations" (within the meaning of Section 59(k) of the Code). Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Tax-Exempt Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Tax-Exempt Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Tax-Exempt Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Bond Counsel's engagement with respect to the Tax-Exempt Bonds ends with the issuance of the Tax-Exempt Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the State or the owners of the Tax-Exempt Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Tax-Exempt Bonds, under current IRS procedures, the IRS will treat the State as the taxpayer and the beneficial owners of the Tax-Exempt Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Tax-Exempt Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Tax-Exempt Bonds.

Prospective purchasers of the Tax-Exempt Bonds upon their original issuance at prices other than the respective prices indicated on the Cover, and prospective purchasers of the Tax-Exempt Bonds at other than their original issuance, should consult their own tax advisors regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Tax-Exempt Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Tax-Exempt Bonds will not have an adverse effect on the tax status of interest or other income on the Tax-Exempt Bonds or the market value or marketability of the Tax-Exempt Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Tax-Exempt Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, federal tax legislation that was enacted on December 22, 2017 reduced corporate tax rates, modified individual tax rates, eliminated many deductions, repealed the corporate alternative minimum tax that was in effect at that time, and eliminated the tax-exempt advance refunding of tax-exempt bonds and tax-advantaged bonds, among other things. Additionally, investors in the Tax-Exempt Bonds should be aware that future legislative actions might increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Tax-Exempt Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Tax-Exempt Bonds may be affected and the ability of holders to sell their Tax-Exempt Bonds in the secondary market may be reduced.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Original Issue Discount and Original Issue Premium

Certain of the Tax-Exempt Bonds ("Discount Tax-Exempt Bonds ") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Tax-Exempt Bond. The issue price of a Discount Tax-Exempt Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Tax-Exempt Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Tax-Exempt Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Tax-Exempt Bond (i) is interest excluded from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Tax-Exempt Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Tax-Exempt Bond. A purchaser of a Discount Tax-Exempt Bond in the initial public offering who holds that Discount Tax-Exempt Bonds to maturity will realize no gain or loss upon the retirement of that Discount Tax-Exempt Bonds.

Certain of the Tax-Exempt Bonds ("Premium Tax-Exempt Bonds") may be offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Tax-Exempt Bond, based on the yield to maturity of that Premium Tax-Exempt Bond (or, in the case of a Premium Tax-Exempt Bond callable prior to its stated maturity, if any, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Tax-Exempt Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Tax-Exempt Bonds. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Tax-Exempt Bond, the owner's tax basis in the Premium Tax-Exempt Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Tax-Exempt Bond for an amount equal to or less than the amount paid by the owner for that Premium Tax-Exempt Bond. A purchaser of a Premium Tax-Exempt Bond in the initial public offering who holds that Premium Tax-Exempt Bond to maturity (or, in the case of a callable Premium Tax-Exempt Bond, if any, to its earlier call date that results in the lowest yield on that Premium Tax-Exempt Bond) will realize no gain or loss upon the retirement of that Premium Tax-Exempt Bond.

Owners of Discount and Premium Tax-Exempt Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the existence of OID or bond premium properly accruable or amortizable in any period with respect to the Discount or Premium Tax-Exempt Bonds, as to other federal tax consequences in respect of OID and bond premium, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

TAX MATTERS FOR TAXABLE BONDS

General

In the opinion of Tucker Ellis LLP, Bond Counsel to the Treasurer, under existing law (i) interest on the Taxable Bonds is not excluded from gross income for federal income tax purposes, and (ii) the Taxable Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State of Ohio. Bond Counsel expresses no opinion as to any other tax consequences regarding the Taxable Bonds. The legal defeasance of the Taxable Bonds might result in a deemed sale or exchange of the Taxable Bonds under certain circumstances; owners of the Taxable Bonds should consult their tax advisors as to the federal income tax consequences of such an event. Prospective purchasers of the Taxable Bonds should consult their tax advisors as to the federal, state and local, and foreign tax consequences of their acquisition, ownership, and disposition of the Taxable Bonds.

The following discussion is generally limited to "U.S. owners," meaning beneficial owners of Taxable Bonds that for United States federal income tax purposes are either individual citizens or residents of the United States, corporations or other entities taxable as corporations created or organized in or under the laws of the United States or any state thereof (including the District of Columbia). ***Partnerships (including entities treated as partnerships for United States federal income tax purposes) holding Taxable Bonds, and partners in such partnerships, and estates or trusts holding Taxable Bonds, and beneficiaries of such estates or trusts, should consult their tax advisors regarding the tax consequences of an investment in the Taxable Bonds (including their status as U.S. owners).***

Prospective purchasers of the Taxable Bonds upon their original issuance at prices other than the respective prices indicated on the Cover of this Official Statement, and prospective purchasers of the Taxable Bonds at other than their original issuance, should consult their own tax advisors regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Payment of Interest on Taxable Bonds

In general, interest paid or accrued on the Taxable Bonds, including qualified stated interest on Discount Taxable Bonds (defined below), if any, will be treated as ordinary income to U.S. owners. A U.S. owner using the accrual method of accounting for U.S. federal income tax purposes must include interest paid or accrued on the Taxable Bonds in ordinary income as the interest accrues, while a U.S. owner using the cash receipts and disbursements method of accounting for U.S. federal income tax purposes must include interest in ordinary income when payments are received or constructively received by the owner, except as described below under the section entitled "Original Issue Discount and Original Issue Premium."

Original Issue Discount and Original Issue Premium

Certain of the Taxable Bonds ("Discount Taxable Bonds") may be offered and sold to the public at an OID. OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Taxable Bond, provided that excess equals or exceeds a statutory *de minimis* amount (one-quarter of one percent of the Discount Taxable Bond's stated redemption price at maturity multiplied by the number of complete years to its maturity (or, if required by applicable Treasury Regulations, to an earlier call date)). The issue price of a Discount Taxable Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Taxable Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Taxable Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the time a U.S. owner owns a Discount Taxable Bond (i) is interest includable in the U.S. owner's gross income for federal income tax purposes, and (ii) is added to the U.S. owner's tax basis for purposes of determining gain or loss on the maturity, redemption, sale, or other disposition of the Discount Taxable Bond. The effect of OID is to accelerate the recognition of taxable income for a U.S. owner using the cash method of accounting during the term of the Discount Taxable Bond.

Certain of the Taxable Bonds ("Premium Taxable Bonds") may be offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). If a U.S. owner purchases a Premium Taxable Bond, that owner will be considered to have purchased such Premium Taxable Bond with "amortizable bond premium" equal in amount to such excess. The U.S. owner may elect (which election shall apply to all securities purchased at a premium by such U.S. owner), in accordance with the applicable provisions of Section 171 of the Code, to amortize that premium as an offset to the interest payments on the Premium Taxable Bond using a constant yield to maturity method over the remaining term of the Premium Taxable Bond (or, if required by applicable Treasury Regulations, to an earlier call date). Pursuant to Section 67(b)(11) of the Code, the amortization of that premium is not considered a miscellaneous itemized deduction. Any amortization of bond premium will reduce the basis of the Premium Taxable Bond pursuant to Section 1016(a)(5) of the Code.

Owners of Discount and Premium Taxable Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the existence of OID or bond premium, the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount or Premium Taxable Bonds, other federal tax consequences in respect of OID and bond premium, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

Sale, Exchange, Retirement or Other Taxable Disposition of Taxable Bonds

Upon the sale, exchange, retirement or other taxable disposition of a Taxable Bond, a U.S. owner will recognize gain or loss equal to the difference between the amount realized from the sale, exchange, retirement or other disposition and the

owner's adjusted basis in the Taxable Bond or applicable portion of the adjusted basis. The owner's adjusted basis generally will equal the cost of the Taxable Bond to the owner, increased by any OID includible in the owner's ordinary income for the Taxable Bond and reduced by any principal payments on the Taxable Bond previously received by the owner (including any other payments on the Taxable Bond that are not qualified stated interest payments) and by any amortizable bond premium allowed as a deduction as described above under the section entitled "Original Issue Discount and Original Issue Premium." Any gain or loss recognized upon a sale, exchange, retirement or other disposition of a Taxable Bond (excluding amounts attributable to accrued interest or OM) will generally be capital gain or loss and will be long-term capital gain or loss if the U.S. owner's holding period in the Taxable Bond exceeds one year. Long-term capital gains of individuals are currently eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Information Reporting and Backup Withholding for Taxable Bonds

General information reporting requirements will apply to payments of principal and interest made on the Taxable Bonds and the proceeds of the sale of Taxable Bonds to non-corporate holders of the Taxable Bonds, and "backup withholding," currently at a rate of 24%, will apply to such payments if the owner fails to provide an accurate taxpayer identification number in the manner required or fails to report all interest required to be shown on its federal income tax returns. A beneficial owner of Taxable Bonds that is a U.S. owner generally can obtain complete exemption from backup withholding by providing a properly completed IRS Form W-9 (Request for Taxpayer Identification Number and Certification).

Medicare Tax Affecting U.S. Owners for Taxable Bonds

A U.S. owner that is an individual is subject to a 3.8% Medicare tax on the lesser of (1) the U.S. owner's "net investment income" for the taxable year and (2) the excess of the U.S. owner's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between \$125,000 and \$250,000, depending on the individual's circumstances). A U.S. owner's net investment income generally includes interest income on, and net gains from the disposition of, Taxable Bonds, unless such interest income or net gains are derived in the ordinary course of a trade or business (other than a trade or business that consists of certain passive or trading activities). A U.S. owner that is an individual should consult its tax advisor regarding the applicability of the Medicare tax.

Non-U.S. Owners of Taxable Bonds

Under the Code, interest and OID on any Taxable Bond whose beneficial owner is not a U.S. owner is generally not subject to United States income tax or withholding tax (including backup withholding) if the non-U.S. owner provides the payor of interest on the Taxable Bonds with an appropriate statement as to its status as a non-U.S. owner. This statement can be made on IRS Form W-8BEN or a successor form. If, however, the non-U.S. owner conducts a trade or business in the United States and the interest on the Taxable Bonds held by the non-U.S. owner is effectively connected with such trade or business, that interest or OID will be subject to United States income tax but will generally not be subject to United States withholding tax (including backup withholding). The foregoing is a brief summary of certain federal income tax consequences to a non-U.S. owner. ***Non-U.S. owners should consult their tax advisors regarding the tax consequences of an investment in the Taxable Bonds.***

Foreign Account Tax Compliance Act for Taxable Bonds

The Foreign Account Tax Compliance Act ("FATCA") generally imposes a 30% withholding tax on interest payments to (i) certain foreign financial institutions (including certain investment funds) that fail to certify their FATCA status and (ii) non-financial foreign entities if certain disclosure requirements related to direct and indirect United States shareholders are not satisfied. Proposed Treasury Regulations, which may be relied upon until final Treasury Regulations are promulgated, suspend the requirement to apply the 30% withholding tax to gross proceeds from the sale or other disposition of Taxable Bonds. This requirement otherwise would have applied to a sale or other disposition of Taxable Bonds made on or after January 1, 2019.

In the case of payments made to a "foreign financial institution" (generally including an investment fund), as a beneficial owner or as an intermediary, the FATCA withholding tax generally will be imposed, subject to certain exceptions, unless such institution (i) enters into (or is otherwise subject to) and complies with an agreement with the U.S. government (a "FATCA Agreement") or (ii) is required by and complies with applicable foreign law enacted in connection with an intergovernmental agreement between the United States and a foreign jurisdiction (an "IGA"), in either case to, among other things, collect and provide to the U.S. or other relevant tax authorities certain information regarding U.S. account holders of such institution. In the case of payments made to a foreign entity that is not a financial institution (as a beneficial owner), the FATCA withholding tax generally will be imposed, subject to certain exceptions, unless such entity either provides the

withholding agent with a certification that it does not have any "substantial" U.S. owner (generally, any specified U.S. person that directly or indirectly owns more than a specified percentage of such entity) or identifies its "substantial" U.S. owners.

If Taxable Bonds are held through a foreign financial institution that enters into (or is otherwise subject to) a FATCA Agreement, such foreign financial institution (or, in certain cases, a person paying amounts to such foreign financial institution) generally will be required, subject to certain exceptions, to withhold the 30% FATCA tax on payments of interest as described above made to (i) a person (including an individual) that fails to comply with certain information requests or (ii) a foreign financial institution that has not entered into (and is not otherwise subject to) a FATCA Agreement and that is not required to comply with FATCA pursuant to applicable foreign law enacted in connection with an IGA. Coordinating rules may limit duplicative withholding in cases where the withholding described above in **Non-U.S. Owners** or **Information Reporting and Backup Withholding** also applies.

If any amount of, or in respect of, U.S. withholding tax were to be deducted or withheld from payments on Taxable Bonds as a result of a failure by an investor (or by an institution through which an investor holds the Taxable Bonds) to comply with FATCA, none of the State, any paying agent or any other person would, pursuant to the terms of the Taxable Bonds, be required to pay additional amounts with respect to any Taxable Bond as a result of the deduction or withholding of such tax. ***Non-U.S. owners should consult their tax advisors regarding the application of FATCA to the ownership and disposition of Taxable Bonds.***

LITIGATION

There is no litigation pending contesting the validity of the Series 2025 Bonds or the proceedings for their authorization, issuance, sale, execution and delivery. A no-litigation certificate to that effect will be delivered to the Underwriters at the time of original delivery of the Series 2025 Bonds.

The Treasurer, Mental Health Departments, the DNR, the DRC, the DAS, the OPFC and the State are parties to various legal proceedings seeking damages or injunctive relief, which are generally incidental to their respective operations, but unrelated to the security for the Series 2025 Bonds. The ultimate disposition of these proceedings is not presently determinable, but in the opinion of the Ohio Attorney General will not have a material adverse effect on the Series 2025 Bonds or the security for the Series 2025 Bonds.

LEGAL OPINIONS

Legal matters incident to the issuance of the Series 2025 Bonds and with regard to the tax-exempt status of the interest thereon (see **TAX MATTERS FOR TAX-EXEMPT BONDS** and **TAX MATTERS FOR TAXABLE BONDS**) are subject to the approving legal opinion of Tucker Ellis LLP, Bond Counsel. The signed legal opinion for each series of the Series 2025 Bonds dated as of, and premised on the transcript of proceedings examined and law in effect on, the date of original delivery of the Series 2025 Bonds, will be delivered to the Underwriters at the time of that original delivery.

The proposed text of Bond Counsel's legal opinions is set forth as **EXHIBIT A** hereto. The legal opinions to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution by recirculation of the Official Statement or otherwise should not create any implication that Bond Counsel has reviewed or expressed any opinion concerning any of the matters referred to in the opinion subsequent to its date.

Certain legal matters will be passed upon for the Treasurer by his counsel, Dave Yost, Attorney General of Ohio, and by Dinsmore & Shohl LLP, which is serving as Issuer Counsel and Disclosure Counsel to the Treasurer. Certain legal matters also will be passed upon for the Mental Health Departments, the DNR, the DRC, and the DAS by the Attorney General of Ohio. Certain legal matters will be passed upon for the Underwriters by Ice Miller LLP.

RATINGS

In response to the Treasurer's application, the Series 2025 Bonds have been rated AA+ (outlook stable) by Fitch Ratings ("Fitch"), Aa1 (outlook stable) by Moody's Ratings ("Moody's") and AA+ (outlook stable) by S&P Global Ratings, a division of S&P Global Inc. ("S&P").

The ratings in effect from time to time reflect only the views of the particular rating organization. The explanation of its views of its rating's meaning and significance may be obtained from the respective rating agency. The State and the Treasurer furnished to each rating agency certain information and materials, some of which may not be included in this Official Statement,

relating to the Series 2025 Bonds and other obligations, the State, the Treasurer, the OPFC, the Mental Health Departments, the DNR, the DRC, and the DAS. Generally, rating agencies base their ratings on that information and materials, and on their own investigations, studies and assumptions.

There can be no assurance that the ratings assigned will continue for any given time, or that a rating will not be lowered or withdrawn by a rating agency if in its judgment circumstances so warrant. Any downward change in or withdrawal of a rating, or change in rating outlook or other actions of a rating agency, may have an adverse effect on the marketability and market price of the Series 2025 Bonds.

UNDERWRITING

Jefferies LLC, as an Underwriter and as representative of the other Underwriters identified on the Cover, has agreed, subject to certain conditions, to purchase the Series 2025 Bonds from the Treasurer at the following price:

- For the Mental Health Bonds, \$_____ (consisting of the par amount thereof, plus [net] original issue premium (\$_____) and less underwriters' discount (\$_____)).
- For the Parks and Recreation Bonds, \$_____ (consisting of the par amount thereof, plus [net] original issue premium (\$_____) and less underwriters' discount (\$_____)).
- For the Adult Correctional Bonds, \$_____ (consisting of the par amount thereof, plus [net] original issue premium (\$_____) and less underwriters' discount (\$_____)).
- For the Administrative Bonds, \$_____ (consisting of the par amount thereof, less underwriters' discount (\$_____)).

The Underwriters are obligated to purchase all of the Series 2025 Bonds if any Series 2025 Bonds are purchased. The Underwriters may offer the Series 2025 Bonds to certain dealers (including dealers depositing the Series 2025 Bonds into unit investment trusts, certain of which may be sponsored or managed by one or more of the Underwriters) at prices different from the public offering prices, and may change the public offering prices from time to time.

The Underwriters have provided the following paragraphs for inclusion in this Official Statement:

The Underwriters and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriters and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriters and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Treasurer and the State. The Underwriters and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Treasurer and the State.

As described above under the heading **PLAN OF FINANCE – The Tender Offer**, pursuant to the Invitation, the Treasurer is inviting owners of the Target Bonds to tender their bonds for cash payment. Jefferies LLC is serving as dealer manager (the "Dealer Manager") for the Tender Offer. For its services as Dealer Manager, the Dealer Manager will be compensated in an amount equal to a percentage of the aggregate principal amount of Tendered Bonds.

MUNICIPAL ADVISOR

PFM Financial Advisors LLC (the "Municipal Advisor") is serving as the municipal advisor to the Treasurer in connection with the issuance and sale of the Series 2025 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

TRANSCRIPT AND CLOSING CERTIFICATES

Upon delivery of the Series 2025 Bonds, a complete transcript of proceedings for each series and no-litigation certificate (as described above) will be delivered by the Treasurer to the Underwriters. At that time, the Treasurer will furnish to the Underwriters a certificate relating to the accuracy and completeness of this Official Statement (including matters set forth in or contemplated by it), and to its being a "final official statement" for purposes of Securities and Exchange Commission (SEC) Rule 15c2-12(b)(3).

CONTINUING DISCLOSURE AGREEMENTS

The Treasurer and the Ohio Office of Budget and Management, each on behalf of the State (the "Obligated Person"), have agreed, for the benefit of the Holders and Beneficial Owners of each series of the Series 2025 Bonds, in accordance with SEC Rule 15c2-12 (the "Rule"), to provide or cause to be provided such financial information and operating data (the "Annual Information"), audited financial statements and notices, in such manner, as may be required for purposes of paragraph (b)(5)(i) of the Rule for each series (a "Continuing Disclosure Agreement").

The Treasurer and the Ohio Office of Budget and Management on the State's behalf, will provide to the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system:

- Annual Information for each State Fiscal Year (beginning with Fiscal Year 2026) not later than the 90th day following the end of the Fiscal Year (or, if that is not a State business day, the next State business day), consisting of annual financial information and operating data of the type included in **APPENDIX A** of this Official Statement under the captions **FISCAL MATTERS, STATE DEBT, STATE EMPLOYEES AND COLLECTIVE BARGAINING AGREEMENTS, RETIREMENT SYSTEMS** and **TAX LEVELS AND TAX BASES**. The Treasurer expects that Annual Information will be provided directly by the State (specifically, by OBM) and may be provided in part by cross-reference to other documents, such as the State's Comprehensive Annual Financial Report, and subsequent final official statements.
- When and if available, audited general purpose financial statements of the State for each Fiscal Year. The Treasurer expects that those financial statements will be prepared, that they will be available separately from the Annual Information, and that the accounting principles to be applied in their preparation will, except as may otherwise then be stated, be as described under and by reference in **APPENDIX A** under **FISCAL MATTERS - Accounts and Controls; Financial Report**.
- Notice of the occurrence of any of the following events, within the meaning of the Rule, with respect to the Series 2025 Bonds within 10 business days of its occurrence:
 - principal and interest payment delinquencies
 - non-payment related defaults, if material
 - unscheduled draws on any debt service reserves or on credit enhancements reflecting financial difficulties
 - substitution of credit or liquidity providers, or their failure to perform
 - adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2025 Bonds, or other material events affecting the tax status of the Series 2025 Bonds
 - modifications to rights of Series 2025 Bond holders, if material
 - Series 2025 Bond calls, if material, and tender offers
 - defeasances
 - release, substitution, or sale of property securing repayment of the Series 2025 Bonds, if material
 - rating changes
 - bankruptcy, insolvency, receivership or similar event of the Obligated Person

- the consummation of a merger, consolidation, or acquisition involving the Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- appointment of a successor or additional trustee or the change of the name of a trustee, if material
- incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material
- default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties
- Notice of the failure to provide the Annual Information within the specified time.
- Notice of any material change in the accounting principles applied in the preparation of the annual financial statements or in the Fiscal Year, any failure of the General Assembly to appropriate moneys for the purpose of paying costs to be incurred by the State in performing the Continuing Disclosure Agreement for the applicable fiscal period (biennium), and termination of the Agreement.

There are no debt service reserves, or credit enhancements or credit or liquidity providers, for the Series 2025 Bonds, or any property (except the Bond Service Fund) securing repayment for the Series 2025 Bonds.

The Treasurer reserves the right to amend a Continuing Disclosure Agreement, and to obtain the waiver of noncompliance with any provision of a Continuing Disclosure Agreement, as may be necessary or appropriate for any of the following:

- To achieve compliance with any applicable federal securities law or rule.
- To cure any ambiguity, inconsistency or formal defect or omission.
- To address any change in circumstances arising from a change in legal requirements, change in law, or change in the identity, nature, or status of the Obligated Person.

Any such amendment or waiver will not be effective unless the applicable Continuing Disclosure Agreement (as amended or taking into account the waiver) would have complied with the requirements of the Rule at the time of the primary offering of the Series 2025 Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances, and until the Treasurer shall have received either:

- A written opinion of bond or other qualified independent special counsel selected by the Treasurer that the amendment or waiver would not materially impair the interest of holders or Beneficial Owners of the Series 2025 Bonds, or
- The written consent to the amendment, or waiver, by the holders of at least a majority of the aggregate outstanding principal amount of the Series 2025 Bonds.

Each Continuing Disclosure Agreement will be solely for the benefit of the holders and beneficial owners of the applicable series of the Series 2025 Bonds including holders of book-entry interests in them. The right to enforce the provisions of a Continuing Disclosure Agreement may be limited to a right of the holders or beneficial owners to enforce to the extent permitted by law (by mandamus, or other suit, action or proceedings at law or in equity) the obligations and duties under it.

In order to provide certain continuing disclosure with respect to the Series 2025 Bonds in accordance with the Rule, the State has entered into a Disclosure Dissemination Agent Agreement (the "Disclosure Dissemination Agreement") for the benefit of the holders of the Series 2025 Bonds with Digital Assurance Certification, L.L.C. ("DAC"), under which the State has designated DAC as Disclosure Dissemination Agent ("Disclosure Dissemination Agent").

The Disclosure Dissemination Agent has only the duties specified in the Disclosure Dissemination Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described in the Disclosure Dissemination Agreement is limited to the extent the State has provided that information to the Disclosure Dissemination Agent as required by that Disclosure Dissemination Agreement. The Disclosure Dissemination Agent has no

duty with respect to the content of any disclosures or notice made pursuant to the terms of the Disclosure Dissemination Agreement or duty or obligation to review or verify any information contained within any disclosure or notices provided to it by the State, and the Disclosure Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the State, the holders of the Series 2025 Bonds or any other party. The Disclosure Dissemination Agent has no responsibility for any failure to report to the Disclosure Dissemination Agent any event requiring disclosure or a duty to determine the materiality thereof, or liability for failing to determine whether the State has complied with the Continuing Disclosure Agreement, and the Disclosure Dissemination Agent may conclusively rely upon certification of the State at all times.

The performance by the Treasurer or the Ohio Office of Budget and Management acting for the State, as the only Obligated Person with respect to the Series 2025 Bonds, of the respective Continuing Disclosure Agreements will be subject to the biennial appropriation by the General Assembly of moneys for that purpose.

Each Continuing Disclosure Agreement will remain in effect only for such period that the applicable series of the Series 2025 Bonds are outstanding in accordance with their terms and the State remains an Obligated Person with respect to the series of the Series 2025 Bonds within the meaning of the Rule.

During the past five years the State has complied in all material respects with its continuing disclosure agreements under the Rule relating to the State's special obligation bonds, the debt service on which is subject to biennial appropriations by the General Assembly.

ELIGIBILITY FOR INVESTMENT AND AS PUBLIC MONEYS SECURITY

Provided that the matter as to a particular investor is governed by Ohio law, and subject to any applicable limitations under other provisions of Ohio law, under the Act the Series 2025 Bonds are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies (including domestic for life and domestic not for life), trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of the State, the commissioners of the sinking fund of the State, the administrator of workers' compensation, and State retirement systems (teachers, public employees, school employees and police and fire).

The Act also provides that the Series 2025 Bonds are acceptable under Ohio law as security for the repayment of the deposit of public moneys.

Owners of book-entry interests in the Series 2025 Bonds should make their own determination as to such matters as the legality of investment in or the ability to pledge book-entry interests.

CONCLUDING STATEMENT

All quotations in this Official Statement from, and summaries and explanations of, the Ohio Constitution, the Revised Code, the Trust Agreements, the Leases, the General Bond Orders and the Series Orders do not purport to be complete. Reference is made to the pertinent provisions of the Ohio Constitution, the Revised Code and those documents for all complete statements of their provisions. Copies of the Trust Agreements, the Leases, the General Bond Orders and the Series Orders are available upon request from the Treasurer, 30 East Broad Street, 9th Floor, Columbus, Ohio 43215 (telephone (614) 466-2160).

To the extent that any statements in this Official Statement involve matters of opinion or estimates (whether or not expressly stated to be such) those statements are made as such and not as representations of fact or certainty. No representation is made that any of those statements will be realized. Information in this Official Statement has been derived by the State, the Treasurer, Mental Health Departments, the DNR, the DRC, and the DAS from official and other sources and is believed by the State, the Treasurer, Mental Health Departments, the DNR, the DRC, and the DAS to be reliable, but information other than that obtained from State official records has not been independently confirmed or verified by the State or Treasurer and its accuracy is not guaranteed.

This Official Statement is not to be construed as a contract or agreement between the State or the Treasurer and the Underwriters or subsequent owners of the Series 2025 Bonds or of book-entry interests in them.

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This Official Statement has been prepared, approved, executed and delivered by the Treasurer in his official capacity on behalf of the State.

STATE OF OHIO

By: _____
Robert Cole Sprague
State Treasurer of Ohio

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APPENDIX A

INFORMATION CONCERNING THE STATE OF OHIO

The following discusses certain matters relating to the general State of Ohio (State) finances and debt, and the State's economy, employment, population, agriculture, resources, tax bases, and related subjects. This information is from the State's official records, except for information expressly attributed to other sources, and summarizes and describes current and recent historical data. It is not intended to indicate future or continuing trends in the financial or other positions of the State. No representation is made that past experience, as might be shown by this financial, economic, and other information, will necessarily continue in the future.

Owners of the Series 2025 Bonds have no right to have taxes or excises levied by the General Assembly to pay Bond Service Charges.

FISCAL MATTERS

General

Consistent with the constitutional provision that no appropriation may be made for a period longer than two years, the State operates based on a fiscal biennium for its appropriations and expenditures. Under current law, the biennium for operating purposes runs from July 1 in an odd-numbered year to June 30 in the next odd-numbered year (e.g., the current fiscal biennium began July 1, 2025, and ends June 30, 2027). Conversely, the biennium for general capital appropriations purposes runs from July 1 in an even-numbered year to June 30 in the next even-numbered year (e.g., July 1, 2024, through June 30, 2026). Within a fiscal biennium, the State operates based on a July 1 to June 30 fiscal year.

The Governor is required to submit the Executive Budget to the General Assembly no later than four weeks after the General Assembly convenes in January of each odd-numbered year. In years of a new Governor's inauguration, the budget must be submitted by March 15. Appropriations legislation reflecting that Executive Budget is then introduced for committee hearings and review first in the House and then in the Senate and finally in Conference Committee, with that appropriations legislation as approved by the General Assembly then presented to the Governor for approval (with possible line-item vetoes). See **FISCAL MATTERS – Recent and Current Finances – Current Biennium** for discussion of the enacted budget for the 2026-2027 fiscal biennium.

Authority for appropriating state moneys subject to appropriation rests in the bicameral General Assembly, which consists of a 99-member House of Representatives (elected to two-year terms) and a 33-member Senate (elected to overlapping four-year terms). Members of both houses are subject to term limits, with a maximum of eight consecutive years in either. The Governor has veto power, including the power to make line-item vetoes in bills making appropriations. A three-fifths vote of each house may override vetoes.

The Ohio Constitution, Article XII, Section 4, requires the General Assembly to “provide for raising revenue, sufficient to defray the expenses of the state, for each year, and also a sufficient sum to pay the principal and interest as they become due on the state debt.” Therefore, the State is effectively precluded by law from ending a fiscal year or a biennium in a “deficit” position. State borrowing to meet casual deficits or failures in revenues or to meet expenses not otherwise provided for is limited by the Ohio Constitution to \$750,000 (Article VIII, Section 1).

The General Revenue Fund (GRF) is the largest fund in the State. Personal income and sales and use taxes are the primary sources of GRF tax revenue. The last complete fiscal year ended June 30, 2025, with an unobligated GRF fund balance of \$1.1 billion, \$898 million above the statutory target of one-half of one percent of the preceding year's GRF revenue. H.B. 96 of the 136th General Assembly, the operating budget for FYs 2026 and 2027 did not include surplus transfers and requires the FY 2025 ending balance to carry forward to FY 2026.

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The State also has a “rainy day” fund (the Budget Stabilization Fund (BSF)), which, by law, is intended to carry a balance of up to 10 percent of the GRF revenue for the preceding fiscal year.¹ The BSF balance as of June 30, 2025, was \$3.9 billion, which equals 8.9 percent of FY 2025 GRF revenue. Recent fiscal year-end BSF balances and their percent of GRF revenue for that fiscal year were:

Fiscal Year-Ending	BSF Balance (\$ in millions)	Percent of GRF Revenue
2021	\$2,692	6.8%
2022	2,706 ^(a)	6.7
2023	3,501 ^{(a)(b)}	8.2
2024	3,787 ^(a)	9.2
2025	3,943 ^(a)	8.9

- (a) H.B. 110 of the 134th General Assembly authorized the BSF to retain any interest credited to the fund instead of allocating these funds to the GRF beginning in fiscal year 2022. As a result, the BSF accrued \$14.6 million in interest during fiscal year 2022, \$67.7 million during fiscal year 2023, \$135.7 million during fiscal year 2024, and \$156 million during fiscal year 2025. H.B. 96 of the 136th General Assembly requires the transfer of interest earned in the BSF to the GRF beginning in the second quarter of FY 2026.
- (b) Does not include year-end transfer of \$150 million into BSF that occurred in the following fiscal year, includes approximately \$727.3 million in transfers that occurred during FY 2023.

Listed in the tables below under **Recent Receipts and Disbursements** are the major categories of state revenue sources, including taxes and excises, and the amounts received from those categories. There is no present constitutional limit on the rates of those state levied taxes and excises (except for taxes on intangible property, which the State does not currently levy).

At present, the State does not levy ad valorem taxes on real or tangible personal property. Ad valorem taxes on tangible personal property of public utilities and real property are levied by political subdivisions and local taxing districts, and State law does not currently allow the imposition of a general ad valorem tax on tangible personal property other than that of public utilities. Since 1934, the Ohio Constitution has limited the amount of the aggregate levy of ad valorem property taxes on particular property, without a vote of the electors or municipal charter provision, to 1 percent of true value in money. Statutes limit the amount of that aggregate levy without a vote or charter provision to 10 mills per \$1 of assessed valuation -- commonly referred to in the context of Ohio local government finance as the “ten-mill limitation.” See **TAX LEVELS AND TAX BASES** for a discussion of the phase-out of local tangible personal property taxes in 2006 through 2009.

The Ohio Constitution directs or restricts the use of certain revenues. Highway fees and excises, including gasoline taxes, are limited in use to highway-related purposes. Not less than 50 percent of the receipts from state income taxes must be returned to the originating political subdivisions and school districts. State net lottery profits are allocated to elementary, secondary, vocational, and special education program purposes, including application to debt service on obligations issued to finance capital facilities for a system of common schools.

Ohio constitutional amendments relating to taxation, revenues, expenditures, debt, or other subjects may be proposed by action of three-fifths of the members elected to each house of the General Assembly or by initiative petition signed by electors numbering at least 10 percent of the total number of votes last cast for the Office of Governor. Adoption of a proposed amendment requires approval by a majority of electors voting on it at a statewide election. The Ohio Constitution expressly provides that the General Assembly has no power to pass laws impairing the obligation of existing contracts.

Accounts and Controls; Financial Reports

With each office performing specific functions relating to State expenditures, the Office of Budget and Management (OBM) and the Treasurer of State account for and report on the State’s fiscal affairs.

¹ H.B. 33 of the 135th General Assembly raised the threshold from 8.5 percent to 10 percent.

OBM maintains records of appropriations made by the General Assembly, and its director, appointed by the Governor, certifies the availability of unencumbered appropriations as a condition of contract validity. OBM fiscal functions include the development and oversight of operating and capital budgets as well as the review, processing, and reporting of financial transactions for most state departments and agencies (excluding, among others, institutions of higher education). The OBM Director's certification is required for all expenditure vouchers before OBM may issue state warrants. OBM maintains accounting records that reflect the level of vouchered expenditures. The Treasurer of State maintains the cash and investments that comprise the State treasury and invests State funds, including proceeds of State debt obligations. The Treasurer redeems the warrants issued by OBM when presented for payment by financial institutions and monitors the timing and amount of payments to determine the State's cash flow position for investment purposes.

State financial reporting practices have been and are in accordance with generally accepted accounting principles (GAAP). Each Annual Comprehensive Financial Report (ACFR) includes the State's Basic Financial Statements (BFS) for that fiscal year as examined by the Auditor of State. The most recent ACFRs are accessible via OBM's web page at <https://obm.ohio.gov/reports-and-resources/01-acfr-and-pafr>.

The BSF is presented in accordance with a fund classification system prescribed by the Governmental Accounting Standards Board. The GAAP basis financial statement presentation is comprehensive in scope and includes organizations and activities defined within Ohio's reporting entity that are not subject to the State's appropriation process. The "General Fund" as reported in the BFS includes more than just the GRF; it also encompasses the Budget Stabilization Fund and those reimbursement-supported funds that account for activities administered by state agencies and departments and for which special revenue or proprietary fund classifications are considered inappropriate.

Recent Receipts and Disbursements

The following summary statements, prepared by OBM based on its accounting records, include (i) governmental and proprietary appropriated funds, cash receipts and cash disbursements, and (ii) GRF cash basis activity. The governmental and proprietary appropriated funds encompass the General Fund (which includes the GRF and BSF) as well as special revenue, debt service, capital projects, and enterprise fund types.

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Summary Statement
Governmental and Proprietary Appropriated Funds
(\$ in millions)

Cash Receipts					
Source of Receipts	Fiscal Year				
	2021	2022	2023	2024	2025
Taxes					
Personal Income ^(a)	\$10,662.8	\$11,247.0	\$11,306.6	\$10,025.4	\$10,990.4
Sales and Use	12,639.1	13,611.1	14,404.4	14,419.3	14,784.8
Financial Institutions Tax	226.4	202.8	239.2	205.1	200.6
Commercial Activity Tax	1,972.6	2,366.9	2,543.6	2,381.8	2,255.0
Gasoline ^(b)	2,481.3	2,571.4	2,504.2	2,614.0	2,598.6
Public Utilities and Kilowatt Hour	791.8	876.6	950.0	925.9	962.3
Cigarette ^(c)	926.9	884.6	827.4	750.4	712.0
Foreign Insurance	351.8	357.0	394.8	438.5	471.7
Highway Use	45.3	55.3	54.7	51.2	47.9
Estate ^(d)	0.1	0.1	0.1	0.1	0.1
Alcoholic Beverages	63.7	59.7	66.8	61.6	61.0
Liquor Gallonage	57.6	57.9	57.3	56.6	54.4
Domestic Insurance Franchise	314.9	318.8	392.6	355.8	361.4
Other ^(e)	189.5	199.3	205.9	111.4	168.2
Total Taxes	30,723.8	32,807.9	33,647.7	32,396.4	33,668.3
Licenses, Permits and Fees	4,804.9	5,189.5	5,531.7	5,693.8	5,765.0
Sales, Services and Charges	1,902.8	1,958.3	1,944.9	2,016.5	1,978.5
Federal Government ^(f)	34,047.2	38,300.7	35,713.9	36,812.3	36,772.1
Other ^(g)	8,239.9	9,676.3	10,540.1	11,122.6	12,932.2
Proceeds from Sale of Bonds and Notes	1,552.6	553.1	380.0	328.0	1,215.2
Total Cash Receipts	\$81,271.2	\$88,485.7	\$87,758.3	\$88,369.7	\$92,331.5

- (a) The State has incrementally reduced personal income tax rates commencing calendar year 2013 (see **FISCAL MATTERS – Recent and Current Finances – Recent Biennia – 2020-2021, 2022-2023, 2024-2025, and Current Biennium** and **TAX LEVELS AND TAX BASES – Personal Income Tax**).
- (b) Beginning July 1, 2019, the gasoline tax and diesel tax were increased from 28 cents to 38.5 cents and 47 cents per gallon, respectively (see **TAX LEVELS AND TAX BASES**).
- (c) Beginning October 1, 2019, the minimum age to purchase cigarettes increased from 18 to 21, and a 10 cents per milliliter tax was imposed on vapor products (see **FISCAL MATTERS – Recent and Current Finances – Recent Biennia – 2020-2021**).
- (d) Eliminated effective January 1, 2013; receipts in all years reflect delayed filings or payments.
- (e) Includes residual payments under the corporate franchise tax for FY 2022.
- (f) FY 2020 and FY 2021 increases were associated with the enhanced Federal Medical Assistance Percentage authorized in the Families First Coronavirus Response Act (see **FISCAL MATTERS – Recent and Current Finances – Outbreak of COVID-19**).
- (g) Largest components consist of various reimbursements, loan repayments, unclaimed funds, and investment income.

Totals may not foot due to rounding.

Cash Disbursements					
Fund Type	Fiscal Year				
	2021	2022	2023	2024	2025
General Fund					
General Revenue Fund	\$35,630.0	\$35,760.3	\$37,781.7	\$40,617.8	\$43,566.9
General Services Fund	6,638.8	7,339.8	7,643.4	8,705.4	10,153.8
Special Revenue Fund ^(h)	29,873.7	37,020.4	37,097.6	38,815.3	39,727.6
Capital Projects Fund ⁽ⁱ⁾	456.3	445.8	515.0	627.9	647.9
Debt Service Fund ^(j)	1,052.5	1,288.8	1,310.0	1,138.8	1,090.2
Enterprise Fund ^(k)	1,000.4	814.0	977.9	903.9	972.8
Total Cash Disbursements	\$74,651.7	\$82,669.0	\$85,325.6	\$90,809.0	\$96,159.0

- (h) Includes local government support disbursements.
- (i) Includes amounts disbursed from proceeds of special obligation bonds and highway general obligation bonds.
- (j) Includes several bond retirement funds for general obligation bonds secured by a pledge of taxes and excises.
- (k) Includes workers' compensation, industrial commission, and lottery, including deferred prizes, among others.

Totals may not foot due to rounding.

Summary Statement
General Revenue Fund Cash Basis Activity
(\$ in millions)

	Fiscal Year				
	2021	2022	2023	2024	2025
Beginning Cash Balance	\$1,270.2	\$4,721.5	\$6,547.0	\$8,990.7	\$2,141.6
Cash Receipts					
Taxes					
Personal Income ^(a)	10,201.3	10,752.2	10,797.2	9,519.3	10,461.5
Sales and Use	12,190.6	13,029.6	13,483.1	13,700.5	14,021.0
Financial Institutions Tax	226.4	202.8	239.1	204.9	200.6
Commercial Activity Tax	1,666.8	1,995.5	2,151.9	2,366.0	2,240.2
Public Utilities and Kilowatt Hour	492.9	516.8	528.9	520.7	550.1
Cigarette and Other Tobacco ^(b)	926.9	884.6	827.4	750.4	712.0
Domestic Insurance	309.7	312.6	386.7	349.7	353.8
Foreign Insurance	324.4	328.4	362.8	402.1	431.4
Other ^(c)	127.8	130.1	138.4	130.9	125.8
Total Taxes	26,466.9	28,152.5	28,915.5	27,944.5	29,096.4
Federal Government	12,727.2	11,897.3	12,931.4	12,645.7	14,182.7
Licenses, Permits and Fees	88.4	99.2	117.1	126.6	139.3
Investment Income	57	52.8	304.5	454.3	398.7
Other	108.9	401.2	225.8	146.5	130.4
Total Cash Receipts	39,448.3	40,603.1	42,494.5	41,317.6	43,947.5
Cash Disbursements					
Primary, Secondary and Other Education ^(d)	7,954.2	8,298.4	8,538.6	9,581.3	9,960.0
Higher Education	2,368.5	2,417.6	2,447.6	2,575.9	2,708.6
Public Assistance and Medicaid	18,094.4	17,079.3	18,483.7	19,329.5	21,917.8
Health and Human Services	1,381.3	1,519.9	1,625.3	1,784.7	1,962.4
Justice and Public Protection	2,387.0	2,652.8	2,758.9	2,963.7	3,128.3
General Government ^(e)	421.8	499.4	559.6	1,204.0	644.4
Property Tax Reimbursements ^(f)	1,806.1	1,818.2	1,821.1	1,873.7	1,956.9
Debt Service	1,216.8	1,474.8	1,547.0	1,304.8	1,288.4
Total Cash Disbursements	35,630.0	35,760.3	37,781.7	40,617.7	43,566.8
Cash Transfers					
Transfers-in ^(g)	97.8	57.1	20.7	15.4	247.6
Transfers-out ^(h)	(465.0)	(3,074.3)	(2,289.9)	(7,564.3)	(757.3)
Ending Cash Balance	\$4,721.5	\$6,547.0	\$8,990.7	\$2,141.6	\$2,012.6

- (a) Beginning January 1, 2013, the State has incrementally reduced personal income tax rates (see **FISCAL MATTERS – Recent and Current Finances – Recent Biennia – 2020-2021, 2022-2023, 2024-2025, and Current Biennium; TAX LEVELS AND TAX BASES – Personal Income Tax**).
- (b) Beginning October 1, 2019, a 10 cents per milliliter tax was imposed on vapor products (see **FISCAL MATTERS – Recent and Current Finances – Recent Biennia – 2020-2021**).
- (c) Includes alcoholic beverage tax, liquor gallonage, petroleum activity tax, other business and property tax, and residual payments under the corporate franchise tax and estate tax, which are both repealed but may apply to prior tax periods.
- (d) Mainly subsidies to school districts for primary and secondary education.
- (e) Includes amounts for non-highway transportation purposes, including mass transit, rail, and aviation.
- (f) State reimbursements to taxing subdivisions for the 12.5 percent property tax rollback granted to homeowners of real property, for partial real property homestead tax exemptions for the elderly and handicapped (expanded commencing in July 2007), and for revenue reductions resulting from the phase-out of local taxes on tangible personal property.
- (g) FY 2025 transfers include \$123.8 million from the Expanded Sales Tax Holiday Fund and \$81.7 million from the Petroleum Activity Tax Public Highways Fund.
- (h) FY 2021 included a transfer of \$400 million to the Foundation Funding - All Students Fund. FY 2022 included several prior year surplus balance transfers totaling \$1.5 billion to various funds, including \$1.2 billion to the Health and Human Services Reserve Fund. FY 2023 included \$837.2 million in transfers to several capital funds, authorized in H.B. 687 of the 134th General Assembly, and \$727 million to the Budget Stabilization Fund, authorized in H.B. 45 of the 134th General Assembly. FY 2024 included prior year surplus transfers of \$4.7 billion to various funds for one-time purposes, and several additional transfers totaling \$2 billion to capital funds, authorized in H.B. 687 of the 134th General Assembly. FY 2025 transfers totaled \$757.3 million and included a \$600 million transfer to the Foundation Funding – All Students Fund.
- Totals may not foot due to rounding.

Recent and Current Finances

Introductory Information

The summary statements above identify receipts from specific taxes and excises that are sources of significant amounts of revenue to the State, and particularly to the GRF. As noted, there are constitutional limitations on the use of some taxes and excises, and mandated allocations of portions of some others. As the statements portray, a substantial amount of total State-level revenue is distributed to local governments and school districts under ongoing programs, including local property tax relief.

The GRF ending cash and fund balances for FY 2025 were \$2 billion and \$1.1 billion, respectively. Recent biennium-ending GRF balances were:

Biennium	Cash Balance (\$ in millions)	Fund Balance ^(a) (\$ in millions)	Fund Balance less Designated Transfers ^(b) (\$ in millions)
2016-2017	\$557.1	\$170.9	\$170.9
2018-2019	1,538.0	1,146.4	834.0
2020-2021	4,721.5	4,032.3	2,534.0
2022-2023	8,990.7	7,357.1	2,684.2
2024-2025	2,012.6	1,119.0	1,119.0

(a) Reflects the ending cash balance less amounts encumbered to cover financial commitments made before the end of the fiscal year.

(b) Reflects the ending fund balance less any amounts designated for transfer to other funds, including the BSF.

Actions have been and may be taken by the State to ensure revenue/expenditure balance (particularly in the GRF), some of which are described below. None of those actions has been applied to appropriations or expenditures needed for debt service, lease payments, or other payments involving any State debt-related obligations.

The appropriations acts for the 2026-2027 biennium included all necessary appropriations for debt service on State obligations and lease payments relating to lease rental obligations issued by the Treasurer of State and for certificates of participation (see **FISCAL MATTERS – Recent and Current Finances – Current Biennium and State Debt – General**).

The Revised Code imposes a limitation on most GRF appropriations commencing with the 2008-09 fiscal biennium. This statutory limitation initially used FY 2007 GRF appropriations as a baseline (excluding appropriations for debt service, tax relief and refunds, and specific appropriations reflecting moneys received from the federal government) and then applies an annual growth factor equal to the greater of 3.5 percent or the sum of the inflation rates and rate of state population change. Every fourth fiscal year thereafter becomes a new base year. All GRF appropriations since FY 2007 have complied with this limitation.

The following is a general discussion of State finances, particularly GRF receipts and expenditures, for recent and current biennia. As evidenced by the paragraphs below, the State administrations and both houses of the General Assembly have been and remain committed to taking actions that ensure a balance of GRF resources and expenditures.

Recent Biennia

2020-2021

The 2020-2021 Biennial Appropriations Act, preceded by a 17-day Interim Appropriations Act, was passed by the General Assembly and signed by the Governor (with selective vetoes) on July 18, 2019. Reflecting the tax law changes described herein and an underlying economic forecast prepared in the first half of 2019, that Act provided

for the GRF appropriations outlined below. The underlying economic forecast did not consider the economic effects of the pandemic as described below under **Outbreak of COVID-19**.

GRF Appropriations 2020-2021 Biennium (\$ in billions)

Fiscal Year 2019 Expenditures	Fiscal Year 2020 Appropriations	Percent Change Over Fiscal Year 2019 Expenditures	Fiscal Year 2021 Appropriations	Percent Change Over Fiscal Year 2020 Appropriations	2020-2021 Biennium Total Appropriations
\$32.7	\$34.0	4.0%	\$36.0	6.0%	\$70.0

Major program categories reflected the following GRF appropriation changes (excluding GRF debt service appropriations):

- *Medicaid* – FY 2020 appropriations increased 3.3 percent over FY 2019 expenditures, and FY 2021 appropriations increased 11.8 percent over FY 2020 appropriations.
- *Elementary and Secondary Education* – including transfers from the GRF in support of student wellness and success, FY 2020 appropriations increased 3.9 percent over FY 2019 expenditures, and FY 2021 appropriations increased 0.2 percent over FY 2020 appropriations.
- *Higher Education* – FY 2020 appropriations increased 4.6 percent over FY 2019 expenditures, and FY 2021 appropriations increased 2.6 percent over FY 2020 appropriations.
- *Mental Health and Developmental Disabilities* – excluding Medicaid program services, FY 2020 appropriations decreased 1.4 percent over FY 2019 expenditures, and FY 2021 appropriations increased 2.8 percent over FY 2020 appropriations.
- *Corrections and Youth Services* – FY 2020 appropriations increased 4 percent over FY 2019 expenditures, and FY 2021 appropriations increased 3.5 percent over FY 2020 appropriations.

The 2020-2021 Biennial Appropriations Act also created the H2Ohio fund to support water quality projects in Lake Erie and across Ohio's rivers, lakes, and waterways. The H2Ohio fund was initially seeded by a \$172 million transfer from the FY 2019 ending GRF fund balance.

The Executive Budget, 17-day Interim Appropriations Act, the 2020-2021 Biennial Appropriations Act, and separate appropriations acts for the biennium all included necessary debt service and lease rental or other payment appropriation authority related to State debt obligations for the entire biennium.

The foregoing appropriations were based upon available balances and estimated GRF revenue for the biennium and have been adjusted with updated revenue forecasts as of June 10, 2020, as follows:

Estimated State and Federal GRF Revenue 2020-2021 Biennium (\$ in billions)

Fiscal Year 2019 Actual Revenue	Fiscal Year 2020 Est. Revenue	Percent Change Over Fiscal Year 2019 Actual Revenue	Fiscal Year 2021 Est. Revenue	Percent Change Over Fiscal Year 2020 Est. Revenue	2020-2021 Biennium Total Est. Revenue
\$33.8	\$33.2	-1.6%	\$36.0	8.5%	\$69.3

The 2020-2021 Biennial Appropriations Act reflected the following tax policy and allocation changes, among others, which resulted in a net GRF revenue decrease of \$410 million in FY 2020 and \$177 million in FY 2021:

- An across-the-board 4 percent reduction in state personal income tax rates and elimination of the bottom two income tax brackets (effective in tax year 2019), coupled with a freeze on the indexing of the income tax brackets (through tax year 2020). The tax bracket changes eliminated any tax liability for individuals with taxable income less than \$21,750 (see **TAX LEVELS AND TAX BASES – Personal Income Tax**).

- Modified eligibility for various means-tested state personal income tax credits such that high-income taxpayers with little non-business income are not eligible for the tax credits (effective tax year 2019).
- Created two new non-refundable tax credits, one for lead abatement expenses capped at \$5 million annually (effective in tax year 2020) and one for Qualified Opportunity Zone investments that is limited to no more than \$50 million per fiscal biennium (effective in tax year 2019).
- Increased the legal age to purchase tobacco products from 18 to 21 years old and created a tax on the volume of nicotine-containing vapor products (effective October 2019).
- Modified the presumption of a seller having a substantial nexus with Ohio in accordance with *South Dakota v. Wayfair, Inc.* for purposes of collecting the sales and use tax on retail sales through “marketplace facilitators” (effective October 2019).
- Temporarily increased the percent of GRF tax revenues deposited into the local government fund from 1.66 percent to 1.68 percent in each of FY 2020 and FY 2021.
- Temporarily increased the percent of GRF tax revenues deposited into the public library fund from 1.66 percent to 1.70 percent in each of FY 2020 and FY 2021.

OBM updated the FY 2021 GRF revenue forecast to reflect economic assumptions (influenced by the COVID-19 Pandemic) and actual FY 2020 revenue performance. For further information relating to the updated FY 2021 GRF revenue forecast see **Outbreak of COVID-19** below.

FY 2021 Financial Results: The State ended FY 2021 with GRF cash and fund balances of \$4.7 billion and \$4 billion, respectively. As authorized in the 2022-2023 Biennial Appropriations Act, the entire fund balance was carried forward into FY 2022, including \$197.7 million reserved to maintain the statutory target of one-half of one percent of FY 2021 GRF revenues as an ending fund balance, and \$1.2 billion transferred to the Health and Human Services Fund, \$132 million transferred to the H2Ohio Fund, \$100 million transferred to the Investing in Ohio Fund, and \$66.3 million transferred across three other smaller purposes.

FY 2021 GRF tax revenues were greater than both the original forecast derived in July 2019 for the enacted FY 2020-2021 operating budget as well as the updated forecast issued with the FY 2022-2023 Executive operating budget. Tax revenues for the fiscal year were \$1.5 billion above the original forecast. Of the \$1.5 billion positive variance, \$774.6 million occurred during the last quarter of the fiscal year, with sales tax revenues exceeding estimates by large margins in each month of the quarter.

Outbreak of COVID-19

The outbreak of COVID-19 was declared a pandemic by the World Health Organization. Governor DeWine and the Director of the Ohio Department of Health (ODH) issued a declaration of a state of emergency on March 9, 2020. The order was rescinded, thereby ending the state-declared public health emergency, on June 17, 2021. During that period, the Governor and the General Assembly took specific actions to mitigate the economic effects of the COVID-19 outbreak on the State’s financial position.

On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to address the economic disruption caused by the COVID-19 pandemic. Under the CARES Act, the State was directly allocated a minimum of \$2.5 billion of the total \$4.5 billion granted by the Federal Government to the State and its eligible local governments. These funds were used for necessary expenditures incurred due to COVID-19. The State maintains a comprehensive presentation of financial and transactional data online, The Ohio Checkbook (<https://checkbook.ohio.gov>), and more information on Federal Funding for COVID-19 in Ohio can be found at <https://checkbook.ohio.gov/Coronavirus/>.

To balance the State budget in fiscal year 2020 (due to anticipated declines in revenue and increased costs relating to the State’s response to the COVID-19 pandemic), Governor DeWine directed spending cuts of approximately \$775 million for the remainder of the fiscal year (June 30, 2020) and continued the previously announced hiring freezes, travel limitations, and contracting restrictions. Because initial revised FY 2021 revenue projections indicated that available state revenue receipts and balances in the GRF were projected to be \$36 billion,

approximately \$2.4 billion less than initially estimated (and \$200 million less than the reserve held in the BSF as stated above), OBM and the Department of Administrative Services (DAS) implemented cost savings measures to further reduce expenditures in April 2021. On January 22, 2021, Governor DeWine signed an executive order formally finalizing the FY 2021 budget reductions at \$390 million across all agencies, less than previously expected, thus allowing additional funding for the Department of Education and the Department of Higher Education.

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (ARPA). This \$1.9 trillion economic stimulus and COVID-19 relief package was aimed at providing emergency assistance to individuals, businesses, and state and local governments affected by COVID-19, among other measures. Under ARPA, the Federal Government allocated approximately \$10.7 billion to the State and local governments with an additional \$268.6 million allocated specifically for use in state capital projects to continue efforts to mitigate the fiscal effects stemming from COVID-19.

In the initial months of the COVID-19 pandemic, unemployment insurance claims increased significantly from an average of 7,915 claims per week during the first 11 weeks of 2020 to 274,288 during the week ending March 28, 2020. Between January and June 2020, the State's Unemployment Trust Fund balance dropped from \$1.3 billion to zero. On June 16, 2020, the State received an advance from the federal government to continue to pay the increased unemployment insurance claims. On September 3, 2021, the State paid off its \$1.5 billion loan using ARPA funds.

Like other states, Ohio is investigating allegations of overpayment or fraud for unemployment claims during the pandemic. The State reported known fraud and non-fraud unemployment compensation overpayments totaling \$72.8 million to the U.S. Department of Labor (DOL) as of June 30, 2023. Of the total overpayments reported to the DOL, \$31.6 million was attributed to fraud, and \$41.2 million was attributed to non-fraud. These overpayments were federal pandemic unemployment benefits. The federal government granted states the discretion to waive repayment of pandemic funding for non-fraudulent purposes. Due to the nature of these known overpayments along with federal waiver discretion, most of these monies have not been subject to a collection process. Additionally, the State has flagged as possible overpayments specific claims with one or more fraud identifiers. These flagged claims were both regular unemployment and federal pandemic unemployment benefits, with an accumulated amount of \$1.36 billion. Ohio is working diligently to adjudicate all claims flagged as potential overpayments. Such potential overpayment or fraud, and repayment thereof, will have no material effect on the State's ability to pay debt service on its bonded indebtedness. The State has improved preventative safeguards to limit overpayments or fraudulent payments of unemployment compensation.

2022-2023

The 2022-2023 Biennial Appropriations Act was passed by the General Assembly and signed by the Governor (with selective vetoes) on June 30, 2021. Reflecting the tax law changes described below and a conservative underlying economic forecast, that Act provided for the following GRF appropriations:

GRF Appropriations 2022-2023 Biennium (\$ in billions)					
Fiscal Year 2021 Expenditures	Fiscal Year 2022 Appropriations	Percent Change Over Fiscal Year 2021 Expenditures	Fiscal Year 2023 Appropriations	Percent Change Over Fiscal Year 2022 Appropriations	2022-2023 Biennium Total Appropriations
\$35.6	\$34.9	-2.0%	\$39.3	12.6%	\$74.3

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Major program categories reflected the following GRF appropriation changes (excluding GRF debt service appropriations):

- *Medicaid* – FY 2022 appropriations decreased 11.7 percent over FY 2021 expenditures, and FY 2023 appropriations increased 26.1 percent over FY 2022 appropriations.
- *Elementary and Secondary Education* – including transfers from the GRF in support of student wellness and success, FY 2022 appropriations increased 5.8 percent over FY 2021 expenditures, and FY 2023 appropriations increased 2 percent over FY 2022 appropriations.
- *Higher Education* – FY 2022 appropriations increased 2.7 percent over FY 2021 expenditures, and FY 2023 appropriations increased 0.1 percent over FY 2022 appropriations.

The 2022-2023 Biennial Appropriations Act revised the school funding formula to consider resident income levels in addition to property tax values (see **SCHOOLS AND MUNICIPALITIES – Schools**). The Act also authorized the BSF to retain interest earnings.

The foregoing appropriations were based upon available balances and estimated GRF revenue for the biennium as follows:

Estimated State and Federal GRF Revenue 2022-2023 Biennium (\$ in billions)

Fiscal Year 2021 Actual Revenue	Fiscal Year 2022 Est. Revenue	Percent Change Over Fiscal Year 2021 Actual Revenue	Fiscal Year 2023 Est. Revenue	Percent Change Over Fiscal Year 2022 Est. Revenue	2022-2023 Biennium Total Est. Revenue
\$39.5	\$36.6	-7.5%	\$39.9	9.3%	\$76.6

Because of an extension in the filing date for tax year 2019 returns, an estimated \$719 million in income tax revenue was received in FY 2021 rather than in FY 2020, thereby impacting the FYs 2021-2022 growth rate.

H.B. 110, the biennial budget for FYs 2022-2023, included several transfers from the GRF. Estimated FY 2022 transfers from the GRF totaled \$3 billion, the largest of which is \$1.2 billion for the Health and Human Services Fund.

The 2022-2023 Biennial Appropriations Act reflected the following tax policy and allocation changes, among others, which were estimated to result in a net GRF revenue decrease of \$1 billion in FY 2022 and \$977 million in FY 2023:

- Made an across-the-board 3 percent reduction in state personal income tax rates on non-business income, except for consolidating the top two income brackets and setting the new top rate at 3.99 percent.
- Increased the threshold for zero tax liability, in which filers with taxable incomes below \$25,000 are no longer subject to Ohio personal income tax.
- Contained a one-year (tax year 2021) suspension of bracket indexing, and a two-year (tax years 2021 and 2022) suspension of personal exemption indexing.
- Established new non-refundable tax credits for home-schooling expenses, for tuition paid to non-chartered private schools, and for contributions made to non-profit scholarship-granting organizations.
- Repealed sales and use tax on employment services; also enacted an exemption for sales of investment coins and bullion.
- Continued the increase, temporarily, of the percent of GRF tax revenues deposited into the public library fund from 1.66 percent to 1.70 percent in each of FY 2022 and FY 2023.

On January 21, 2022, Governor Mike DeWine announced Intel Corporation's plan to invest \$20 billion to construct a new semiconductor manufacturing plant in Ohio for which the State appropriated \$691 million for state and

local infrastructure improvement, \$600 million for onshoring incentive grants, and an estimated \$650 million 30-year job creation tax credit. Incentives included performance benchmarks allowing the State to recover proceeds disbursed should the company fail to meet contracted obligations. The State's assistance is from available resources and not funded by debt proceeds. The positive impact of this development on Ohio is expected to lead to 20,000 additional jobs – 3,000 direct Intel jobs, 7,000 construction jobs throughout the build period, and 10,000 or more indirect and support jobs.

Since enactment of the operating budget for the FY 2022-2023 biennium, the Ohio General Assembly passed several tax law changes. These included:

- Income tax credit to assist new farmers.
- Income tax credit for employers of students enrolled in a career-technical education program.
- Temporary increase in the total amount of issued historic building rehabilitation tax credits, and modifications to the Ohio opportunity zone tax credit program.
- Define capital gains from sales of investment in a business as “business income” and therefore eligible for either the Ohio business income deduction or subject to the 3 percent income tax rate.
- Establish a tax on pass-through entities, wherein an individual investor's share of such tax is not subject to the \$10,000 limit of the federal income tax deduction on state and local taxes paid.

FY 2023 Financial Results. Fiscal year 2023 ended with the largest GRF cash balance in Ohio history. The State ended FY 2023 with GRF cash and fund balances of \$9 billion and \$7.4 billion, respectively. As authorized in the 2024-2025 budget bill, the entire fund balance was carried forward into FY 2024, including \$212.6 million reserved to maintain the statutory target of one-half of one percent of FY 2023 GRF revenues. The FY 2024-2025 budget bill also included several FY 2023 ending balance transfers, including \$741 million to the Expanded Sales Tax Holiday fund, \$700 million to the One-Time Strategic Community Investments Fund, and \$667 million to the All Ohio Future Fund.

FY 2023 GRF tax revenues were greater than both the original forecast derived in July 2021 for the enacted FY 2022-2023 operating budget as well as the updated forecast issued in August 2022. Tax revenues for the fiscal year were \$994.2 million above the updated forecast. This variance was driven by the personal income tax, which was \$645.1 above the estimate in fiscal year 2023. In addition, sales and use taxes were \$149.2 million above the estimate, and the commercial activity tax outperformed the forecast by \$82.9 million.

2024-2025

The 135th General Assembly passed, and the Governor signed four bills that provided appropriations to operate the State government through FYs 2024 and 2025. H.B.s 23, 31, 32, and 33, collectively referred to as the “2024-2025 budget”, provided the following GRF appropriations:

GRF Appropriations 2024-2025 Biennium (\$ in billions)

Fiscal Year 2023 Expenditures	Fiscal Year 2024 Appropriations	Percent Change Over Fiscal Year 2023 Expenditures	Fiscal Year 2025 Appropriations	Percent Change Over Fiscal Year 2024 Appropriations	2024-2025 Biennium Total Appropriations
\$37.8	\$41.5	9.7%	\$44.8	8.0%	\$86.2

Major program categories reflected the following GRF appropriation changes (excluding GRF debt service appropriations):

- *Medicaid* – FY 2024 appropriations increased 10.8 percent over FY 2023 expenditures, and FY 2025 appropriations increased 13.9 percent over FY 2024 appropriations.

- *Elementary and Secondary Education* – included transfers from the GRF in support of student wellness and success, FY 2024 appropriations increased 10.4 percent over FY 2023 expenditures, and FY 2025 appropriations increased 3.6 percent over FY 2024 appropriations.
- *Higher Education* – FY 2024 appropriations increased 6.8 percent over FY 2023 expenditures, and FY 2025 appropriations increased 2 percent over FY 2024 appropriations.

The foregoing appropriations were based upon available balances and the estimated GRF revenue for the biennium as follows:

Estimated State and Federal GRF Revenue 2024-2025 Biennium (\$ in billions)

Fiscal Year 2023 Actual Revenue	Fiscal Year 2024 Est. Revenue	Percent Change Over Fiscal Year 2023 Est. Revenue	Fiscal Year 2025 Est. Revenue	Percent Change Over Fiscal Year 2024 Est. Revenue	2024-2025 Biennium Total Est. Revenue
\$42.5	\$41.3	-2.8%	\$43.2	4.6%	\$84.5

The FY 2024-2025 biennial budget was conservatively crafted with several transfers from the GRF to use one-time resources for one-time investments. Estimated FY 2024 transfers from the GRF totaled \$5.6 billion, including \$667 million for the All Ohio Future Fund and \$700 million for the One-Time Strategic Community Investments Fund.

The 2024-2025 biennial budget included the following tax policy changes:

- The number of businesses subject to the commercial activities tax was dramatically reduced by 90 percent by excluding up to \$3 million in gross receipts per business in 2024 and up to \$6 million in gross receipts per business in 2025.
- The sports gaming tax rate increased to 20 percent with proceeds dedicated to the school funding formula.
- Personal income tax reductions in the budget reduced the number of personal income tax brackets. In 2024, the state personal income tax had two rate brackets (one consisting of taxable income between \$26,051 and \$100,000, and the other consisting of income above \$100,000), with marginal tax rates of 2.75 percent and 3.5 percent, respectively. There remains no tax liability if taxable income is \$26,050 or below.
- A new expanded sales tax holiday used surplus revenue to provide tax relief to consumers in August 2024 and will use surplus revenue in future years if tax receipts exceed budgeted estimates.
- The state sales tax on baby products, such as diapers, wipes, car seats, and strollers, was eliminated, expected to save Ohio families \$16 million per year.
- The supply of affordable single-family housing was and will be supported by a new tax credit totaling \$200 million over four years.
- New low-income housing tax credits of \$100 million per fiscal year, allocated over four years, were and can be used for the development and rehabilitation of low-income, multi-family rental housing projects that increase the affordable housing supply.
- Ohioans planning to purchase a home were and are able to open a home ownership savings account. Qualifying contributions to such accounts shall receive tax-favored treatment. Contributions of up to \$5,000 per year for individuals and \$10,000 per year for couples filing jointly, may be deducted from the contributor's Ohio personal income tax return (with a lifetime maximum \$25,000 deduction per contributor per account).

As is customary at the beginning of the second year of the fiscal biennium, OBM revised its FY 2025 GRF revenue forecast to reflect updated economic assumptions and actual FY 2024 revenue performance. During FY 2024, tax receipts totaled \$27.9 billion and were \$484.7 million (-1.7%) below the estimate. Personal income tax accounted for \$457.8 million of the variance. As a result, in August 2024, OBM revised the FY 2025 revenue estimates that were developed in June 2023, when the current operating budget was enacted. The revised FY 2025 estimates assumed total GRF tax revenues of \$27.6 billion. Total GRF tax revenues in FY 2025 were estimated to be slightly lower than

FY 2024 actual receipts, declining by \$348.3 million (-1.2%). The revised FY 2025 estimates also included positive updates to non-tax categories, notably to Investment Earnings and Other Income.

FY 2025 Financial Results. The State ended FY 2025 with GRF cash and fund balances of \$2.0 billion and \$1.1 billion, respectively. As authorized in the 2024-2025 budget, the entire fund balance was carried forward into FY 2026, including \$221.0 million reserved to maintain the statutory target of one-half of one percent of FY 2025 revenues.

FY 2025 GRF tax revenues were greater than both the original forecast derived in July 2023 for the enacted FY 2024-2025 budget as well as the updated forecast issued in August 2024. Tax revenues for the FY 2025 were \$1.5 billion above the updated forecast. The first expanded sales tax holiday occurred during FY 2025, with the foregone GRF tax revenue reimbursed by a transfer from the expanded sales tax holiday fund. The actual foregone revenue was substantially lower than initially anticipated, so the transfer to the GRF was also below estimate. The combined GRF tax revenue and expanded sales tax holiday fund transfer exceeded the forecast by \$1.04 billion. Personal income tax receipts accounted for \$691.3 million of this variance. All other primary tax sources also exceeded forecast: the non-auto sales tax with the sales tax holiday transfer was \$200.7 million above estimate, the auto sales tax outperformed the estimate by \$83.6 million, and the commercial activity tax exceeded its mark by \$43.2 million.

Current Biennium

The 136th General Assembly passed, and the Governor signed four bills that provide appropriations to operate the State government through FYs 2026 and 2027. H.B.s 54, 80, 81, and 96, collectively referred to as the “2026-2027 budget”, provide the following GRF appropriations:

GRF Appropriations 2026-2027 Biennium (\$ in billions)

Fiscal Year 2025 Expenditures	Fiscal Year 2026 Appropriations	Percent Change Over Fiscal Year 2025 Expenditures	Fiscal Year 2027 Appropriations	Percent Change Over Fiscal Year 2026 Appropriations	2026-2027 Biennium Total Appropriations
\$43.6	\$44.4	2.0%	\$46.1	3.7%	\$90.5

Major program categories reflect the following GRF appropriation changes (excluding GRF debt service appropriations):

- *Medicaid* – FY 2026 appropriations increase 1.8 percent over FY 2025 expenditures, and FY 2027 appropriations increase 4.8 percent over FY 2026 appropriations.
- *Elementary and Secondary Education* – including transfers from the GRF in support of student wellness and success, FY 2026 appropriations increase 1.1 percent over FY 2025 expenditures, and FY 2027 appropriations increase 3.4 percent over FY 2026 appropriations.
- *Higher Education* – FY 2026 appropriations increase 2.1 percent over FY 2025 expenditures, and FY 2027 appropriations increase 0.7 percent over FY 2026 appropriations.

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The foregoing appropriations were based upon available balances and the estimated GRF revenue for the biennium as follows:

Estimated State and Federal GRF Revenue 2026-2027 Biennium (\$ in billions)

Fiscal Year 2025 Actual Revenue	Fiscal Year 2026 Est. Revenue	Percent Change Over Fiscal Year 2025 Revenue	Fiscal Year 2027 Est. Revenue	Percent Change Over Fiscal Year 2026 Est. Revenue	2026-2027 Biennium Total Est. Revenue
\$44.2	\$45.2	2.2%	\$45.9	1.6%	\$91.1

The 2026-2027 biennial budget includes the following tax policy changes:

- Personal income tax reductions will establish a single personal income tax bracket structure: the budget reduces the top marginal rate in 2025 and repeals it in 2026. In 2024, there were two income tax brackets, with marginal tax rates of 2.75 percent on income between \$26,051 and \$100,000 and 3.5 percent on income above \$100,000. In 2025, the top rate (on income exceeding \$100,000) becomes 2.125 percent. Beginning in 2026, the state personal income tax will equal \$332.00 plus 2.75 percent on taxable income exceeding \$26,050. There remains no tax liability if a taxpayer's taxable income is \$26,050 or below.
- The annual cap will increase from \$50 million to \$75 million on the amount of historic building rehabilitation tax credits that the Department of Development may approve.
- The sunset date for the transformational mixed-use development tax credit program changes from the end of FY 2025 to the end of FY 2027. In addition, the annual cap on authorized credits increases from \$100 million to \$150 million.
- Proceeds from the non-medical marijuana tax ("adult use cannabis tax") are allocated as follows: 64 percent to the GRF; and 36 percent to the Host Community Cannabis Fund. Under prior law, the GRF did not receive any portion of that tax revenue, while the same 36 percent share was in place for the Host Community Cannabis Fund.
- Vendors will receive a modified allowance for collecting sales and use taxes. The allowance previously equaled 0.75 percent of the vendor's sales tax or use tax collections. It now becomes the lesser of 0.75 percent or \$750.
- Several sales and use tax exemptions will no longer remain in Ohio law. The budget repeals exemptions for sales of: telecommunications services used to perform the functions of a qualified call center; digital audio on juke boxes and similar devices in commercial establishments; and tangible personal property used to acquire, edit, store, and disseminate data or information by electronic publishing. Also repealed is an exemption for sales of refrigerated food vending machines, sales of advertising material or catalogs that price and describe property offered for retail sale, and purchases by direct marketers of items used in printing advertising material and equipment used to accept orders. The budget also repeals a provision that allows a 25 percent refund of the sales and use tax paid by providers of electronic information services.

H.B. 110 of the 134th General Assembly authorized the BSF to retain any interest credited to the fund instead of allocating these funds to the GRF beginning in fiscal year 2022. H.B. 33 of the 135th General Assembly raised the cap on the balance of the BSF to 10 percent of the GRF. H.B. 96 of the 136th General Assembly requires the transfer of interest earned in the BSF to the GRF beginning in the second quarter of FY 2026.

Cash Flow

Because GRF cash receipts and disbursements do not precisely coincide, temporary GRF cash flow deficiencies can occur periodically throughout the fiscal year. The Ohio Revised Code provides for effective management of

cash flow by permitting the adjustment of payment schedules and the use of the Total Operating Fund. The State has not done and does not do external revenue anticipation borrowing.

The Total Operating Fund includes the total consolidated cash balances, revenues, disbursements, and transfers of the GRF and several other specified funds (including the BSF). Total Operating Fund cash balances are consolidated only to meet cash flow requirements, and, except for the GRF, a positive cash balance must be maintained for each discrete fund included in the Total Operating Fund. The GRF is permitted to incur a temporary cash deficiency by drawing upon the available consolidated cash balance in the Total Operating Fund. The amount of that permitted GRF cash deficiency at any time is limited by statute to 10 percent of GRF revenues for the then preceding fiscal year. The State plans for and manages monthly GRF cash flow deficiencies within each fiscal year, and those deficiencies have been within the limitations discussed above.

STATE DEBT

General

The incurrence or assumption of debt by the State without a popular vote is, with limited exceptions, prohibited by the Ohio Constitution. The State is authorized to incur debt limited in amount to \$750,000 to cover casual deficits or to address failures in revenues or to meet expenses not otherwise provided for. The Constitution also expressly precludes the State from assuming the debts of any county, city, town, or township, or of any corporation. An exception, however, exists in both cases, for debts incurred to repel invasion, suppress insurrection, or defend the State in war. The Constitution further provides that “Except the debts above specified...no debt whatever shall hereafter be created by, or on behalf of the State.”

By 21 constitutional amendments approved from 1921 to present, Ohio voters have authorized the incurrence of State general obligation debt and the pledge of taxes or excises to its payment, all related to the financing of capital facilities, except for three that funded bonuses for veterans, one to fund coal technology research and development, and one to fund specified research and development activities. Currently, tax-supported general obligation debt of the State is authorized to be incurred for the following purposes: highways, local infrastructure, coal development, natural resources and parks, higher education, common schools, conservation, and research and development. Authorizations for site development and veterans’ compensation purposes have been fully exhausted or expired. Although supported by the general obligation pledge, highway debt is also backed by a pledge of and has always been paid from the State’s motor fuel taxes and other highway user receipts that are constitutionally restricted in use to highway related purposes.

State special obligation debt, the owners, or holders of which are not given the right to have excises or taxes levied by the General Assembly to pay principal and interest, is authorized for purposes specified by Section 2i of Article VIII of the Constitution. The Treasurer of State currently issues the special obligations authorized under that section for parks and recreation and mental health facilities, and for facilities to house branches and agencies of state government and their functions, including: state office buildings and facilities for the Department of Administrative Services (DAS) and others, the Ohio Department of Transportation (ODOT), correctional and juvenile detention facilities for the Departments of Rehabilitation and Correction (DRC) and Youth Services (DYS), and various cultural facilities, and has issued previously for the Department of Public Safety (DPS). Debt service on all these special obligations is paid from GRF appropriations, except for debt issued for ODOT and DPS facilities which is paid from highway user receipts. All those debt service payments are subject to biennial appropriations by the General Assembly pursuant to leases or other agreements entered into by the State.

Certificates of Participation (COPs). State agencies have also improved buildings/equipment, information systems, and non-highway transportation projects with local and State use, in connection with which the State has entered into lease-purchase agreements with terms ranging from 8 to 20 years. Certificates of Participation (COPs) have been issued with regard to those agreements that represent fractionalized interests in, and are payable from, the State’s anticipated lease payments. The maximum annual payment from GRF appropriations under those existing agreements is \$37.5 million in FY 2026, and the total GRF-supported principal amount outstanding is \$90.6 million

as of November 13, 2025. Payments by the State are subject to biennial appropriations by the General Assembly, with the lease terms subject to automatic renewal for each biennium for which those appropriations are made. The approval of the OBM Director and either the General Assembly or the State Controlling Board is required if COPs are to be publicly offered in connection with those agreements.

Revenue Bonds. Certain state agencies issue revenue bonds that are payable from revenues from or relating to revenue-producing facilities, such as those issued by the Ohio Turnpike and Infrastructure Commission. As confirmed by judicial interpretation, such revenue bonds do not constitute “debt” under the constitutional provisions described above. The Constitution authorizes state bonds for certain economic development and housing purposes (the latter issued by the Ohio Housing Finance Agency) to which tax moneys may not be obligated or pledged. See the discussion of expanded housing finance authority, and permitted pledges to it, below under **Additional Authorizations**.

Tax Credits in Support of Other Long-Term Obligations. The State has authorized the issuance of fully refundable tax credits in support of “credit-collateralized bonds” issued from time to time by the Columbus-Franklin County Finance Authority to provide funding for the Ohio Capital Fund to promote venture capital investment in Ohio. Those tax credits may be claimed by the bond trustee for the purpose of restoring the bond reserve fund for those credit-collateralized bonds in the event it is drawn upon and its required balance is not restored from other sources. Those credits may not be claimed after June 30, 2036, and the maximum amount of tax credits that may be claimed is \$20 million in any fiscal year. The bond trustee has filed such tax credit claims in connection with the payment of Bond Service Charges each February and August from February 15, 2017, through August 15, 2025. Tax credit payments made with respect to those tax credit claims (exclusive of certain required repayments to the State) totaled \$7.5 million in FY 2017, \$15.4 million in FY 2018, \$13.5 million in FY 2019, \$15.2 million in FY 2020, \$10.7 million in FY 2021, \$10 million in FY 2022, \$8.8 million in FY 2023, \$15.8 million in FY 2024, \$13.4 million in FY 2025, and \$3.5 million so far in FY 2026 (related to the draw made on the bond reserve fund to pay a portion of the Bond Service Charges due and paid on August 15, 2025). Total outstanding principal on the credit-collateralized bonds after the August 15, 2025, payment is \$25.3 million, with the highest annual debt service payment due on the outstanding credit-collateralized bonds occurring in FY 2027 in the amount of approximately \$15.1 million. Proceeds of the Ohio Capital Fund bonds fund investments in venture capital funds to promote investment in seed and early-stage Ohio-based business enterprises.

Prior Economic Development and Revitalization Obligations. Before the February 1, 2013 granting of a 25-year franchise on the State’s spirituous liquor system to JobsOhio, there were \$725 million of outstanding state bonds and notes secured by a pledge of the State’s profits from the sale of spirituous liquor. In connection with the granting of that franchise, provision was made for the payment of all the debt service on those bonds and notes which are now defeased and no longer outstanding obligations of the State. Those bonds and notes were initially issued to fund a statewide economic development program that assisted in the financing of facilities and equipment for industry, commerce, research, and distribution, including technology innovation, by providing loans and loan guarantees. Under its franchise agreement with JobsOhio, the State may not issue additional obligations secured by a pledge of profits from the sale of spirituous liquor during the 25-year term of that franchise; that franchise agreement was extended in 2025 for an additional 15 years, now terminating on February 1, 2053, also extending the prohibition on the issuance of debt secured by a pledge of the State’s profits from the sale of spiritous liquor to that date.

Obligations and Funding Commitments for Highway Projects Payable from Highway-Related Non-GRF Funds. As described above, the State issues general obligations for highway infrastructure and special obligations for ODOT and DPS transportation facilities that are paid from the State’s motor fuel tax and other highway user receipts that are constitutionally restricted in use to highway-related purposes. In addition, the State has and expects to continue financing selected highway infrastructure projects by issuing federal highway grant anticipation revenue (GARVEE) bonds and entering into agreements that call for debt service payments to be made from federal Title 23 transportation funds allocated to the State, subject to biennial appropriations by the General Assembly. As of June 30, 2025, the highest annual State payment under those agreements in the current or any future fiscal year is \$122.1 million in FY 2029. In the event of any insufficiency in the anticipated federal allocations to make

payments on GARVEE bonds, the payments are to be made from any lawfully available moneys appropriated to ODOT for the purpose.

In December 2014, ODOT entered into its first public-private agreement to provide “availability payments” in support of the development and operation of a state highway improvement project. Those availability payments commenced in December 2018 and are paid from non-GRF funds available to ODOT remaining after the payment of debt service on highway general obligations, ODOT special obligations, and GARVEE bonds. The availability payment in FY 2025 was \$27.7 million, with availability payments estimated to increase modestly each year from \$28.1 million in FY 2026 to a maximum payment of \$40.1 million in FY 2053. Availability payments are subject to biennial appropriation by the General Assembly, with the public-private agreement subject to automatic renewal for each biennium if and when those availability payments are appropriated for that biennium.

Variable Rate Debt

The State currently has \$427,090,000 in outstanding variable rate debt as follows, with liquidity provided by the State for all these issues:

Dated Date	Outstanding	Purpose/Series	Rate Period	Final Maturity
6/7/2006	\$13,620,000	Common Schools, 2006B/C	Weekly	6/15/2026
10/26/2016	53,950,000	DRC Prison Facilities, 2016B/C	Weekly	10/1/2036
8/7/2019	45,000,000	DRC Prison Facilities, 2019C	Weekly	10/1/2039
8/12/2020	57,000,000	Parks & Recreation Facilities, 2020B	Weekly	12/1/2040
4/21/2021	57,000,000	DRC Prison Facilities, 2021B	Weekly	10/1/2040
1/5/2022	75,000,000	Parks & Recreation Facilities, 2022B	Weekly	12/1/2041
9/24/2025	125,520,000	DRC Prison Facilities, 2025B	Weekly	10/1/2045

Interest Rate Swaps

As part of its debt management, the State is also party to the following floating-to-fixed interest rate swap agreements with a total notional amount currently outstanding of \$13,620,000:

Outstanding Notional Amount	Related Bond Series	State Pays	State Receives	Counterparty	Effective Date	Termination Date
\$13,620,000	Common Schools 2006B/C	3.202%	SOFR ^a	US Bank/ RBC	6/15/2006	6/15/2026

(a) Variable interest rate based on a percentage of one-month Secured Overnight Financing Rate (SOFR) plus a fixed increment beginning July 1, 2023.

For all its swap agreements, the State has established minimum uncollateralized counterparty rating thresholds of A2/A. Under each of these agreements, the counterparty is required to progressively post collateral securing the State’s position if the counterparty’s credit ratings fall below these minimum thresholds.

Constitutional Limitation on Annual Debt Service

A 1999 constitutional amendment provides an annual debt service “cap” applicable to most future issuances of State general obligations and other State direct obligations payable from the GRF or net State lottery proceeds. Generally, new obligations may not be issued if debt service for any future fiscal year on those new and then outstanding obligations of those categories would exceed 5 percent of the total of estimated GRF revenues (excluding GRF receipts from the American Recovery and Reinvestment Act of 2009) plus net State lottery proceeds for the fiscal year of issuance. Those direct obligations of the State include general obligations and special obligations that are paid from the State’s GRF but exclude (i) general obligation debt for third frontier

research and development, development of sites and facilities, and veterans' compensation, and (ii) general obligation debt payable from non-GRF funds, such as highway bonds that are paid from highway user receipts. Pursuant to the implementing legislation, the Governor has designated the OBM Director as the state official responsible for making the 5 percent determinations and certifications. Application of the 5 percent cap may be waived in a particular instance by a three-fifths vote of each house of the Ohio General Assembly.

The following table presents a current summary of State debt authorizations and the principal that has been issued and is outstanding against those authorizations, excluding the Series 2025 Bonds. The General Assembly has appropriated sufficient moneys to meet debt service requirements for the current biennium (ending June 30, 2027) on all the obligations included in this and the accompanying tables.

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	Authorized by General Assembly ^(a)	Issued ^(b)	Authorized But Not Yet Issued	Outstanding ^(c)
Obligations from the GRF				
General Obligations				
Coal Development ^(d)	\$256,266,487	\$254,000,000	\$2,266,487	\$10,015,000
Infrastructure ^{(e)(f)}	5,440,000,000	5,068,696,136	371,303,864	1,714,450,000
Natural Resources ^(g)	509,000,000	484,620,000	24,380,000	36,135,000
Common School Facilities ^(f)	6,420,100,000	5,911,200,000	508,900,000	1,698,610,000
Higher Education Facilities	5,264,000,000	5,187,030,000	76,970,000	1,936,135,000
Conservation ^(h)	832,750,000	727,455,000	105,295,000	250,115,000
Research & Development ⁽ⁱ⁾	1,200,000,000	1,031,000,000	169,000,000	147,420,000
Site Development	150,000,000	150,000,000	-	-
Veterans Compensation ^(j)	200,000,000	83,910,000	-	945,000
Total:				\$5,793,825,000
Special Obligations				
DAS Facilities	\$2,623,500,000	\$2,265,350,000	\$358,150,000	\$536,160,000
DRC Prison Facilities ^(f)	2,915,000,000	2,584,275,000	330,725,000	575,145,000
DYS Facilities	705,800,000	400,000,000	305,800,000	50,135,000
Cultural & Sports Facilities	896,035,524	815,935,000	80,100,524	172,520,000
Mental Health Facilities	2,131,700,000	1,817,085,000	314,615,000	149,190,000
Parks & Recreation Facilities ^(f)	1,466,133,513	1,089,000,000	377,133,513	467,215,000
Total:				\$1,950,365,000
Obligations Payable from Non-GRF Sources^(k)				
Highway User Receipts				
G.O. Highway ^(l)	\$4,286,500,000	\$3,579,595,000	706,905,000	\$606,360,000
ODOT Facilities	385,000,000	379,455,000	5,545,000	135,065,000
Total:				\$741,425,000
Federal Transportation Grants				
ODOT GARVEE Highway ^(m)	n/a	\$3,083,500,000		\$678,935,000

- (a) Section 529.10 of H.B. 687 of the 134th General Assembly authorized the Director of Budget and Management to transfer GRF cash balances to support capital appropriations in fiscal years 2023 and 2024. The same legislation also provided bond authority for those appropriations. Therefore, the issuance authority for some bond programs in section 529.10 of H.B. 2 of the 135th General Assembly is adjusted down in the amount that was supported through GRF cash transfer in fiscal years 2023 and 2024. As of June 30, 2025, GRF cash transfers in the amounts of \$1,414,983,513 for General Obligation programs and \$1,322,530,963 for Special Obligation programs have occurred.
- (b) Excludes refunding bonds; includes bonds refunded; reflects payments of amounts due as of November 13, 2025. Includes \$291,385,000 State of Ohio General Obligation Bonds, Series 2025C (Higher Education), \$171,200,000 General Obligation Refunding Bonds, Series 2025D (Higher Education), and \$44,830,000 General Obligation Bonds, Series 2025A (Conservation Projects), (collectively, the "State of Ohio Series 2025 Bonds") expected to close on November 19, 2025.
- (c) Excludes refunded bonds; includes refunding bonds; reflects payments of amounts due as of November 13, 2025. Includes the State of Ohio Series 2025 Bonds expected to close on November 19, 2025.
- (d) Not more than \$100 million may be outstanding at any time.
- (e) Not more than \$5.625 billion may be issued with the annual issuance currently limited to no more than \$175 million in each fiscal year beginning in FY 2018 through FY 2022, \$200,000,000 in each fiscal year beginning in FY 2023 through FY 2027, and \$250,000,000 in each fiscal year beginning in FY 2028 through FY 2037, plus any obligations unissued from previous fiscal years.
- (f) Includes adjustable-rate bonds.
- (g) Not more than \$50 million may be issued in any fiscal year, and not more than \$200 million may be outstanding at any time.
- (h) Not more than \$50 million may be issued in any fiscal year, plus any obligations unissued from previous fiscal years, and not more than \$400 million may be outstanding at any time.
- (i) Not more than \$1.2 billion may be issued, with the annual issuance now limited to no more than \$175 million in any fiscal year plus any obligations unissued from previous fiscal years.
- (j) Constitutional authorization was self-implementing and did not require further General Assembly authorization. No more new obligations may be issued under this authorization.
- (k) See discussion above of "availability payments" under ODOT's first public-private agreement, which payments are expected to be made from biennial appropriations of non-GRF funds available to ODOT and remaining after the payment of debt service on highway general obligations, special obligations, and GARVEE bonds shown above.
- (l) Not more than \$220 million may be issued in any fiscal year, plus any amount unissued from previous fiscal years, and not more than \$1.2 billion may be outstanding at any time.
- (m) Debt service on these "GARVEE" bonds is paid from federal transportation grants apportioned to the State (Title 23 of the U.S. Code).

The following table shows total debt service by fiscal year on State obligations payable from the GRF, excluding the Series 2025 Bonds:

**Annual Debt Service Requirements on State Obligations
Paid from the GRF**

FY	General Obligations			Special Obligations		
	Education ^{(a)(b)(e)}	Infrastructure ^{(b)(e)}	All Other ^{(c)(e)}	DAS Facilities ^(e)	DRC Facilities ^{(b)(e)}	All Other ^{(b)(d)(e)}
2026	\$511,137,583	\$224,942,621	\$105,322,444	\$ 42,053,633	\$46,447,603	\$139,364,419
2027	443,844,345	222,638,258	93,539,667	57,879,563	59,735,643	129,843,950
2028	410,976,033	205,591,508	91,440,443	58,144,862	59,693,103	123,461,094
2029	415,609,486	212,434,471	69,825,858	58,000,032	55,998,556	113,107,281
2030	425,228,699	197,608,051	54,583,577	53,670,016	53,144,131	108,601,125
2031	422,983,251	179,513,930	39,576,150	50,926,138	53,153,062	102,167,750
2032	377,817,954	156,486,911	30,199,850	51,254,027	47,838,295	68,617,219
2033	332,267,851	149,289,148	21,504,325	48,837,166	47,738,680	49,307,645
2034	328,424,553	151,734,920	21,574,200	45,174,223	48,014,348	36,374,190
2035	303,314,692	128,041,207	12,908,375	45,177,536	44,848,576	36,369,006
2036	266,154,750	125,387,957	5,693,875	39,586,297	44,877,322	36,375,252
2037	211,589,275	103,349,150	-	39,585,277	41,287,627	27,314,386
2038	167,522,300	92,949,700	-	33,947,250	35,973,453	27,320,658
2039	119,571,400	86,101,375	-	33,947,000	28,245,008	27,315,302
2040	108,842,600	67,232,750	-	28,455,250	28,243,366	16,694,910
2041	100,373,425	42,670,750	-	21,990,875	21,106,709	16,694,014
2042	76,708,500	44,946,250	-	15,775,250	14,528,897	8,678,601
2043	76,706,125	30,841,500	-	15,779,000	14,527,288	-
2044	76,707,500	16,490,250	-	15,774,625	14,530,646	-
2045	51,884,375	-	-	15,775,500	14,526,916	-
2046	23,549,375	-	-	15,774,750	14,530,313	-

Total GRF Debt Service			
FY	Principal ^(e)	Interest ^{(b)(e)}	Total ^{(b)(e)}
2026	\$734,260,000	\$335,008,303	\$1,069,268,303
2027	658,825,000	348,656,427	1,007,481,427
2028	646,135,000	303,172,042	949,307,042
2029	652,550,000	272,425,684	924,975,684
2030	651,155,000	241,680,598	892,835,598
2031	637,005,000	211,315,281	848,320,281
2032	548,840,000	183,374,255	732,214,255
2033	489,765,000	159,179,815	648,944,815
2034	492,950,000	138,346,434	631,296,434
2035	453,210,000	117,449,392	570,659,392
2036	421,415,000	96,660,453	518,075,453
2037	345,080,000	78,045,715	423,125,715
2038	294,855,000	62,858,362	357,713,362
2039	245,480,000	49,700,085	295,180,085
2040	209,890,000	39,578,876	249,468,876
2041	172,720,000	30,115,773	202,835,773
2042	138,105,000	22,532,498	160,637,498
2043	121,720,000	16,133,913	137,853,913
2044	113,240,000	10,263,021	123,503,021
2045	77,370,000	4,816,791	82,186,791
2046	52,680,000	1,174,438	53,854,438
	\$8,157,250,000	\$2,722,488,154	\$10,879,738,154

- (a) Consists of common schools and higher education general obligation bonds.
- (b) Includes estimated debt service on adjustable-rate bonds.
- (c) Includes natural resources, coal development, conservation, research and development, and veterans' compensation general obligation bonds.
- (d) Includes lease-rental bonds for mental health, parks and recreation, cultural and sports facilities, and facilities for the Department of Youth Services.
- (e) Excludes refunded bonds; includes refunding bonds; as of November 13, 2025. Includes the State of Ohio Series 2025 Bonds expected to close on November 19, 2025.

The following table shows total debt service by fiscal year on certain State obligations payable from the indicated non-GRF revenues:

**Annual Debt Service Requirements on State Obligations
Paid from Non-GRF Revenues**

FY	Highway User Receipts			GARVEE Federal Transportation Grants ^(c)
	Highway G.O.	ODOT/DPS Facilities ^(a)	Total ^(b)	
2026	\$118,223,000	\$21,143,250	\$139,366,250	\$122,101,375
2027	114,483,250	21,138,750	135,622,000	122,094,875
2028	110,698,000	21,143,500	131,841,500	122,095,750
2029	76,546,500	21,140,250	97,686,750	122,101,500
2030	73,931,250	21,137,500	95,068,750	98,002,250
2031	70,970,250	13,443,250	84,413,500	56,715,000
2032	52,814,500	13,445,000	66,259,500	56,720,125
2033	50,618,750	13,445,000	64,063,750	36,327,375
2034	34,798,000	5,067,000	39,865,000	26,128,750
2035	20,808,500	5,068,500	25,877,000	26,121,375
2036	15,347,750	5,070,000	20,417,750	13,453,375
2037	14,680,500	5,066,000	19,746,500	13,453,125
2038	8,563,500	5,066,250	13,629,750	-
2039	8,174,250	-	8,174,250	-

(a) Lease rental payments are paid from highway user receipts for these Ohio Department of Transportation and Department of Public Safety facilities.

(b) As of November 13, 2025.

(c) Debt service paid from federal transportation grants apportioned to the State under Title 23 of the U.S. Code.

Totals may not foot due to rounding.

The following table shows the principal amount of those obligations that are currently scheduled to be outstanding as of July 1 of the indicated years, as of November 13, 2025, excluding the Series 2025 Bonds:

Year	Obligations Payable from the GRF			Non-GRF Obligations
	Education ^(a)	Other GO ^(b)	Special Obligations ^(c)	Highway User Receipts ^(d)
2026	\$3,523,935,000	\$2,046,345,000	\$1,852,710,000	\$653,055,000
2031	2,092,650,000	1,041,330,000	1,043,340,000	222,890,000
2036	844,435,000	414,590,000	512,115,000	38,230,000
2041	272,275,000	85,025,000	145,815,000	-

(a) Includes bonds for common school and higher education capital facilities.

(b) Includes natural resources, coal development, infrastructure improvement, conservation, research and development, and veterans' compensation general obligation bonds.

(c) Includes lease-rental bonds for various state capital facilities. Includes the State of Ohio Series 2025 Bonds expected to close on November 19, 2025.

(d) Includes general obligations for highways and lease-rental bonds for ODOT and DPS facilities.

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The following tables show certain historical debt information and comparisons. These tables include only outstanding obligations of the State for which debt service is paid from the GRF.

Fiscal Year	Principal Amount Outstanding	Outstanding Debt Per Capita	Outstanding Debt as Percent of Annual Personal Income
1990	\$3,707,055,058	\$341	1.94%
2000	6,308,680,025	555	2.05
2010	8,586,655,636	744	2.09
2020	9,432,955,000	799	1.51
2021	9,818,225,000	834	1.46
2022	9,153,950,000	777	1.33
2023	8,200,030,000	694	1.13
2024	7,408,070,000	623 ^(a)	0.97
2025	7,405,810,000	623 ^(a)	0.97 ^(b)

Fiscal Year	Debt Service Payable	Total GRF Revenue and Net State Lottery Proceeds	Debt Service as Percent of GRF Revenue and Lottery Proceeds	Debt Service as Percent of Annual Personal Income
1990	\$488,676,826	\$12,230,682,298	4.00%	0.26%
2000	871,313,814	20,711,678,217	4.21	0.28
2010	710,284,236 ^(c)	24,108,466,000 ^(d)	2.95	0.17
2020	1,411,388,593	34,551,772,000	4.08	0.23
2021	1,176,720,278 ^(c)	40,723,295,400	2.88	0.17
2022	1,435,175,069	41,894,141,300	3.41	0.21
2023	1,503,565,816	43,979,421,000	3.42	0.21
2024	1,260,786,513	42,847,032,000	2.94	0.17 ^(b)
2025	1,245,140,365	45,642,859,000	2.73	0.16 ^(b)

(a) Based on U.S. Census Bureau midyear population estimates.

(b) Based on U.S. Department of Commerce Bureau of Economic Analysis 2024 personal income data.

(c) Reduction is due in large part to the restructuring of certain GRF debt service payments, resulting in net savings of \$416.8 million in FY 2010 and \$363.7 million in FY 2021.

(d) Excludes federal funds from the American Recovery and Reinvestment Act of 2009.

Debt Authorizations

For the FYs 2025-2026 capital biennium, the General Assembly approved \$3.5 billion in new capital appropriations, with \$2.9 billion of those new capital appropriations to be funded by GRF-supported debt authorizations, and \$283 million to be funded from other sources.

Section 529.10 of H.B. 687 of the 134th General Assembly authorized the Director of Budget and Management to transfer GRF cash balances to support capital appropriations in fiscal years 2023 and 2024. The same legislation also provided bond authority for those appropriations. Therefore, the issuance authority for some bond programs in section 529.10 of H.B. 2 of the 135th General Assembly is adjusted down in the amount that was supported through GRF cash transfers in fiscal years 2023 and 2024. As of June 30, 2025, GRF cash transfers in the amounts of \$1,414,983,513 for General Obligation programs and \$1,322,530,963 for Special Obligation programs have occurred. These amounts are reflected in the current summary of State debt authorizations described in a prior table.

On May 6, 2025, Ohio voters approved an amendment to the Ohio Constitution, specifically Section 2t of Article VIII, which authorizes an additional \$2.5 billion of general obligation debt for public infrastructure as a ten-year

extension of the existing local government infrastructure program authorized in 2005 and 2014 with an increase in the annual issuance amount from \$200 million to \$250 million in each of the ten fiscal years of issuance.

The following additional GRF-supported debt authorizations reflect the most recent capital appropriations:

General Obligation

- \$555,000,000 for capital improvements for elementary and secondary public schools.
- \$215,000,000 for local infrastructure projects.
- \$473,000,000 for higher education facilities.
- \$30,000,000 for natural resources facilities.
- \$65,000,000 for conservation purposes.

Special Obligation

- \$317,000,000 for prisons and local jails.
- \$176,000,000 for youth services facilities.
- \$521,100,000 for state administrative facilities.
- \$102,000,000 for cultural facilities (including both arts and sports facilities).
- \$206,000,000 for mental health facilities (including local projects).
- \$273,000,000 for parks and recreation facilities (including local projects).

Past constitutional authorizations are:

- 2025 – Additional \$2.5 billion of general obligation debt for public infrastructure as a ten-year extension of the existing local government infrastructure program authorized in 2005, with an increase in the annual issuance amount of \$250 million in each year for ten fiscal years.
- 2014 – Additional \$1.875 billion of general obligation debt for public infrastructure as a 10-year extension of the existing local government infrastructure program authorized in 2005, with an increase in the annual issuance amount from \$150 million to \$175 million in the first five fiscal years and \$200 million in each fiscal year thereafter.
- 2010 – \$700 million of State general obligation debt to renew and continue programs for research and development in support of Ohio industry, commerce, and business, with those obligations not subject to the 5 percent debt service cap described above. The authorization is in addition to the below-referenced 2005 constitutional amendment for the same purpose. The amount of all State general obligations that may be issued for, and the amounts of proceeds from those State general obligations that may be committed to, those research and development purposes, are limited to no more than \$450 million total for the period including State FY 2006 through FY 2011, no more than \$225 million in FY 2012 and no more than \$175 million in any fiscal year thereafter, plus any amounts that in any prior fiscal year could have been but were not issued.
- 2009 – Provides compensation to persons who have served in active duty in the United States armed forces at any time during the Persian Gulf, Afghanistan, and Iraq conflicts, with those general obligation bonds not subject to the 5 percent direct obligation debt service cap described above. No more than \$200 million may be issued, and no obligations may be issued later than December 31, 2013.
- 2008 – Land conservation and revitalization purposes (including statewide brownfields clean-up). Each of the two purposes is authorized up to \$50 million in principal amount in any fiscal year, plus any amount unissued from previous fiscal years, with not more than \$200 million to be outstanding at any time. The bonds for conservation purposes are general obligations, and those for revitalization purposes are special obligations payable from revenues and receipts designated by the General Assembly (previously a portion of the State's net liquor profits). The authorization is in addition to the 2000 constitutional amendment for the same purposes.
- 2005 – \$500 million over ten years of State general obligation debt in support of research and development, and \$150 million over ten years of State general obligation debt for the development of

sites for industry, commerce, distribution, and research and development, with those obligations not subject to the 5 percent debt service cap described above. Also authorizes an additional \$1.35 billion of general obligation debt for public infrastructure as a 10-year extension of the existing local government infrastructure program, with an increase in the annual issuance amount from \$120 million to \$150 million in the last five fiscal years, which continues to be subject to the 5 percent debt service cap.

- 2000 – Land conservation and revitalization purposes (including statewide brownfields clean-up) each authorized up to \$50 million in principal amount in any fiscal year, plus any amount unissued from previous fiscal years, with not more than \$200 million to be outstanding at any time. The bonds for conservation purposes are general obligations, and those for revitalization purposes are special obligations payable from revenues and receipts designated by the General Assembly (previously a portion of the State’s net liquor profits).
- 1999 – Facilities for a system of common schools throughout the state and for state-supported and state-assisted institutions of higher education. The amendment also provides for the 5 percent direct obligation debt service cap described above.
- 1995 – Additional highway bonds and extension of the local infrastructure bond program. For the latter, it authorized an additional \$1.2 billion of the State’s full faith and credit obligations to be issued over 10 years, with not more than \$120 million issued in any fiscal year. The highway finance portion authorizes not more than \$1.2 billion to be outstanding at any time and not more than \$220 million to be issued in any fiscal year.
- 1994 – Pledges the State’s full faith and credit and taxing power to meet certain guarantees under the State’s tuition credit program. Through this program, individuals purchase tuition credits that are guaranteed to cover a specified amount when applied to tuition and other eligible higher education costs. Under the amendment, to secure the tuition guarantees, the General Assembly shall appropriate money sufficient to offset any deficiency that occurs in the trust fund, at any time necessary to make payment of the full amount of any tuition payment or refund required by a tuition payment contract.
- 1990 – Supplements the previous constitutionally authorized loans-for-lenders and other housing assistance programs, financed in part with State revenue bonds. The amendment authorizes the General Assembly to provide for State assistance for housing in a variety of ways, including State borrowing for the purpose by the issuance of obligations secured by a pledge of all or such portion of State revenues or receipts as it authorizes (but not by a pledge of the State’s full faith and credit).
- 1985 – Finance grants or make or guarantee loans for research and development of coal technology that will encourage the use of Ohio coal. Those grants or loans are available to any individual, association, or corporation doing business in the state or to any educational or scientific institution located in the state. Not more than \$100 million of general obligation bonds may be outstanding at any time.

ECONOMY AND EMPLOYMENT

Ohio has a diverse economy. While Ohio has a strong manufacturing presence in chemicals, food and beverages, motor vehicles, and fabricated metal products, the most significant growth in Ohio’s economy in recent years has been in the non-manufacturing sectors. Ohio’s 2024 economic output, as measured by gross state product (GSP), totaled \$927.7 billion, 3.20 percent of the national GDP and seventh largest among the states. The State ranks fifth within the manufacturing sector (\$137.8 billion) and also fifth in durable goods (\$70.6 billion). As a percentage of Ohio’s 2024 GSP, 15 percent was attributable to manufacturing, with 22 percent attributable to the goods-producing sectors and 34.5 percent to the business services sectors, including finance, insurance, and real estate. Ohio is the 10th largest exporting state with 2024 merchandise exports totaling \$56.6 billion. The State’s leading export products are machinery (including electrical machinery), motor vehicles (including parts), aircraft/spacecraft, and plastics, which together accounted for more than half of the total.

Non-farm payroll employment in Ohio, in a diversifying employment base, decreased from 2001 through 2003, increased from 2004 through 2006, decreased from 2007 through 2010, and increased from 2011 through 2024. In the last three decades, there has been a shift toward the services industry, with manufacturing employment decreasing since its 1969 peak. The non-manufacturing sector employs approximately 88.0 percent of all non-

farm payroll workers in Ohio. The changing mix of employment sectors nationally and in Ohio are shown in the following tables.

**Ohio Nonfarm Payroll Jobs by Industry Type
Not Seasonally Adjusted (in thousands)**

	1990	2000	2010	2020	2024
Mining & Logging	18	13	11	9	9
Construction	192	246	169	219	248
Manufacturing	1,060	1,021	621	653	684
Trade, Transportation & Public Utilities	963	1,115	945	1,006	1,055
Financial Activities	255	305	277	303	314
Professional & Business Services*	455	647	629	694	731
Educational & Health Services*	539	679	839	895	969
Leisure & Hospitality*	400	483	475	466	569
Information & Other Services*	279	331	284	253	280
Government	722	785	786	759	790
Total	4,882	5,624	5,036	5,256	5,650

* Data prior to 1990 in these categories were classified as a single "Services" category under the 1987 Standard Industrial Classification (SIC) system. All data in table reflects the current North American Industry Classification System (NAICS).

Totals may not foot due to rounding.

Source: U.S. Department of Labor, Bureau of Labor Statistics, National and State Current Employment Statistics.

Distribution of Nonfarm Payroll Jobs by Industry Type (%)

	1990		2000		2010		2020		2024	
	Ohio	U.S.	Ohio	U.S.	Ohio	U.S.	Ohio	U.S.	Ohio	U.S.
Mining & Logging	0.4	0.7	0.2	0.5	0.2	0.5	0.2	0.4	0.2	0.4
Construction	3.9	4.8	4.4	5.1	3.4	4.2	4.2	5.1	4.4	5.2
Manufacturing	21.7	16.2	18.2	13.1	12.3	8.8	12.4	8.6	12.1	8.1
Trade, Transportation & Public Utilities	19.7	20.7	19.8	19.9	18.8	18.9	19.1	18.7	18.7	18.3
Financial Activities	5.2	6.0	5.4	5.9	5.5	5.9	5.8	6.1	5.6	5.8
Professional & Business Services	9.3	9.9	11.5	12.6	12.5	12.8	13.2	14.2	12.9	14.3
Educational & Health Services	11.0	10.1	12.1	11.6	16.7	15.3	17.0	16.3	17.2	16.8
Leisure & Hospitality	8.2	8.5	8.6	9.0	9.4	10.0	8.9	9.4	10.1	10.7
Information & Other Services	5.7	6.3	5.9	6.7	5.6	6.2	4.8	5.7	4.9	5.6
Government	14.8	16.8	14.0	15.7	15.6	17.3	14.4	15.4	14.0	14.8

Totals may not foot due to rounding.

Source: U.S. Department of Labor, Bureau of Labor Statistics, National and State Current Employment Statistics. The distribution percentages are as calculated by OBM.

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Ohio and U.S. unemployment rates have been as follows:

Average Monthly Unemployment Rates (Seasonally Adjusted)

Year	Ohio (%)	U.S. (%)
1990	5.6	5.6
2000	4.0	4.0
2005	5.9	5.1
2006	5.4	4.6
2007	5.6	4.6
2008	6.4	5.8
2009	10.3	9.3
2010	10.3	9.6
2011	8.8	8.9
2012	7.4	8.1
2013	7.5	7.4
2014	5.8	6.2
2015	5.0	5.3
2016	5.1	4.9
2017	4.9	4.4
2018	4.5	3.9
2019	4.1	3.7
2020	8.3	8.1
2021	5.2	5.4
2022	4.0	3.6
2023	3.6	3.6
2024	4.3	4.0
2025 January	4.6	4.0
February	4.7	4.1
March	4.8	4.2
April	4.9	4.2
May	4.9	4.2
June	4.9	4.1
July	5.0	4.2
August	5.0*	4.3

* Preliminary

Source: U.S. Bureau of Labor Statistics.

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The following are the private sector employers that had the highest number of full-time equivalent employees (estimated and rounded) in Ohio:

Ohio's Top 25 Private Sector Employers

Company	Employment Headcount (Estimated)	Sector
Cleveland Clinic Health System	58,433	Health Care
Walmart Inc.	56,010	Retail: General Merchandise
Amazon.com, Inc.	45,000	Retail: General Merchandise
The Kroger Co.	42,926	Retail: Food Stores
Ohio Health	35,000	Health Care
University Hospitals Medical System	32,165	Health Care
Bon Secours Mercy Health	28,285	Health Care
JPMorgan Chase & Co.	20,228	Finance: Bank
Giant Eagle Inc.	17,400	Retail: Food Stores
Cincinnati Children's Hospital Medical System	15,795	Health Care
Honda Motor Co., Ltd.	15,600	Manufacture: Motor Vehicles
FedEx Corporation	15,250	Transportation: Air Delivery
United Parcel Service, Inc.	14,800	Transportation: Air Delivery
Kettering Health	14,413	Health Care
Nationwide Children's Hospital	14,027	Health Care
Premier Health	13,603	Health Care
Progressive Corp.	13,504	Finance: Insurance
Target Corporation	12,410	Retail: General Merchandise
TriHealth, Inc.	12,003	Health Care
Nationwide Mutual Insurance Co.	12,000	Finance: Insurance
ProMedica Health System	11,778	Health Care
CVS Health Corp.	11,768	Retail: Drug Stores
Proctor & Gamble Co.	11,500	Manufacture: Consumer Goods
Meijer Stores L.P.	11,492	Retail: General Merchandise
Cedar Fair, L.P.	11,200	Entertainment: Theme Parks

Boldface indicates headquartered in Ohio.

Source: Department of Development, Office of Research, June 30, 2025.

POPULATION

Ohio's 2020* decennial census population of 11,798,292 indicated a 2.3 percent population growth over 2010 and ranked Ohio seventh among the states in population. The following tables show selected census figures:

Ohio Population — Total and by Age Group

Year	Total	Rank Among States	Decennial Growth Rate	0-19 Years	20-64 Years	65 and over
1990	10,847,115	7	0.5%	3,141,000	6,299,100	1,407,000
2000	11,353,140	7	4.7	3,216,000	6,629,400	1,507,800
2010	11,536,504	7	1.6	3,067,126	6,847,363	1,622,015
2020	11,798,292	7	2.3	2,937,770	6,803,218	2,057,304

* July 2024 Census population estimate is 11,883,304.

Source: U.S. Census Bureau Web Site, Metropolitan Area Population Estimates v.2024

Population of Ohio Metropolitan Areas

	1990	2000	2010	2020	2024
Cleveland ^(a)	2,202,069 ^(a)	2,250,871 ^(a)	2,075,478 ^(a)	2,184,232 ^(a)	2,171,877 ^(a)
Cincinnati	1,526,092 ^(b)	1,646,395 ^(b)	2,140,715 ^(c)	2,252,077 ^(d)	2,302,815 ^(d)
Columbus	1,345,450 ^(e)	1,540,157 ^(e)	1,836,536 ^(e)	2,142,023 ^(e)	2,225,377 ^(e)
Dayton	951,270 ^(f)	950,558 ^(f)	979,835 ^(f)	814,231 ^(g)	821,740 ^(g)
Akron	657,575	694,960	703,031	701,689	702,209
Toledo	614,128	618,203	651,372	605,777 ^(h)	601,396 ^(h)
Youngstown-Warren	600,895 ⁽ⁱ⁾	594,746 ⁽ⁱ⁾	564,826 ⁽ⁱ⁾	429,699 ⁽ⁱ⁾	426,086 ⁽ⁱ⁾
Canton-Massillon	394,106	406,934	404,422	401,254	400,551
Hamilton-Middletown	291,479	332,807	^(c)	^(d)	^(d)
Lima	154,340	155,084	106,331	102,137	100,866
Mansfield	174,007	175,818	124,475	124,988	124,853
Steubenville	142,523 ^(j)	132,008 ^(j)	124,454 ^(j)	116,713 ^(k)	113,239 ^(k)
Springfield	^(f)	^(f)	^(f)	135,894	134,985
Sandusky	^(l)	^(l)	^(l)	115,780	113,533

(a) Cleveland includes Lorain-Elyria.

(b) Includes 12 counties (two in Indiana and six in Kentucky).

(c) Includes 15 counties (three in Indiana and seven in Kentucky); includes Hamilton-Middletown.

(d) Includes 16 counties (four in Indiana and seven in Kentucky); includes Hamilton-Middletown.

(e) Newark added.

(f) Dayton includes Springfield.

(g) Springfield removed; Dayton includes Beavercreek.

(h) Includes three counties (one in Pennsylvania).

(i) Ottawa County removed.

(j) Mercer County, PA removed.

(k) Weirton added; includes two counties in West Virginia.

(l) Included in Fremont Micropolitan Statistical Area.

Source: U.S. Census Bureau Web Site, Metropolitan Area Population Estimates v.2024

AGRICULTURAL AND RESOURCES BASES

With 13.5 million acres (of a total land area of 26.4 million acres) in farmland and an estimated 77,800 individual farms, agriculture and related sectors are an essential segment of Ohio's economy. Ohio's 2023 crop production value of \$8.9 billion ranked ninth among states and represented 3.1 percent of the U.S. total value. Ohio's 2023 livestock production value of \$5.8 billion ranked nineteenth among states and represented 2.3 percent of the U.S. total value. As of 2023, Ohio accounts for 5.1 percent of total U.S. cash receipts for corn and 8.2 percent for soybeans. In 2023, Ohio's agricultural sector output (consisting of crops, livestock, poultry, dairy, services and forestry, and all farm-related income) totaled \$16.3 billion and represented 2.6 percent of the U.S. total value. Ohio farm expenses and purchased inputs (feed, seed, chemicals, fertilizer, livestock, utilities, labor, and machinery) totaled \$10.5 billion. The net farm income on Ohio farms in 2023 was \$5.3 billion.

The availability of natural resources, such as water and energy, is a nationwide concern. With Lake Erie and the Ohio River on the State's borders, and many lakes and streams throughout the State, water is accessible and abundant throughout Ohio. With the launch of the H2Ohio program in 2019, the state is investing in water quality initiatives to ensure this precious resource continues to benefit Ohioans for generations to come. Additionally, Ohio is a strong energy-producing state. As of 2023, Ohio ranks seventh in consumer-grade natural gas production, generating 2.2 million cubic feet, and has sizable coal resources, ranking sixteenth in both coal production and coal reserves among the states in 2023.

STATE EMPLOYEES AND COLLECTIVE BARGAINING AGREEMENTS

Since 1985, the number of regular state employees (excluding employees who are not paid by state warrant, such as state university employees) has ranged from a low of 48,639 in March 2022 to a high of 68,573 in 1994. The State engages in collective bargaining with five employee unions representing 14 bargaining units. The duration of each

of the collective bargaining agreements is typically three years. In July 2024, the State concluded negotiations with its largest union, AFSCME/OCSEA, on a new collective bargaining agreement that expires February 28, 2027. Currently, the State has completed the negotiation process for the 2024-2027 round of collective bargaining and has finalized successor agreements with the other four unions.

RETIREMENT SYSTEMS

The State has established five public retirement systems to provide retirement, disability retirement, and survivor benefits, and other post-employment benefits such as retiree health care. None of these benefits is guaranteed under the Ohio Constitution or State law, or subject to bargaining under the State's current public employee collective bargaining law.

The Public Employees Retirement System (PERS), the largest of the five, covers both state and local public employees and non-teaching employees at public higher education institutions. Effective 2024, the Ohio Public Employees Deferred Compensation Program (ODC) became a fiduciary component unit of PERS; and, effective 2025, ODC merged with PERS. The State Teachers Retirement System (STRS) covers teaching employees at school districts and public higher education institutions. The School Employees Retirement System (SERS) covers non-teaching employees at school districts and community colleges. The Highway Patrol Retirement System (HPRS) covers State troopers, and the Ohio Police and Fire Pension Fund (OP&F) covers local safety forces. Complete financial information for each retirement system can be found on its website as part of its Annual Comprehensive Financial Report and/or annual report.

The five retirement systems began reporting pensions in accordance with GASB Statement No. 67, Financial Reporting for Pension Plans, in FY 2014, and the State started reporting pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions, in FY 2015. The retirement systems also began reporting in accordance with GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, in FY 2017, and the State started reporting in accordance with GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, in FY 2018.

The retirement systems were created by and operate pursuant to state law. As reflected in the 2012 pension reform acts discussed below, the General Assembly has the power to amend the structure and benefit levels, impose or revise contribution rates or amounts, and make other changes. The systems have never been subject to the funding and vesting requirements of the federal Employee Retirement Income Security Act (ERISA). Federal law requires employees hired on or after April 1, 1986, to participate in the Medicare program, with matching employer and employee contributions, each now 1.45 percent of the wage base. Otherwise, state employees covered by a state retirement system are not currently covered under the federal Social Security Act. Congress has from time to time considered legislation relating to public sector retirement funds and other aspects of public employee retirement.

Funding for the retirement systems is provided by a combination of public employer and employee contributions based on percentages of each employee's compensation, with the employees' contributions being deducted from their paychecks. Employee contribution percentages are either established in state law or by the retirement system board, subject to a maximum contribution amount established in state law. Except for employee contributions for PERS law enforcement and public safety personnel, the current contribution percentages for each system (outlined in the following table under **Pension Benefits**) reflect the maximums permitted under state law.

In 1968, the Ohio General Assembly created the Ohio Retirement Study Council (ORSC) to oversee the state's five public retirement systems and to advise and inform the legislature on all matters relating to the benefits, funding, investment, and administration of those systems. The ORSC consists of nine voting members: three members of the House appointed by the Speaker; three members of the Senate appointed by the President; and three members appointed by the Governor (one representing the State, one representing local governments, and the

third representing public education institutions). The five executive directors of the retirement systems also serve as nonvoting members of the ORSC.

Under state law, each retirement system's board is required to establish not more than 30 years to amortize its unfunded actuarial accrued pension liability (UAAL). If in any year the period required to amortize that UAAL exceeds thirty years, the board must prepare and submit to the ORSC and the applicable committees in the Ohio General Assembly a plan to reduce that amortization period to not more than 30 years. Based on their most recent reporting years reflected in the table below under **Pension Benefits**, all of the retirement systems meet the 30-year funding requirement, with the number of years to fully amortize UAAL at 11 years for STRS, 15 years for PERS, 20 years for SERS, 19 years for HPRS, and 30 years for OP&F. Prior to the 2012 pension reform acts described below, the board of each of the five retirement systems had approved and submitted to the ORSC and the Ohio General Assembly a plan to reduce or maintain its amortization period at not more than thirty years. Pursuant to this continuing requirement, the OP&F board increased (effective January 1, 2014) contributions to its pension fund by reducing from 2.85 percent to 0.5 percent the amount of employer contributions directed to health care and redirecting the 2.35 percent difference to pensions. Likewise, the STRS board increased (effective July 1, 2014) contributions to its pension fund by redirecting to pensions the 1 percent of employer contributions previously directed to healthcare. The HPRS board also increased (effective January 1, 2018) contributions to its pension fund by reducing from 4 percent to 3.5 percent the amount of employer contributions directed to its health care fund. The PERS board also increased (effective January 1, 2018) contributions to its pension fund by reducing from 1 percent to 0 percent (for the Traditional Pension and Combined plans) the amount of employer contributions directed to its health care fund. Effective July 1, 2022, PERS increased the portion of the 14 percent employer contribution rate allocated to health care funding from 0 percent to 2 percent for the Combined Plan only.

After extensive review, the General Assembly enacted, and the Governor signed into law effective January 7, 2013, five pension reform acts to implement, with modifications, plans previously submitted by the five retirement systems to reduce or maintain their UAAL periods to not more than thirty years. The reform act for PERS made changes including increasing the years of service and eligibility age necessary to retire with full benefits, increasing from three to five the number of years used in determining "final average salary" for purposes of calculating retirement benefits, reducing the post-retirement cost of living adjustment, and increasing the minimum salary threshold required to earn full-time service credit for public employee eligibility to participate in the system. The other reform acts made similar changes to STRS, SERS, OP&F, and HPRS, and enacted phased increases in the employee contribution rate for STRS (from 10 percent to a maximum of 14 percent in July 2016) and OP&F (from 10 percent to a maximum of 12.25 percent in July 2015). The HPRS board was authorized to increase employee contributions up to a maximum of 14 percent from 10 percent beginning in July 2013, and it has implemented this authorization by increasing the employee contribution rate to 11.5 percent for 2014, 12.5 percent for 2015 to 2017, and 14 percent for 2018 and thereafter. Except for PERS, the reform acts also authorize each retirement system's board to adjust certain pension benefits levels within limits without General Assembly approval. Under this authority, the post-retirement cost-of-living adjustment for retirees was eliminated by the STRS board (from 2 percent to 0 percent beginning July 1, 2017) and reduced by the HPRS board (phased down from 3 percent to 1.25 percent beginning January 1, 2015). In March 2022, the STRS Retirement Board unanimously approved a one-time cost-of living-adjustment of 3 percent and resolved to review future cost-of-living benefit payments during 2023. As reflected above, these reform acts did not change the requirement that each system establish not more than 30 years to amortize its pension UAAL and prepare and submit to the ORSC and the Ohio General Assembly a plan to reduce that amortization period if it exceeds 30 years.

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Retirement Contributions

The State makes its employer contributions based on a percentage of salary for each State employee who is an active member of a state retirement system. Currently, just over 93 percent of state employees are members of PERS, about 3.6 percent are in HPRS, and less than 1 percent are in STRS. The following table summarizes state employer and employee contributions to those retirement systems with state employee members (\$ in millions):

State Fiscal Year	PERS Employer\Employee		STRS Employer\Employee		HPRS Employer\Employee		Total Employer\Employee
	Amount	Percent of Salary ^(a)	Amount	Percent of Salary	Amount	Percent of Salary	Contributions
2020	\$440.6/\$314.7	14.0/10.0	\$6.1/\$6.1	14.0/14.0	\$32.8/\$16.3	26.5/14.0	\$479.5/\$337.1
2021	447.9/319.9	14.0/10.0	6.3/6.3	14.0/14.0	32.1/17.0	26.5/14.0	486.3/343.2
2022	460.0/328.6	14.0/10.0	6.5/6.5	14.0/14.0	30.6/16.2	26.5/14.0	497.1/351.2
2023	480.8/343.4	14.0/10.0	6.6/6.6	14.0/14.0	32.4/16.5	26.5/13.0	519.5/366.3
2024	507.6/362.6	14.0/10.0	6.8/6.8	14.0/14.0	33.9/17.2	26.5/14.0	548.3/386.6
2025	545.1/389.4	14.0/10.0	7.1/7.1	14.0/14.0	36.3/19.2	26.5/14.0	588.5/415.7

(a) Reflects PERS state and local contribution rates only. PERS law enforcement employer/employee contribution rate is 18.1/13 percent, and public safety is 18.1/12 percent.

Source: Contributions based on percentage of payroll expenses from the State of Ohio accounting system records.

The State also has funded and continues to fund a subsidy to the OP&F system to pay for survivor benefits provided in law and not otherwise funded. The aggregate subsidies were \$71.8 million in the 2024-2025 biennium and are appropriated at \$80.3 million in the 2026-2027 biennium. All state employer contributions are subject to appropriation in each state budget and are included in the appropriations for each department or agency's personnel costs.

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Pension Benefits

The following table summarizes state and local membership and financial data for each of the retirement systems for the most recent year reported by the system (\$ in millions):

Valuation as of:	PERS 12/31/23	STRS 06/30/23	SERS ^(a) 06/30/24	OP&F ^(b) 1/1/24	HPRS 12/31/23
Active Members	297,963	175,032	163,350	30,291	1,399
Retirees and Beneficiaries	220,415	156,511	82,490	31,425	1,887
Employer/Employee Contributions (percent of Salary) ^(c)	14.0/10.0 ^(d)	14.0/14.0	14.0/10.0	^(e)	26.5/13.0
Active Member Payroll	\$17,504.6	\$14,211.9	\$4,547.3	\$2,750.6	\$118.4
Market Value of Assets (MVA) ^(f)	\$99,595.6	\$86,248.0	\$18,704.5	\$16,903.2	\$952.9
Actuarial Value of Assets (AVA) ^(g)	\$105,132.5	\$87,580.4	\$18,516.0	\$17,961.9	\$969.1
Actuarial Accrued Liability (AAL) ^(h)	\$125,472.7	\$107,782.9	\$23,438.1	\$26,362.1	\$1,301.5
Funding Ratio (AVA to AAL percent, (MVA to AAL percent))	83.8(79.4)	81.3(80.0)	79.0(79.8)	68.1(64.1)	74.5(73.2)
Unfunded Actuarial Accrued Liability (UAAL)	\$20,340.2	\$20,202.6	\$4,922.1	\$8,400.1	\$332.4
UAAL to Active Member Payroll Percent	116.2	142.2	108.2	305.4	280.7
UAAL Funding Period (years) ⁽ⁱ⁾	15	11	20	30	19

(a) SERS information excludes Medicare Part B reimbursement which is considered a post-employment healthcare benefit reported in accordance with GASB Statement 43 for all data except MVA.

(b) OP&F deferred retirement option plan balances are included in MVA, AVA, and AAL.

(c) For PERS and SERS, the maximum employer and employee contribution rates under law are 14 percent and 10 percent. For STRS and HPRS, the maximum employer and employee contributions rates are 14/14 percent and 26.5/14 percent, respectively. Each system's board annually determines the portion of the employer contribution, if any, that is directed to fund post-employment health care benefits.

(d) PERS state employer/employee contribution rate is 14/10 percent, local is 14/10 percent, law enforcement is 18.1/13 percent, and public safety is 18.1/12 percent. PERS state and local employer and employee contribution rates increased to their current statutory maximum of 14 percent and 10 percent, respectively, in calendar year 2008.

(e) OP&F employer and employee contribution rates increased to their current statutory maximum of 19.5/12.25 percent for police and 24/12.25 percent for fire in July 2015.

(f) Defined contribution plan assets are generally excluded for PERS and included for STRS.

(g) Recognizes assumed investment returns fully each year (6.9 percent for PERS, 7.2 percent HPRS, 7 percent for STRS, 7 percent for SERS, and 7.5 percent for OP&F). Differences between actual and assumed investment returns, subject to each system's market corridor limitation, are phased in over a closed four-year period.

(h) Reflects an individual entry age normal actuarial cost method.

(i) UAAL funding period is calculated based on a closed period as a level percent of payroll, except for the portion of PERS members who participate in the member directed plan which uses a closed period as a level dollar of payroll.

Sources: Retirement systems' Annual Comprehensive Financial Reports and annual actuarial valuations.

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The following table summarizes financial and funding information for each of the retirement systems for the past five years as reported by the system (\$ in millions):

Retirement System Valuation Year-End	Actuarial Value of Assets (AVA) ^(a)	Actuarial Accrued Liability (AAL) ^(b)	Unfunded Actuarial Accrued Liability (UAAL)	Funding Ratio (AVA to AAL)	Market Value of Assets (MVA) ^(c)	Funding Ratio (MVA to AAL)	Active Member Payroll	UAAL Percent of Active Member Payroll
PERS								
12/31/23	\$105,132.5	\$125,472.7	\$20,340.2	83.8%	\$99,595.6	79.4%	\$17,504.6	116.2%
12/31/22	102,851.7	122,463.0	19,611.3	84.0	93,151.2	76.1	16,500.8	118.8
12/31/21	99,710.2	118,517.0	18,806.8	84.1	110,210.9	93.0	15,463.7	121.6
12/31/20*	93,969.1	115,241.5	21,272.4	81.5	98,852.8	85.8	14,998.1	141.8
12/31/19	88,571.7	111,371.3	22,799.6	79.5	91,814.5	82.4	14,987.6	152.1
STRS								
06/30/23	\$87,580.4	\$107,782.9	\$20,202.6	81.3%	\$86,248.0	80.0%	\$14,211.9	142.2%
06/30/22	85,141.8	105,264.3	20,122.5	80.9	83,034.2	78.9	13,624.9	147.7
06/30/21	83,761.4	104,591.4	20,830.0	80.1	91,805.5	87.8	12,929.8	161.1
06/30/20	76,357.7	98,672.3	22,314.6	77.4	74,475.8	75.5	12,671.2	176.1
06/30/19	74,411.8	97,840.9	23,429.1	76.1	75,726.5	77.4	12,296.8	190.5
SERS^(d)								
06/30/24	\$18,516.0	\$23,438.1	\$4,922.1	79.0%	\$18,704.5	79.8%	\$4,547.3	108.2%
06/30/23	17,415.0	22,698.3	5,283.3	76.7	17,558.9	77.4	4,299.0	122.9
06/30/22	16,641.0	21,981.5	5,340.5	75.7	16,962.7	77.2	3,994.7	133.7
06/30/21	15,809.0	21,138.4	5,329.4	74.8	17,840.0	84.4	3,622.1	147.1
06/30/20	14,838.0	20,640.5	5,802.5	71.9	14,419.6	69.9	3,477.6	166.9
OP&F^(e)								
1/1/24	\$17,961.9	\$26,362.1	\$8,400.1	68.1%	\$16,903.2	64.1%	\$2,750.6	305.4%
1/1/23	17,758.8	25,363.4	7,604.7	70.0	16,107.6	63.5	2,596.2	292.9
1/1/22	17,095.8	24,517.6	7,421.7	69.7	18,776.9	76.6	2,443.6	303.7
1/1/21	16,112.1	22,628.6	6,516.5	71.2	16,411.1	72.5	2,381.8	273.6
1/1/20	15,360.1	22,044.3	6,684.2	69.7	15,636.6	70.9	2,313.6	288.9
HPRS								
12/31/23	\$969.1	\$1,301.5	\$332.4	74.5%	\$952.9	73.2%	\$118.4	280.7%
12/31/22	934.5	1,263.8	329.3	73.9	861.1	68.1	112.5	292.7
12/31/21	894.4	1,233.5	339.1	72.5	1,000.3	81.1	111.6	303.9
12/31/20	844.7	1,203.9	359.1	70.2	907.4	75.4	118.0	304.3
12/31/19	796.3	1,173.2	376.9	67.9	817.9	67.9	118.4	318.3

(a) Recognizes the assumed long-term investment return fully for each particular year. Differences between actual and assumed investment returns, subject to each system's market corridor limitation, are phased in over a closed four-year period.

(b) Reflects an individual entry age actuarial cost method.

(c) Defined contribution plan assets are excluded for PERS, except for annuitized defined contribution assets, and included for STRS.

(d) Excludes Medicare Part B reimbursement, which is considered a post-employment health care benefit reported in accordance with GASB 43 for all data except MVA.

(e) OP&F deferred retirement option plan balances are included in AVA, AAL, and MVA.

* Reflects revised actuarial assumptions based on a change in discount rate from 7.2 percent to 6.9 percent.

Sources: Retirement systems' Annual Comprehensive Financial Reports and annual actuarial valuations.

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GASB Statements No. 67 & 68. GASB Statement No. 67 replaced prior accounting standards for reporting pension plan information beginning in FY 2014. Under this accounting standard, the reporting of unfunded actuarial accrued liability (UAAL) has been replaced by the net pension liability/net pension asset (NPL/NPA). The NPL/NPA represents the excess of the total pension liability over fiduciary net position. The components of the NPL/NPA and the sensitivity of the NPL/NPA to changes in the single discount rate for each of the retirement systems for the most recent year are as follows (\$ in millions):

Valuation as of:	PERS ^(a) 12/31/23	STRS 06/30/23	SERS 06/30/24	OP&F 1/1/24	HPRS 12/31/23
Total Pension Liability ^{(b)(c)}	\$125,457.5 ^(e)	\$107,782.9	\$23,820.1	\$26,564.6 ^(f)	\$1,3488.5 ^(g)
Fiduciary Net Position ^(d)	\$99,595.6	\$86,248.0	\$18,704.5	\$16,903.2	\$952.9
Net Pension Liability/Net Pension Asset (NPL/NPA)	\$25,861.9	\$21,534.9	\$5,115.6	\$9,661.4	\$435.6
Fiduciary Net Position as a Percentage of Total Pension Liability	79.4%	80.0%	78.5%	63.6%	68.6%
NPL/NPA Calculated With 1 Percent Decrease in Discount Rate	\$41,021.3	\$33,116.0	\$7,826.2	\$12,797.2	\$693.1
NPL/NPA Calculated With 1 Percent Increase in Discount Rate	\$13,258.9	\$11,740.6	\$2,833.5	\$7,053.6	\$304.2

(a) For PERS, figures reflect the traditional plan, the defined benefit portion of the combined plan, and the defined benefit annuities portion of the member-directed plan.

(b) Reflects a single discount rate of 6.9 percent for PERS, 7 percent for STRS and SERS, and 7.50 percent for OP&F. The projection of cash flows used to determine the discount rate assumes that employee and employer contributions are made at the actuarially determined rates under state law. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability. Also reflects an individual entry age actuarial cost method.

(c) For HPRS, the fiduciary net position was not projected to be sufficient to make all projected future benefit payments and, therefore, a blended discount rate of 7.25 percent was used. The blended discount rate represents the long-term expected rate of return for the funded benefit payments and a tax-exempt, high-quality municipal bond rate for the unfunded benefit payment.

(d) Based on the market value of assets.

(e) Total pension liability was determined by an actuarial valuation as of 01/01/22 and updated with roll-forward procedures to 1/1/23.

(f) Total pension liability was determined by an actuarial valuation as of 12/31/22 and updated with roll-forward procedures to 12/31/23.

(g) Total pension liability was determined by an actuarial valuation as of 01/01/23 and updated with roll-forward procedures to 1/1/24.

Sources: Retirement systems' Annual Comprehensive Financial Reports, annual reports, and annual actuarial valuations.

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GASB Statement No. 68 replaced prior accounting standards for state and local governments' reporting of pension plan information beginning in FY 2015. This accounting standard requires employers and non-employer contributing entities to report a proportionate share of their NPL/NPA in their financial statements. Employers determine their proportionate share of NPL/NPA by comparing their current year contributions to the plan to the current year contributions to the plan made by all employers and non-employer entities, based on information provided to them by their retirement system(s). The State's proportionate share of the NPL/NPA and the sensitivity of the NPL/NPA to changes in the single discount rate for PERS, STRS, and HPRS for the most recent year are as follows (\$ in millions):

Valuation as of:	PERS ^(a)	STRS	HPRS
	12/31/23	06/30/23	12/31/23
Total Pension Liability ^(b)	\$125,457.5	\$107,782.9	\$1,348.5 ^(d)
Fiduciary Net Position ^(c)	\$99,595.6	\$86,248.0	\$952.9
Net Pension Liability/Net Pension Asset (NPL/NPA)	\$25,861.9	\$21,534.9	\$435.6
State Proportionate Share of Net Pension Liability (PSL)	\$5,245.3	\$76.2	\$435.6
PSL as a Percentage of NPL/NPA	20.3%	0.35%	100.0%
PSL Calculated With 1 Percent Decrease in Discount Rate	\$8,591.0	\$117.2	\$593.1
PSL Calculated With 1 Percent Increase in Discount Rate	\$2,688.4	\$41.5	\$304.2

(a) For PERS, figures reflect the traditional plan, the defined benefit portion of the combined plan, and the defined benefit annuities portion of the member-directed plan.

(b) Reflects a single discount rate of 6.9 percent for PERS, 7 percent for STRS, and 7.25 percent for HPRS.

(c) Based on the market value of assets.

(d) Total pension liability determined by actuarial valuation as of 12/31/22 and updated with roll-forward procedures to 12/31/23.

Sources: State of Ohio Annual Comprehensive Financial Report and retirement systems' Annual Comprehensive Financial Reports, and annual actuarial valuations.

Other Post-Employment Benefits

Each of the State's public retirement systems also offers post-employment health care benefits to its members. Contributions to and benefits under these health care programs are not vested and, as reflected by the recent actions of the OP&F and STRS boards described above, are subject to future adjustment by their respective boards. In this regard, PERS adopted, beginning in 2004, a series of health care preservation plans to adjust benefits and contributions by employers, employees, and retirees. In 2017, STRS implemented benefit adjustments that, when coupled with strong investment returns and positive claims experience, had a positive effect on its health care program. In 2019, OP&F replaced its health care plan with a new stipend-based health care model that also had a positive impact on its health care program. In 2015 and 2020, the PERS board of trustees modified the discretionary health care program for Medicare and non-Medicare retirees, respectively. The changes primarily included replacing the group health care programs with a percentage (based on age and service at retirement) of a monthly allowance to select a health care plan with the assistance of a vendor consultant. The base allowance was \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees throughout 2024. The base allowance for Medicare retirees increased to \$400 per month in January 2025. Monthly allowances range between 51% and 90% of the base allowance and are determined using a percentage based on years of service and the age when the individual is first eligible, multiplied by the base allowance as determined by the respective retirement system board.

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The following table presents a summary of assets and actuarial accrued liabilities for post-employment healthcare benefits for each of the State's public retirement systems (\$ in millions):

Valuation as of:	PERS 12/31/23	STRS 06/30/23	SERS 06/30/24	OP&F ^(a)	HPRS 12/31/23
Value of Assets ^(b)	\$12,823.3	\$4,783.4	\$816.5	n/a	\$123.0
Actuarial Accrued Liability (AAL) ^(c)	10,808.2	2,838.5	1,325.7	n/a	175.1
Unfunded Actuarial Accrued Liability (UAAL) ^(d)	(2,015.1)	(1,944.9)	509.2	n/a	49.1
Funding Ratio (Assets to AAL Percent)	118.6%	168.5%	61.6%	n/a	70.2%
Employer Contribution (Percent of Salary) ^(e)	0.0%	0.0%	0.0% ^(f)	0.5%	0.0%

(a) OP&F is no longer reporting unfunded actuarial accrued liabilities under prior accounting standards. See GASB Statement No. 74 table below for information on the reporting of post-employment benefit plans other than pension plans.

(b) For PERS and HPRS, investment returns are recognized fully each year with the differences between actual and assumed investment returns (assumed at 6.0 percent for PERS and 7.25 percent for HPRS), subject to each system's market corridor limitation, phased in over a closed four-year period. For STRS and SERS, reflects market value. For PERS, includes assets for member-directed plan participants.

(c) Reflects an individual entry age normal actuarial cost method.

(d) UAAL is calculated based on an open period as a level percent of payroll.

(e) Each system's board annually determines the portion of the employer contribution, if any, that is directed to fund post-employment health care benefits. See discussion above for recent adjustments by PERS, OP&F, STRS, and HPRS boards to employer contribution directed to fund health care benefits.

(f) SERS also collects a health care surcharge from employers for employees who earn less than an actuarially determined minimum compensation amount. This amount is in addition to the amount allocated to health care from the employer contributions.

Sources: Retirement systems' Annual Comprehensive Financial Reports, and annual actuarial valuations.

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The following table presents a summary of assets and actuarial accrued liabilities for post-employment healthcare benefits for the past four years for each of the State's public retirement systems (\$ in millions).

Retirement System Valuation Year-End	Value of Assets ^(a)	Actuarial Accrued Liability (AAL) ^(b)	Unfunded Actuarial Accrued Liability	Funding Ratio (Assets to AAL)	Employer Contribution (Percent of Salary) ^{(c)(d)}
PERS^(e)					
12/31/23	\$12,8423.3	\$10,808.2	(\$2,015.1)	118.6%	0.0%
12/31/22	12,841.2	11,119.4	(1,721.8)	115.5	0.0
12/31/21	12,712.9	11,037.0	(1,675.9)	115.2	0.0
12/31/20	12,385.8	11,215.5	(1,170.3)	110.4	0.0
STRS					
06/30/23	\$4,783.4	\$2,838.5	(\$1,944.9)	168.5%	0.0%
06/30/22	4,570.0	1,980.7	(2,589.3)	230.7	0.0
06/30/21	4,929.7	2,821.3	(2,108.4)	174.7	0.0
06/30/20	3,897.3	2,139.8	(1,757.5)	182.1	0.0
SERS					
06/30/24	\$816.5	\$1,325.7	\$509.2	61.6%	0.0%
06/30/23	706.8	1,531.7	824.9	46.1	0.0
06/30/22	611.6	1,348.3	736.7	45.4	0.0
06/30/21	600.3	1,289.4	689.1	46.6	0.0
OP&F^(f)					
HPRS					
12/31/23	\$123.0	\$175.1	\$49.1	70.2%	0.0%
12/31/22	115.1	217.7	92.8	52.9	0.0
12/31/21	130.1	229.2	112.9	56.8	0.0
12/31/20	118.6	285.3	174.6	41.6	0.0

(a) For PERS & HPRS, recognizes investment returns fully each year (PERS at 6 percent, HPRS assumed at 7.25 percent) with the differences between actual and assumed investment returns, subject to each system's market corridor limitation, phased in over a closed four-year period. For STRS, SERS, and OP&F, reflects market value.

(b) Reflects an individual entry age normal actuarial cost method.

(c) Each system's board annually determines the portion of the employer contribution, if any, that is directed to fund post-employment health care benefits.

(d) SERS also collects a health care surcharge from employers for employees who earn less than an actuarially determined minimum compensation amount. This amount is in addition to the amount allocated to health care from the employer contributions.

(e) Effective 7/1/2022, the employer contribution to healthcare for the PERS Combined Plan was raised to 2 percent; the Traditional Pension Plan employer contribution remained at 0 percent.

(f) OP&F is no longer reporting unfunded actuarial accrued liabilities under prior accounting standards. See GASB Statement No. 74 table below for information on the reporting of post-employment benefit plans other than pension plans.

Sources: Retirement systems' annual actuarial valuations.

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GASB Statements No. 74 & 75. GASB Statement No. 74 replaced prior accounting standards for reporting post-employment benefit plans other than pension plans (OPEB) beginning in FY 2017. Under this accounting standard, the reporting of unfunded actuarial accrued liability has been replaced by the net OPEB liability (NOL). The NOL represents the excess of the total OPEB liability over fiduciary net position. The components of the NOL and the sensitivity of the NOL to changes in the single discount rate for those retirement systems that have reported information for the most recent year are as follows (\$ in millions):

Valuation as of:	PERS 12/31/23	STRS 06/30/23	SERS 06/30/24	OP&F 1/1/24	HPRS 12/31/23
Total OPEB Liability ^{(a)(b)}	\$11,628.0 ^(d)	\$2,838.5	\$1,834.9	\$1,517.5 ^(e)	\$342.1 ^(d)
Fiduciary Net Position ^(c)	\$12,530.5	\$4,783.4	\$816.5	\$787.4	\$123.9
Net OPEB Liability (NOL)	(\$902.5)	(\$1,944.9)	\$1,018.5	\$730.1	\$218.2
Fiduciary Net Position as a Percentage of Total OPEB Liability	107.8%	168.5%	44.5%	51.9%	36.2%
NOL Calculated With 1 Percent Decrease in Discount Rate	\$495.7	(\$1,646.1)	\$1,358.1	\$899.3	\$282.7
NOL Calculated With 1 Percent Increase in Discount Rate	(\$2,061.2)	(\$2,205.1)	\$748.6	\$587.6	\$168.3
NOL Calculated With 1 Percent Decrease in Cost Trend Rate	(\$940.2)	(\$2,217.2)	\$688.5	n/a	\$162.6
NOL Calculated With 1 Percent Increase in Cost Trend Rate	(\$859.8)	(\$1,616.9)	\$1,452.3	n/a	\$291.6

(a) For SERS, OP&F, and HPRS, the fiduciary net position was not projected to be sufficient to make all projected future benefit payments and, therefore, single or blended discount rates of 4.88 percent, 4.27 percent, and 4.51 percent, respectively, were used. The blended discount rates represent the long-term expected rate of return for the funded benefit payments and a tax-exempt, high-quality municipal bond rate for the unfunded benefit payment. For PERS and STRS, the fiduciary net position was projected to be sufficient to make all projected future benefit payments, and, therefore, a discount rate of 6 percent and 7 percent, respectively, representing the long-term expected rate of return on assets, was used.

(b) For all retirement systems, reflects an individual entry age normal actuarial cost method as a level percent of payroll.

(c) Based on the market value of assets.

(d) Total OPEB liability was determined by an actuarial valuation as of 12/31/22 and updated with roll-forward procedures to 12/31/23.

(e) Total OPEB liability was determined by an actuarial valuation as of 1/1/23 and updated with roll-forward procedures to 1/1/24.

Sources: Retirement systems' Annual Comprehensive Financial Reports and annual reports.

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GASB Statement No. 75 replaced prior accounting standards for state and local governments' reporting of postemployment benefit plans other than pensions beginning in FY 2018. This accounting standard requires employers and non-employer contributing entities to report a proportionate share of their NOL in their financial statements. Employers determine their proportionate share of NOL by comparing their current year contributions to the plan to current year contributions to the plan made by all employers and non-employer entities, based on information provided to them by their retirement system(s). The State's proportionate share of the NOL and the sensitivity of the NOL to changes in the single discount rate for PERS, STRS, and HPRS for the most recent year are as follows (\$ in millions):

Valuation as of:	PERS 12/31/23	STRS 06/30/23	HPRS 12/31/23
Total OPEB Liability ^(a)	\$11,628.0 ^(c)	\$2,838.5 ^(d)	\$342.1 ^(c)
Fiduciary Net Position ^(b)	\$12,530.5	\$4,783.4	\$123.9
Net OPEB Liability (NOL)	(\$902.5)	(\$1,944.9)	\$218.2
State Proportionate Share of Net OPEB Liability (PSL)	\$182.9	(\$6.9)	\$218.2
PSL as a Percentage of NOL	(7.8%)	0.4%	100.0%
PSL Calculated With 1 Percent Decrease in Discount Rate	\$100.5	(\$5.8)	\$282.7
PSL Calculated With 1 Percent Increase in Discount Rate	(\$417.7)	(\$7.8)	\$168.3
PSL Calculated With 1 Percent Decrease in Cost Trend Rate	(\$190.5)	(\$7.8)	\$162.6
PSL Calculated With 1 Percent Increase in Cost Trend Rate	(\$744.3)	(\$5.7)	\$291.6

(a) The fiduciary net position was not projected to be available to make all projected future benefit payments, and, therefore, a blended discount rate of 4.51 percent for HPRS was used. The blended discount rate represents the long-term expected rate of return for the funded benefit payments and a tax-exempt, high-quality municipal bond rate for the unfunded benefit payment.

(b) Based on the market value of assets.

(c) Total OPEB liability was determined by an actuarial valuation as of 12/31/22 and updated with roll-forward procedures to 12/31/23.

(d) Total OPEB liability was determined by an actuarial valuation as of 06/30/24.

Sources: State of Ohio Annual Comprehensive Financial Report and retirement systems' Annual Comprehensive Financial Reports and annual reports.

TAX LEVELS AND TAX BASES

The variety of taxes and excises levied by the State is indicated in several tables in this Appendix. According to the Federation of Tax Administrators, citing the U.S. Census Bureau as its source, Ohio ranked 43rd in state taxes per capita in 2022. It ranked 33rd in combined state and local taxes in 2022, according to figures published by the Ohio Department of Taxation based on U.S. Census Bureau data. Three major tax bases, personal income (taxed by the State and municipalities and, with voter approval, by specific school districts), retail sales and use (taxed by the State and by counties and several transit authorities), and all taxable real property as well as the tangible personal property of public utilities (taxed by local governments and school districts), are described below. The State also levies a commercial activity tax on business activities as described below.

The State also imposes a tax on the use, distribution, or sale of motor vehicle fuel. This excise tax was raised by 10.5 cents per gallon effective July 1, 2019, to 38.5 cents per gallon of gasoline. At the same time, the rate imposed on diesel fuel also increased from 28 cents per gallon to 47 cents per gallon.

Sales and Use Tax

The state sales and use tax rate increased one-quarter percent from 5.5 percent to 5.75 percent beginning September 1, 2013. Prior to this increase, the rate had been 5.5 percent since July 1, 2005. The sales and use tax is levied uniformly across counties on retail sales of tangible personal property that are not specifically exempt. Retail sales include the rental and storage of tangible personal property, the rental of hotel rooms, and certain specified services, including, but not limited to, repair and installation services, data processing, computer and electronic information services, telecommunication, and certain personal care services.

Counties and transit authorities are authorized to levy permissive sales and use taxes at rates of 0.25 percent to 1.5 percent in one-twentieth percent increments. The highest potential aggregate of state and permissive local sales taxes is 8.75 percent, and the highest currently levied in any county is 8 percent. The State collects the combined state and local tax and returns the local share directly to the counties and transit authorities.

Personal Income Tax

State personal income tax rates apply to federal adjusted gross income plus or minus adjustments and personal exemptions. When compared to the immediately preceding year, personal income tax rates on non-business income were reduced by 8.5 percent in calendar year 2013, 1.5 percent in calendar year 2014, 6.3 percent in calendar year 2015, and 4 percent in calendar year 2019 (see **FISCAL MATTERS – Recent Biennia – 2020-2021**). In calendar year 2021, tax rates were reduced by 3 percent compared to the rates imposed in calendar year 2020, except that the highest tax bracket (on income exceeding \$221,300) was repealed and what became the highest Ohio tax rate was reduced by 9.6 percent from its previous level and provided a 16.8 percent reduction from the previous (repealed) top-bracket tax rate. In calendar year 2023, tax brackets were restructured, and tax rates were reduced, followed by fully phased-in bracket and rate changes in calendar year 2024. During calendar year 2021, there were four rate brackets whose rates ranged from 2.765 percent to 3.99 percent; in 2024, the state personal income tax had two rate brackets (one consisting of taxable income between \$26,051 and \$100,000, and the other consisting of income above \$100,000), with marginal rates of 2.75 percent and 3.5 percent, respectively, with no tax liability if taxable income was \$26,050 or below. For 2025, the tax brackets have been revised such that the top tax bracket (on taxable income exceeding \$100,000) is 3.125 percent; beginning in 2026, the State personal income tax will equal \$332.00 plus 2.75 percent on taxable income exceeding \$26,050. There remains no tax liability if taxable income is \$26,050 or below. Prior legislation also established a deduction for pass-through entities and sole proprietorships' annual business net income of 75 percent in tax years 2014 and 2015, and 100 percent in tax year 2016 and beyond, up to \$250,000 per taxpayer. Previously, personal income tax rates were reduced by 21 percent across five installments (4.2 percent annually in each of the tax years 2005 through 2008, with the final 4.2 percent reduction delayed from tax year 2009 to tax year 2011).

The Ohio Constitution requires 50 percent of state income tax receipts to be returned to the counties in which those receipts originate. There is no constitutional limit on income tax rates.

Municipalities, school districts, and joint economic development districts and zones may also levy certain income taxes. Any municipal rate (applying to wages, salaries, and business net income) over 1 percent, and any school district income tax (applying to the state income tax base for individuals and estates), requires voter approval. Most cities and villages levy a municipal income tax. The highest municipal rate as of July 2025 is 3 percent. A school district income tax is currently in effect in 209 districts. Each joint economic development district or zone may also levy an income tax (which, like municipal income taxes, applies to wages and salaries and business net income) with the rate of that tax limited to the highest income tax rate of a municipal member of the district or zone. Effective July 1, 2005, there may also be proposed for voter approval municipal income taxes to be shared with school districts, but those taxes may not be levied on the income of nonresidents.

Since 1970, the ratio of Ohio to U.S. aggregate personal income has declined, with Ohio's ranking among the states moving from fifth in 1970 to seventh in 1990, and eighth since 2000. This movement, portrayed below, in significant measure reflects "catching up" by several other states and a trend in Ohio toward more service sector employment.

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		Personal Income (\$ in billions)			
		U. S	Ohio	Ohio Percent of U.S.	State Rank*
1990	Total	\$4,897.3	\$203.0	4.1%	7
	per capita	19,619	18,682	95.2	21
2000	Total	8,620.2	323.8	3.8	8
	per capita	30,551	28,496	93.3	26
2010	Total	12,547.5	422.2	3.3	8
	per capita	40,557	36,580	90.2	33
2020	Total	19,600.9	623.4	3.2	8
	per capita	59,114	52,839	89.4	31
2021	Total	21,404.0	674.6	3.1	8
	per capita	64,450	57,330	88.5	34
2022	Total	22,077.2	686.7	3.1	8
	per capita	66,096	58,301	88.2	38
2023	Total	23,380.2	724.8	3.1	8
	per capita	69,418	61,297	88.1	37
2024	Total	24,632.7	763.2	3.1	8
	per capita	72,425	64,225	88.7	36

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

* Excludes District of Columbia.

The retail sales base is an important indicator of sales and use tax receipts.

Retail Sales (\$ in billions)			
Fiscal Year	Ohio Retail Sales	U.S. Retail Sales	Ohio Percent of the U.S.
1990	\$66.93	\$1,719.05	3.9%
2000	120.44	2,909.85	4.1
2010	136.82	3,739.95	3.7
2020	195.25	5,436.82	3.6
2021	226.71	6,390.40	3.5
2022	244.84	6,915.25	3.5
2023	248.32	7,082.52	3.5
2024	247.71	7,242.72	3.4

Source: Calculated by S&P Global Market Intelligence (formerly IHS Markit) based on data from the U.S. Department of Commerce, Bureau of the Census, and other sources.

Commercial Activity Tax

The State implemented a new commercial activity tax (CAT) on taxable gross receipts in excess of \$1,000,000 from doing business in Ohio, phased-in over FY 2006 through FY 2010 until levied at the current rate of 0.26 percent. Beginning calendar year 2014, the State established a variable minimum tax on the CAT for businesses with taxable gross receipts greater than \$1 million. Over the same period, Ohio phased out its corporate franchise tax in equal annual increments from 2006 to 2010, except as applied to financial institutions and certain affiliates of insurance companies and financial institutions, which was replaced with a new financial institutions tax effective tax year 2014. On December 7, 2012, the Supreme Court of Ohio upheld the application of the CAT to gross receipts from the sales of motor fuels but ordered that the proceeds of the CAT derived from those gross receipts—estimated by OBM at \$100 million annually—could not be applied to non-highway purposes in the future. Under provisions enacted in the Biennial Appropriations Act for the 2014-2015 biennium and other legislation, the State phased out the CAT on the sale of motor vehicle fuel and replaced it with a “petroleum activity tax” (PAT), computed based on the average price of a gallon of gasoline or diesel fuel. Following the Supreme Court of Ohio’s ruling, PAT receipts are required to be used for highway purposes.

As described below, the receipts from the CAT are directed in part to make compensating payments to school districts and other local taxing units in connection with the phase-out of the tangible personal property tax in 2006 through 2009. Beginning in FY 2012, the State accelerated the phase-out of compensating payments to school districts and local governments, resulting in an increased share of the CAT being deposited into the GRF (see **Property Tax** below and **FISCAL MATTERS – Recent and Current Finances – Recent Biennia – 2018-2019**).

The share of the CAT revenue credited to the GRF increased in FY 2024. After making required deposits to the CAT administration fund, the GRF now receives all remaining CAT receipts.

Effective in calendar year 2024, the CAT minimum tax was repealed. CAT liability (before credits) is entirely based upon multiplying the tax rate by taxable gross receipts, and there is no longer a flat-dollar minimum tax. In addition, the amount of annual gross receipts excluded from the CAT increased from the existing \$1 million level to a \$3 million amount effective January 2024. The exclusion increased to \$6 million in January 2025.

Property Tax

The following table lists, for informational purposes only, the non-exempt real and tangible personal property tax base in the State and taxes levied on that base (on a calendar year basis). Only local taxing subdivisions, and not the State, currently tax the real and tangible personal property included in this table. Reported figures for 2024 show that these property taxes represent 3.14 percent of Ohio personal income.

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		Assessed Value ^(a)	Percent of True Value ^(b)	Taxes Charged
1990	Real ^(c)	\$93,857,482,000	35.0%	\$4,593,147,000 ^(e)
	Tangible ^(d)	18,473,055,000	28.0	1,149,643,000
	Public Utility ^{(c)(f)}	12,934,191,000	88.6	799,396,000
2000	Real ^(c)	167,857,657,350	35.0	8,697,809,112 ^(e)
	Tangible ^(d)	23,298,302,564	25.0	1,720,740,378
	Public Utility ^{(c)(f)}	13,635,709,860	67.0	967,674,709
2010	Real ^(c)	238,264,394,249	35.0	14,486,087,962 ^(e)
	Tangible ^(d)	320,961,400	5.0 ^(b)	18,432,832
	Public Utility ^{(c)(f)}	10,096,712,600 ^(g)	52.9	747,237,219
2019	Real ^(c)	260,947,879,749	35.0	17,321,071,684 ^(e)
	Tangible ^(d)	-	._ ^(b)	-
	Public Utility ^{(c)(f)}	25,436,220,050 ^{(g)(h)}	64.7	1,971,197,491
2020	Real ^(c)	279,933,910,561	35.0	18,265,118,632 ^(e)
	Tangible ^(d)	-	._ ^(b)	-
	Public Utility ^{(c)(f)}	26,794,513,946 ^{(g)(h)}	65.1	2,079,346,945
2021	Real ^(c)	293,266,914,053	35.0	18,456,058,751 ^(e)
	Tangible ^(d)	-	._ ^(b)	-
	Public Utility ^{(c)(f)}	28,165,092,620 ^{(g)(h)}	65.0	2,166,453,013
2022	Real ^(c)	303,790,908,195 ^{(g)(h)}	35.0	18,941,781,058
	Tangible ^(d)	-	._ ^(b)	-
	Public Utility ^{(c)(f)}	29,735,371,080 ^{(g)(h)}	65.2	2,323,687,123
2023	Real ^(c)	356,429,525,439	35.0	20,244,263,730
	Tangible ^(d)	-	._ ^(b)	-
	Public Utility ^{(c)(f)}	30,604,715,480 ^{(g)(h)}	64.7	2,409,984,291
2024	Real ^(c)	388,640,659,590	35.0	21,391,182,464
	Tangible ^(d)	-	._ ^(b)	-
	Public Utility ^{(c)(f)}	31,866,944,200 ^{(g)(h)}	64.4	2,538,684,011

(a) Increases in assessed value of “Real” are in part products of reappraisals.

(b) Regular annual reductions for “Tangible” (except for most public utility tangible) reached 0 percent in 2009; only telecommunication and telephone personal property was taxable in 2009 and 2010.

(c) Includes public utility personal property owned and located within Ohio and railroad real property; excludes public utility real property.

(d) Includes machinery, inventories, fixtures; effective tax year 2007 includes telephone company property. Excludes public utility tangible property. Effective tax year 2009 includes only telephone company property.

(e) Includes the statutory 10 percent non-business credit (formerly the 10 percent rollback) (or 12.5 percent for owner-occupied residences) and elderly/handicapped partial exemption amounts, paid by the State to local taxing entities to compensate for statutory reductions in local tax collections. Effective for tax year 2005 and thereafter, the 10 percent rollback was eliminated for real property used in business, with exceptions for specific property used in farming or for housing. (10 percent) non-business credit and the (2.5 percent) owner-occupancy credit were eliminated for new voter-approved tax levies approved after September 29, 2013.

(f) Beginning in 1990, the true value of most public utility property is based on annual composite allowances that vary according to the type and age of property.

(g) Beginning in 2001, the statutory assessment rate for electric and gas utilities decreased from 88 percent to 25 percent.

(h) The statutory assessment rate for waterworks utilities is 88 percent, except for specific property first subject to taxation in 2017 is 25 percent.

Source: Ohio Department of Taxation.

Effective July 1, 2005, and as reflected in the above table, the tangible personal property tax (TPPT) (including that tax on inventories) was phased out over tax years 2006 through 2009, with that tax eliminated beginning in tax year 2009. The corresponding legislation provided for the State to make replacement distributions to school districts and other local taxing units from revenue generated by the state commercial activity tax (CAT). Distributions are based on the taxable value of tangible personal property as reported in 2004 and property tax levies in effect for 2005. In FY 2012, the State began phasing out those TPPT replacement payments to schools and local governments. Replacement payments to schools were reduced by two percent of each district’s total resources in each of FY 2012 and FY 2013 for a total reduction of four percent. Replacement payments to local

governments were reduced by two percent of total resources for tax years 2011, 2012, and 2013, for a total reduction of six percent. Replacement payments were then frozen in FY 2014 and FY 2015. The phasing out of these replacement payments resumed beginning in FY 2016. Payments to school districts were reduced in FY 2016 and FY 2017 by between one percent and two percent of each district's total resources. The variance was based on district wealth levels, with guarantees in both FY 2016 and FY 2017 that no district would fall below 100 percent and 96 percent, respectively, of its FY 2015 total funding level. Replacement payments to other local governments in FY 2016 and thereafter are reduced annually by two percent of their total resources.

Beginning July 2007, the State's homestead exemption program, which takes the form of a credit on local residential real property tax bills, was expanded to allow all senior citizens and disabled Ohioans, regardless of income, to exempt from tax the first \$25,000 of the market value of their home. Previously, eligibility was restricted, and benefits were tiered based on income. Beginning July 1, 2013, eligibility for new applicants is based on income. The total cost of the homestead exemption program was \$337.8 million in FY 2023, \$323.6 million in FY 2024, and \$318.5 million in FY 2025.

Real property tax relief payments by the State to school districts and local subdivisions—consisting of the homestead exemption program, the 10 percent credit for non-business property, and the 2.5 percent credit for owner-occupied homes—totaled \$3.6 billion for the 2020-2021 biennium, \$3.64 billion for the 2022-2023 biennium, and \$3.83 billion for the 2024-2025 biennium.

SCHOOLS AND MUNICIPALITIES

Schools

Litigation was commenced in the Ohio courts in 1991, questioning the constitutionality of Ohio's system of school funding and compliance with the constitutional requirement that the State provide a "thorough and efficient system of common schools." On December 11, 2002, the Supreme Court of Ohio, in a 4-3 decision on a motion to reconsider its own decision rendered in September 2001, concluded (as it previously had in its 1997 and 2000 opinions) that the State did not comply with that requirement, even after again noting and crediting significant steps in preceding years.

In its prior decisions, the Supreme Court of Ohio stated as general base threshold requirements that every school district have enough funds to operate, an appropriate number of teachers, sound and safe buildings, and equipment sufficient for all students to be afforded an educational opportunity. With respect to funding sources, the Court concluded in its 1997 and 2000 decisions that property taxes may no longer be the primary means of school funding in Ohio.

On March 4, 2003, the plaintiffs filed with the original trial court a motion to schedule and conduct a conference to address compliance with the orders of the court in that case, the State petitioned the Ohio Supreme Court to issue a writ prohibiting that conference on compliance, and the trial court subsequently petitioned the Ohio Supreme Court for guidance as to the proper course to follow. On May 16, 2003, the Ohio Supreme Court granted that writ and ordered the dismissal of the motion before the trial court. On October 20, 2003, the United States Supreme Court declined to accept the plaintiffs' subsequent petition requesting further review of the case.

In the years following this litigation, the General Assembly has taken steps, including significantly increasing state funding for public schools, as discussed below. In addition, at the November 1999 election, electors approved a constitutional amendment authorizing the issuance of State general obligation debt for school buildings and higher education facilities (see discussion under **STATE DEBT**). December 2000 legislation also addressed specific mandated programs and reserves, characterized by the plaintiffs and the Court as "unfunded mandates."

Before fiscal years 2009 and 2010, Ohio's 613 public school districts and 49 joint vocational school districts received a significant portion (but less than 50 percent) of their operating moneys from state subsidy appropriations (the primary portion of which is known as the Foundation Program) distributed following statutory

formulae that consider both local needs and local taxing capacity. The Foundation Program amounts have steadily increased in most recent years, including small aggregate increases even in those fiscal years in which appropriation reductions were imposed.

School districts also rely upon receipts from locally voted taxes. In part because of provisions of some state laws, such as partially limiting the increase (without further vote of the local electorate) in voted property tax collections that would otherwise result from increased assessed valuations, some school districts have experienced varying degrees of difficulty in meeting mandated and discretionary increased costs. Local electorates have largely determined the total money available for their schools. Locally elected boards of education and their school administrators are responsible for managing school programs and budgets within statutory requirements.

The State's school subsidy formulas that were used until fiscal year 2009 were structured to encourage both program quality and local taxing effort. Until the late 1970s, although there were some temporary school closings, most local financial difficulties that arose were successfully resolved by the local districts themselves by some combination of voter approval of additional property tax levies, adjustments in program offerings, or other measures. For more than 20 years, requirements of law and levels of state funding have sufficed to prevent school closings for financial reasons, which in any case are prohibited by current law.

Legislation was enacted in 1996 to address school districts in financial straits. A current listing of school districts in fiscal emergency or watch status can be found on the Auditor of State's website at <http://www.auditor.state.oh.us>.

To broaden the potential local tax revenue base, school districts also may submit, for voter approval, income taxes on the district income of individuals and estates. Many districts have submitted the question of the proposed income tax to their respective electors, and income taxes are currently approved in 209 districts.

Biennial school funding state appropriations from the GRF (including property tax reimbursements) and Lottery Profits Education Fund (LPEF) (but excluding federal and special revenue funds) for recent biennia were:

- 2016-2017 - \$20 billion (a 9.3 percent increase over the previous biennium).
- 2018-2019 - \$20.7 billion (a 3.5 percent increase over the previous biennium).
- 2020-2021 - \$21.9 billion (a 5.7 percent increase over the previous biennium).
- 2022-2023 - \$23 billion (a 4.9 percent increase over the previous biennium).
- 2024-2025 - \$26.7 billion (a 16.1 percent increase over the previous biennium).

The appropriations for school funding for the 2026-2027 biennium are \$27.7 billion (a 4.1 percent increase from the previous biennium), representing an increase of 1.5 percent in FY 2026 over FY 2025 and an increase of 2.5 percent in FY 2027 over FY 2026.

The amount of lottery profits transferred to the LPEF totaled \$1.17 billion in FY 2018, \$1.15 billion in FY 2019, \$1.13 billion in FY 2020, \$1.36 billion in FY 2021, \$1.41 billion in FY 2022, \$1.46 billion in FY 2023, \$1.51 billion in FY 2024, \$1.45 billion in FY 2025, and is currently estimated to be \$1.47 billion in FY 2026 and \$1.47 billion in FY 2027. Ohio's participation in the multi-state lottery commenced in May 2002. A constitutional provision requires that net lottery profits be paid into LPEF be used solely for the support of elementary, secondary, vocational, and special education purposes, including application to debt service on general obligation bonds to finance common school facilities. The 2010-2011 Biennial Appropriations Act also authorized the implementation of video lottery terminals (VLTs) at Ohio's seven horse racing tracks.

The 2016-2017 Biennial Appropriations Act modified specific components of the funding formula to distribute new resources to districts with less capacity to raise revenue through local sources. Under the modified formula, each school district's education aid was based on a per pupil funding amount of \$5,900 in FY 2016 and \$6,000 in FY 2017, multiplied by each school district's "state share index," which used a three-year average of adjusted property

valuation per pupil and the median income of that school district to calculate the percentage of the per-pupil amount to be paid by the State and the amount assumed to be contributed by the school district through local sources. The 2016-2017 Biennial Appropriations Act also supplemented transportation funds for low-density districts and continued to provide additional funds for students with exceptional needs, including those with special needs and the disabled, and those with limited English proficiency, and for economically disadvantaged and gifted students. Funding was also provided based on the number of K-3 students at each school district to help school districts comply with Ohio's 3rd-grade reading guarantee. The Act continued funding for the "Straight A Fund" to develop and implement creative and innovative instructional models to inspire learning and student growth.

The 2018-2019 Biennial Appropriations Act maintained all components of the 2016-2017 funding formula with minor modifications. School district's education aid continued to be paid based on a per-pupil funding amount (increasing to \$6,010 in FY 2018 and \$6,020 in FY 2019) multiplied by each school district's state share index. The 2018-2019 Biennial Appropriations Act reduced the minimum share of transportation funding to better target school districts with lower capacity to raise revenue locally and increased the multiplier in the formula for computing capacity aid to provide additional aid to low-wealth school districts and those with small populations and low property valuation. The Act also modified the calculations for temporary transitional aid and the gain cap to consider changes in student population. Funding also continued for other education initiatives including Early Childhood Education, EdChoice Expansion Scholarships, and the Community Connectors grant program.

The 2020-2021 Biennial Appropriations Act provided each school district with the same amount of core funding and pupil transportation funding as it received under the funding formula for FY 2019, along with other limited payments and adjustments, such as preschool special education payments and catastrophic cost reimbursements. The 2020-2021 Biennial Appropriations Act also provided additional payments to school districts for student wellness and success to provide support for mental health counseling, wraparound supports, mentoring, and after-school programs. The Act also provided for additional payments to qualifying school districts that experienced an increase in enrollment between FY 2016 and FY 2019.

The 2022-2023 Biennial Appropriations Act implemented a new funding formula known as the Fair School Funding Plan. The new formula established a base cost methodology based on student-to-teacher ratios, minimum staffing levels, and actual costs for schools. Under the new formula, each school district has a unique base cost amount, which replaced the prior Opportunity Grant amount of \$6,020 per pupil. The formula revised categorical funding and implemented a new state and local cost share methodology using property and income factors for all districts. Community schools, STEM schools, educational choice scholarship programs, and open enrollment were directly funded. Instead of a Gain Cap, most components of the formula were subject to a general phase-in percentage of 16.67 percent in FY 2022 and 33.33 percent in FY 2023. The Act also provided for additional payments to support school bus purchases, community school facilities, and quality community schools.

The 2024-2025 Biennial Appropriations Act continued the phase-in of the school funding formula enacted in FY 2022. The phase-in percentage increased to 50 percent in FY 2024 and 66.67 percent in FY 2025. The formula continued the base cost methodology based on student-to-teacher ratios, minimum staffing levels, and actual costs for schools. Data for calculating base cost and local capacity was updated. Several factors increased, including gifted professional development funding, career awareness funding, and the transportation minimum state share percentage. The minimum state share percentage of base cost increased from 5 percent to 10 percent. The Act also provided for additional payments to support literacy initiatives, career-technical education programs, community school facilities, quality community and STEM schools, and an equity supplement to brick-and-mortar community schools. The Act also established universal eligibility for the EdChoice Expansion Scholarship Program, providing full scholarships for families with income up to 450 percent of the federal poverty level. Families with income above 450 percent received partial scholarship amounts with a minimum scholarship of 10 percent.

The 2026-2027 Biennial Appropriations Act continues the phase-in of the school funding formula enacted in FY 2022. The phase-in percentage will increase to 83.33 percent in FY 2026 and 100 percent in FY 2027. The formula

continues the base cost methodology based on student-to-teacher ratios, minimum staffing levels, and actual costs for schools. Data for calculating local capacity will be updated, and the transportation minimum state share percentage will increase from 41.67 percent in FY 2025 to 45.83 percent in FY 2026 and 50 percent in FY 2027. The Act also continues support for literacy initiatives, career-technical education programs, community school facilities, quality community and STEM schools, school bus safety grants, and a performance supplement to traditional public school districts. The Act also continues universal eligibility for the EdChoice Expansion Scholarship, which provides full scholarships for families with income up to 450 percent of the federal poverty level and partial scholarships to families with income above 450 percent of the federal poverty level. On January 4, 2022, the Ohio Coalition for Equity and Adequacy of School Funding, among others, filed a complaint with the Franklin County Court of Common Pleas alleging that the EdChoice Scholarship Program was unconstitutional. On June 24, 2025, the court agreed, finding that the EdChoice Scholarship Program unconstitutionally provided funding to private schools at the expense of public schools and enjoined the program. However, in recognition of the impact of this ruling on school funding and the high likelihood of an appeal, the judgment was stayed pending such appeal, a notice of which was subsequently filed by the State. It is not currently expected that there will be a ruling on that appeal until at least 2026. Consequently, notwithstanding the court ruling, the EdChoice Scholarship Program will continue as currently implemented until a final court determination is made.

Municipalities

Ohio has a mixture of urban and rural population, with approximately three-quarters urban. There are 926 incorporated cities and villages (municipalities with populations under 5,000) in the State. Six cities have populations of more than 100,000 and 17 cities exceed 50,000. Ohio has designated a portion of state revenues to share with local governments since 1935, although the structure of that revenue sharing has changed over time.

A 1979 Act established procedures for identifying and assisting those few cities and villages experiencing defined “fiscal emergencies.” A commission composed of state and local officials and private sector members experienced in business and finance, appointed by the Governor, monitors the fiscal affairs of a municipality facing substantial financial problems. The Act requires the municipality to develop, subject to approval and monitoring by its commission, a financial plan to eliminate deficits and cure any defaults and otherwise remedy fiscal emergency conditions and to take other actions required under its financial plan. It also provides enhanced protection for the municipality’s bonds and notes and, subject to the Act’s stated standards and controls, permits the State to purchase limited amounts of the municipality’s short-term obligations (used only once, in 1980).

The fiscal emergency legislation has been amended to extend its potential application to all Ohio counties and townships. This extension is on an “if and as needed” basis and is not aimed at particularly identified existing fiscal problems of those subdivisions. A current listing of governments in each status can be found on the Auditor of State’s website at <http://www.auditor.state.oh.us>.

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APPENDIX B

GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES

Glossary

When used in this Official Statement, the following terms shall have the meanings set forth below. The definitions set forth below are qualified in their entirety by reference to the Trust Agreements and the Leases, copies of which are available from the Treasurer and the applicable Trustee and, during the underwriting period, the Underwriters. Use of the singular includes plural and use of the plural includes singular, where applicable.

"Acquisition Premium" means the amortizable bond premium which is issued on Premium Bonds.

"Act" means Chapter 154 of the Revised Code, together with the provisions of any act or resolution of the General Assembly authorizing or limiting the issuance of, or otherwise pertaining to Obligations, as the same may be amended, modified, revised, supplemented or superseded from time to time.

"Additional Bonds" means additional Obligations issued pursuant to a Trust Agreement after the first issuance of Obligations pursuant to that Trust Agreement.

"Additional Rent" means rentals paid by the Mental Health Departments, the DNR, the DRC, and the DAS to the Treasurer under their respective Leases in amounts at least adequate to provide for the purposes of the applicable Administrative Service Funds.

"Administrative Bonds" means the \$38,245,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025C (Administrative Building Fund Projects) (Federally Taxable) authorized by the Administrative Series 2025C Order.

"Administrative Building Taxable Fund" means the Improvement Fund for the Administrative Bonds.

"Administrative General Bond Order" means the General Bond Order No. 1-12 issued by the Treasurer on February 28, 2012, as it may be amended, supplemented or superseded from time to time in accordance with the provisions of the Administrative Trust Agreement.

"Administrative Lease" means the Administrative Original Lease Agreement as amended and supplemented from time to time, including as amended and supplemented by the Administrative Series 2025C Supplemental Lease, and unless content or use clearly indicates otherwise, includes all applicable Supplemental Leases.

"Administrative Original Lease Agreement" means the Lease Agreement between the OPFC and the DAS, dated as of March 1, 2012.

"Administrative Original Trust Agreement" means the Trust Agreement between the State, acting by and through the Treasurer, and the Administrative Trustee, dated as of March 1, 2012, authorized in the Administrative General Bond Order.

"Administrative Series 2025C Order" means Series Bond Order No. 8-25 issued by the Treasurer on December __, 2025 providing for the Administrative Bonds.

"Administrative Series 2025C Supplemental Lease" means the Series 2025C Supplemental Lease Agreement dated as of December 1, 2025 between the OPFC and the DAS, amending or supplementing the Administrative Lease.

"Administrative Series 2025C Supplemental Trust Agreement" means the Series 2025C Supplemental Trust Agreement dated December 1, 2025 between the State, acting by and through the Treasurer, and the Administrative Trustee, amending or supplementing the Administrative Trust Agreement, and includes the Administrative Series 2025C Order set forth in it.

* Preliminary; subject to change.

"Administrative Service Funds" means the Administrative Service Funds established by the Treasurer in the custody of the Treasurer for the payment of those administrative expenses of the Treasurer identified in the applicable General Bond Order.

"Administrative Trust Agreement" means the Administrative Original Trust Agreement, including the Administrative General Bond Order set forth in it, as the same may be amended, modified or supplemented, including as amended, modified or supplemented by the Administrative Series 2025C Supplemental Trust Agreement, and unless the context indicates otherwise, includes all applicable Supplemental Trust Agreements.

"Administrative Trustee" means the Trustee at the time serving under the Administrative Trust Agreement, currently U.S. Bank Trust Company, National Association, Columbus, Ohio, as successor to The Huntington National Bank, and any successor Trustee as determined or designated pursuant to the Administrative Trust Agreement.

"Adult Correctional Bonds" means the \$26,175,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025C (Adult Correctional Building Fund Projects) (Tax-Exempt) authorized by the Adult Correctional Series 2025C Order.

"Adult Correctional General Bond Order" means the General Bond Order No. 12-12 issued by the Treasurer on May 3, 2012, as it may be amended, supplemented or superseded from time to time in accordance with the provisions of the Adult Correctional Trust Agreement.

"Adult Correctional Lease" means the Adult Correctional Original Lease Agreement as amended and supplemented from time to time, including as amended and supplemented by the Adult Correctional Series 2025C Supplemental Lease, and unless content or use clearly indicates otherwise, includes all applicable Supplemental Leases.

"Adult Correctional Original Lease Agreement" means the Lease Agreement between the OPFC and the DRC, dated as of May 1, 2012.

"Adult Correctional Original Trust Agreement" means the Trust Agreement between the State, acting by and through the Treasurer, and the Adult Correctional Trustee, dated as of May 1, 2012, authorized in the Adult Correctional General Bond Order.

"Adult Correctional Series 2025C Order" means Series Bond Order No. 7-25 issued by the Treasurer on December __, 2025 providing for the Adult Correctional Bonds.

"Adult Correctional Series 2025C Supplemental Lease" means the Series 2025C Supplemental Lease Agreement dated as of December 1, 2025 between the OPFC and the DRC, amending or supplementing the Adult Correctional Lease.

"Adult Correctional Series 2025C Supplemental Trust Agreement" means the Series 2025C Supplemental Trust Agreement dated December 1, 2025 between the State, acting by and through the Treasurer, and the Adult Correctional Trustee, amending or supplementing the Adult Correctional Trust Agreement, and includes the Adult Correctional Series 2025C Order set forth in it.

"Adult Correctional Trust Agreement" means the Adult Correctional Original Trust Agreement, including the Adult Correctional General Bond Order set forth in it, as the same may be amended, modified or supplemented, including as amended, modified or supplemented by the Adult Correctional Series 2025C Supplemental Trust Agreement, and unless the context indicates otherwise, includes all applicable Supplemental Trust Agreements.

"Adult Correctional Trustee" means the Trustee at the time serving under the Adult Correctional Trust Agreement, currently The Bank of New York Mellon Trust Company, N.A., Philadelphia, Pennsylvania, and any successor Trustee as determined or designated pursuant to the Adult Correctional Trust Agreement.

"Annual Information" means such financial information provided or caused to be provided by the Treasurer as may be required under the Rule.

* Preliminary, subject to change.

"Authenticating Agent" means the applicable Trustee and any other bank, trust company or other person designated as an Authenticating Agent for a series of Obligations by or in accordance with the Trust Agreements, each of which shall be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934, as amended.

"Authorized Officer" means any person duly authorized to perform the particular acts or sign the particular documents on behalf of the State or other indicated Person or official. In the case of the Treasurer, it means any officer or employee of the Treasurer authorized by, or pursuant to, a designation or order of the Treasurer to perform the particular act or sign the particular document, and if there is no such authorization means the Treasurer.

"Basic Rent" means rentals paid by each of the Mental Health Departments, the DNR, the DRC, and the DAS directly to the Treasurer under their respective Leases in amounts at least adequate to (i) meet the Bond Service Charges on the applicable Obligations, and (ii) establish and maintain any Required Reserve.

"Beneficial Owner" or "beneficial owner" means the owner of a book-entry interest in a Series 2025 Bond held by a Securities Depository in book-entry form.

"Bond" or "Bonds" means any Obligation in the form of a bond, or all of the bonds, or an issue or series of bonds, of the State issued pursuant to the General Bond Orders and any Series Order.

"Bond Proceedings" means the applicable General Bond Orders, the applicable Trust Agreements, the applicable Series Orders, the applicable Supplemental Trust Agreements, the applicable Leases, the applicable Supplemental Leases, and any other order, resolution, agreement and lease, and amendments of and supplements to the foregoing or any combination of them, authorizing or providing for the terms and conditions applicable to, or providing for the security of, Obligations issued pursuant to the Act.

"Bond Redemption Account" means an account authorized by a General Bond Order and created in a Series Order with a Trustee from which moneys may be used to purchase Obligations for cancellation.

"Bond Registrar" means the Person that keeps and maintains the Register for the Obligations, which shall be the applicable Trustee except as may otherwise be provided pursuant to the applicable Trust Agreement or a Series Order.

"Bond Service Accounts" means the Bond Service Accounts so designated in the Bond Service Funds and created in the General Bond Orders.

"Bond Service Charges" means the principal, Mandatory Sinking Fund Requirements, and interest, and redemption premium, if any, required to be paid by the State on the Obligations. In the case of payment of Bond Service Charges by a Person other than the State pursuant to a Credit Enhancement Facility, "Bond Service Charges" means the payment or reimbursement by the State to the provider of that facility of the amount so paid. In determining Bond Service Charges for a Fiscal Year or any other period, Mandatory Sinking Fund Requirements for that Fiscal Year or period shall be taken into account. With respect to Obligations in the form of notes, the amount of Bond Service Charges on those notes shall be deemed to be the Bond Service Charges for the bonds anticipated by those notes as set forth in the Bond Proceedings applicable to those notes pursuant to Section 154.12 of the Revised Code.

"Bond Service Funds" means, collectively, the adult correctional facilities bond service trust fund and the administrative facilities bond service trust fund, each created by the provisions of Revised Code Section 154.24(E), the parks and recreation bond service trust fund created by the provisions of Revised Code Section 154.22(E), and the mental health bond service trust fund created by the provisions of Revised Code Section 154.20(E), each in the custody of the Treasurer but separate and apart from and not a part of the State treasury, including the accounts in them provided for in the respective General Bond Orders.

"Bond Service Reserve Account" means a Bond Service Reserve Account that may be established in a Series Order pursuant to the General Bond Orders.

"Bondholder" or "holder" or "Holder" or "holder of Bonds," or "owner," or any similar term means the person in whose name an Obligation is registered, or the holder or owner of Obligations as may otherwise be prescribed by a Series Order.

"book-entry form" or "book-entry system" means a form or system under which physical Obligation certificates are issued only to a Securities Depository or its nominee as owner, with the certificated Obligations held by and "immobilized" in

the custody of the Securities Depository, and the book-entry system, maintained by and the responsibility of the Securities Depository or others, is the record that identifies and records the transfer of the interests of the owners of book-entry interests in those Obligations.

"book-entry interests" means the interests of the ultimate purchasers of book-entry interests in Obligations issued in book-entry form.

"Business Day" for purposes of the Make-Whole Redemption Price for the Taxable Bonds, has the meaning as shown in **THE SERIES 2025 BONDS – Prior Redemption**.

"Calculation Agent" for purposes of the Make-Whole Redemption Price for the Taxable Bonds, has the meaning as shown in **THE SERIES 2025 BONDS – Prior Redemption**.

"Capital Facilities" means any capital facilities for the Mental Health Departments, the DNR, the DRC, and the DAS for the financing or refinancing of which the Treasurer is authorized to issue Obligations under the Act.

"Code" means the Internal Revenue Code of 1986, as amended.

"Continuing Disclosure Agreements" means each of the Continuing Disclosure Agreements of the Treasurer dated as of December __, 2025 relating to each series of the Series 2025 Bonds.

"Costs of Capital Facilities" or "Project Costs" means costs of Capital Facilities as set forth in the Act, and the financing of those costs, for the payment of which Obligations may be issued under the Act.

"Cover" means, collectively, the multiple cover pages of this Official Statement.

"Credit Enhancement Facility" or "Credit Enhancement Facilities" means letters of credit, lines of credit, stand-by, contingent, or firm securities purchase agreements, insurance, or surety arrangements, guarantees, and other arrangements that provide for direct or contingent payment of debt charges, for security or additional security in the event of nonpayment or default in respect of securities, or for making payment of debt charges to and at the option and on demand of securities holders or at the option of the issuer or upon certain conditions occurring under put or similar arrangements, or for otherwise supporting the credit or liquidity of the securities, and includes credit, reimbursement, marketing, remarketing, indexing, carrying, interest rate hedge, and subrogation agreements, and other agreements and arrangements for payment and reimbursement of the person providing the credit enhancement facility and the security for that payment and reimbursement, or an arrangement to provide, in whole or in part, a Required Reserve.

"DAC" means Digital Assurance Certification, L.L.C.

"DAS" means the Department of Administrative Services of the State created by Section 121.02 of the Revised Code.

"DAS Projects" means Projects leased by the OPFC to the DAS pursuant to the Administrative Lease.

"Director" means the Director of the State Office of Budget and Management, or the designee of that official for the purpose.

"Disclosure Dissemination Agent" means DAC.

"Disclosure Dissemination Agreement" means the Disclosure Dissemination Agent Agreement entered into by the State with DAC for the benefit of the holders of the Series 2025 Bonds to provide certain continuing disclosure in accordance with the Rule.

"Discount Taxable Bonds" means any Taxable Bonds that are initially offered and sold to the public at a discount from the amounts payable at maturity.

"Discount Tax-Exempt Bonds" means any Tax-Exempt Bonds that are initially offered and sold to the public at a discount from the amounts payable at maturity.

"DNR" means the Department of Natural Resources of the State created by Section 121.02 of the Revised Code.

"DRC" means the Department of Rehabilitation and Correction of the State created by Section 121.02 of the Revised Code.

"DTC" or "Depository" means The Depository Trust Company (a limited purpose trust company), New York, New York, its successors and their assigns.

"Earliest Permitted Redemption Date" means, with respect to the Parks and Recreation Refunded Bonds, the Earliest Permitted Redemption Date shown **PLAN OF FINANCE – Refunded Parks and Recreation**.

"Eligible Investments" means

- (i) Direct obligations of the United States of America;
- (ii) Obligations, whether representing principal and interest or either principal or interest, guaranteed as to payment by the United States of America or to the payment of which the faith of the United States of America is pledged;
- (iii) Obligations issued by any agency or instrumentality of the United States of America which are accepted by the Rating Services for refunding purposes generally to result in the particular refunded obligations being assigned the highest rating of the particular Rating Service;
- (iv) General obligations of the State or of any political subdivision of the State that are rated at one of the two highest letter ratings of a Rating Service;
- (v) Certificates of deposit issued by a national bank located in the State or a bank (as defined in Section 1101.01 of the Revised Code) subject to inspection by the State Superintendent of Banks, which bank has a combined capital and surplus of at least \$100,000,000 in dollars of the United States of America and is rated at least "A" (or its equivalent) by the Rating Services, provided that such certificates of deposit (a) do not exceed in the aggregate 10% of the combined capital, surplus and undivided profits of the issuing bank and (b) shall be in the possession of the Treasurer or that office's agents and shall be (A) continuously and fully insured by the Federal Deposit Insurance Corporation or its successors and (B) to the extent not so insured, continuously and fully secured by securities described in clauses (i) through (iii) above which have a market value (exclusive of any accrued interest) at all times at least equal to the principal amount of the certificates of deposit. The bank issuing a certificate of deposit required to be secured as provided in clause (B) above shall furnish the Treasurer with an undertaking that the aggregate market value of all such pledged securities securing each certificate of deposit will at all times be an amount at least equal to the principal amount of that certificate of deposit, and the Treasurer shall be entitled to rely on each such undertaking;
- (vi) Repurchase agreements, for a period not to exceed 30 days, with any institution described in Section 135.143(A)(4)(a) of the Revised Code that is rated at least "A" (or its equivalent) by the Rating Services, and which agreement is fully and continuously collateralized by securities described in clauses (i) through (iii) above based on the market value of those pledged securities;
- (vii) Any no front end load money market fund (including those for which the Trustee or an affiliate performs services for a fee, whether as custodian, transfer agent, investment advisor or otherwise) that is rated at least "A" (or its equivalent) by the Rating Services, consisting exclusively of obligations described in clauses (i) through (iii) above; and
- (viii) The Treasurer's investment pool provided for in Section 135.45 of the Revised Code.

For purposes of clauses (v) and (vi) above the respective pledged securities are to be in the possession of the Treasurer or that officer's agent, and are to be free and clear of all liens or rights of any third party and in which securities the State is to have a first perfected security interest.

"EMMA" means the MSRB's Electronic Municipal Market Access system.

"Event of Default" means an Event of Default as described in this **APPENDIX B – GLOSSARY AND SUMMARIES OF THE TRUST AGREEMENTS AND THE LEASES - Summary of the Trust Agreements – Events of Default and Remedies**.

"Federal Securities" means: (i) direct obligations of, or obligations representing principal and interest, or principal or interest, the full and timely payment of which is guaranteed by, or to the full and timely payment of which is pledged the faith of, the United States of America; (ii) any certificates or other evidences of direct ownership interest in obligations of the character described in clause (i) or in specified portions of those obligations, including, without limitation, portions consisting solely of the principal of or solely of the interest on those obligations; or (iii) obligations of any state of the United States or any political subdivision of any state of the United States carrying the highest rating category of a Rating Agency, the full payment of principal of and interest and any premium on which are provided for by an irrevocable deposit in trust of the Federal Securities described in clause (i) or (ii), to the extent such investments are permitted by applicable law. With respect to Federal Securities described in clause (ii), the underlying obligations must be, as evidenced by a receipt held by the owner, held in safekeeping on behalf of the owner.

"Financial Institution" means any financial institution or institutions, including without limitation any insurance company, providing a Credit Enhancement Facility in connection with one or more series of Obligations outstanding.

"Financial Obligation" means a: (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of a debt obligation or a derivative instrument described in (A) or (B) of this definition. The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means a period of 12 consecutive months commencing on the first day of July of any year and ending on the last day of June of the following year, or, such other consecutive 12-month period as may by law be established as the fiscal year of the State for general fiscal purposes.

"Fitch" means Fitch Ratings.

"General Assembly" means the body in which the legislative power of the State is vested.

"General Bond Orders" means, collectively, the Mental Health General Bond Order, the Parks and Recreation General Bond Order, the Adult Correctional General Bond Order and the Administrative General Bond Order.

"General Revenue Fund" means the State's general revenue fund.

"Improvement Funds" or "Improvement Fund" means collectively or each of, as applicable, the adult correctional building fund created under Section 154.24(F) of the Revised Code, the administrative building taxable fund previously created by the Director of the Office of Budget and Management as authorized under Section 509.07 of Substitute House Bill Number 2 of the 135th General Assembly, the parks and recreation improvement fund created under Section 154.22(F) of the Revised Code, and the mental health facilities improvement fund created under Section 154.20(F) of the Revised Code.

"Initial Term" means, with respect to the Mental Health Lease, the initial term that commenced on May 17, 2012 and ended at twelve o' clock midnight on June 30, 2013, with respect to the Parks and Recreation Lease, the initial term that commenced on May 17, 2012 and ended at twelve o' clock midnight on June 30, 2013, with respect to the Adult Correctional Lease, the initial term that commenced on May 17, 2012 and ended at twelve o' clock midnight on June 30, 2013, and with respect to the Administrative Lease, the initial term that commenced on March 8, 2012 and ended at twelve o' clock midnight on June 30, 2013.

"Interest Payment Date" means the date(s) on which interest on a particular Obligation is due and payable, whether at maturity, prior redemption or otherwise and, for the Mental Health Bonds, means each February 1 and August 1, commencing August 1, 2026*, while the Series 2025 Bonds are outstanding, for the Parks and Recreation Bonds, means each June 1 and

* Preliminary, subject to change.

December 1, commencing June 1, 2026*, and, for the Adult Correctional Bonds and the Administrative Bonds, means each April 1 and October 1, commencing April 1, 2026.*

"Leases" means, collectively, the Mental Health Lease, the Parks and Recreation Lease, the Adult Correctional Lease, and the Administrative Lease.

"mail" or "mailed" or "mailing" means sending by first-class mail, postage prepaid.

"Make-Whole Redemption Price" for the Taxable Bonds, has the meaning as shown in **THE SERIES 2025 BONDS – Prior Redemption**.

"Mandatory Redemption Obligation" or "Mandatory Redemption" or "Mandatory Sinking Fund Redemption" means mandatory prior redemption of Term Bonds pursuant to Mandatory Sinking Fund Requirements.

"Mandatory Sinking Fund Requirements" means amounts required by any Series Order to be deposited to the Bond Service Fund and credited to the Bond Service Account in any Fiscal Year for the purpose, as provided in that Series Order, of retiring, by mandatory prior redemption or other prior retirement, principal maturities of Obligations, which by the terms of the Obligations are due and payable in any subsequent Fiscal Year.

"Mental Health Bonds" means the \$89,590,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025A (Mental Health Facilities Improvement Fund Projects) (Tax-Exempt) authorized by the Mental Health Series 2025A Order.

"Mental Health Departments" means, collectively, the Department of Behavioral Health and the Department of Developmental Disabilities of the State, each created by Section 121.02 of the Revised Code, and each referred to individually as a "Mental Health Department."

"Mental Health Facilities Improvement Fund" means the Improvement Fund for the Mental Health Bonds.

"Mental Health General Bond Order" means the General Bond Order No. 8-12 issued by the Treasurer on May 3, 2012, as it may be amended, supplemented or superseded from time to time in accordance with the provisions of the Mental Health Trust Agreement.

"Mental Health Lease" means the Mental Health Original Lease Agreement as amended and supplemented from time to time, including as amended and supplemented by the Mental Health Series 2025A Supplemental Lease, and unless content or use clearly indicates otherwise, includes all applicable Supplemental Leases.

"Mental Health Original Lease Agreement" means the Lease Agreement between the OPFC and the Mental Health Departments, dated as of May 1, 2012.

"Mental Health Original Trust Agreement" means the Trust Agreement between the State, acting by and through the Treasurer, and the Mental Health Trustee, dated as of May 1, 2012, authorized in the Mental Health General Bond Order.

"Mental Health Projects" means Projects leased by the OPFC to the Mental Health Departments pursuant to the Mental Health Lease.

"Mental Health Series 2025A Order" means Series Bond Order No. 5-25 issued by the Treasurer on December __, 2025 providing for the Mental Health Bonds.

"Mental Health Series 2025A Supplemental Lease" means the Series 2025A Supplemental Lease Agreement dated as of December 1, 2025 between the OPFC and the Mental Health Departments, amending or supplementing the Mental Health Lease.

* Preliminary; subject to change.

"Mental Health Series 2025A Supplemental Trust Agreement" means the Series 2025A Supplemental Trust Agreement dated December 1, 2025 between the State, acting by and through the Treasurer, and the Mental Health Trustee, amending or supplementing the Mental Health Trust Agreement, and includes the Mental Health Series 2025A Order set forth in it.

"Mental Health Trust Agreement" means the Mental Health Original Trust Agreement, including the Mental Health General Bond Order set forth in it, as the same may be amended, modified or supplemented, including as amended, modified or supplemented by the Mental Health Series 2025A Supplemental Trust Agreement, and unless the context indicates otherwise, includes all applicable Supplemental Trust Agreements.

"Mental Health Trustee" means the Trustee at the time serving under the Mental Health Trust Agreement, currently U.S. Bank Trust Company, National Association, Columbus, Ohio, as successor to The Huntington National Bank, and any successor Trustee as determined or designated pursuant to the Mental Health Trust Agreement.

"Moody's" means Moody's Ratings.

"MSRB" means the Municipal Securities Rulemaking Board.

"Municipal Advisor" means PFM Financial Advisors LLC.

"Obligated Person" has the meaning given to it in the Rule.

"Obligations" means Bonds, notes, or other evidences of obligation of the State, including any appertaining coupons for interest, issued pursuant to the Act and the applicable Trust Agreement.

"OID" means the discount at which the Tax-Exempt Discount Bonds or Taxable Discount Bonds may be initially offered and sold to the public.

"OPFC" means the Ohio Public Facilities Commission, a body corporate and politic, constituting an agency and instrumentality of the State, created by Revised Code Section 151.02.

"Original Purchaser" as to any series of Obligations means the person or persons named in, or in a certificate authorized by, the applicable Series Order as the original purchaser of those Obligations from the State.

"Outstanding Bonds" or "Bonds outstanding" or "outstanding" as applied to particular Obligations, to Obligations of any series or to all Obligations, means, as of any date, the Obligations to which the reference applies and which have been authenticated and delivered, or are then being authenticated and delivered, by the applicable Trustee under the applicable Trust Agreement except:

- (i) Obligations or portions of Obligations cancelled on or prior to that date, or delivered to or acquired by or on behalf of the State for cancellation on or prior to that date, by reason of payment or prior redemption;
- (ii) Obligations, or the portion of Obligations, for the payment, redemption or purchase for cancellation of which sufficient moneys have been deposited prior to that date with the applicable Trustee or Paying Agents (whether upon or prior to the maturity or redemption date of those Obligations), or which are deemed to have been paid or caused to be paid, as provided in the applicable Trust Agreement; provided (a) that if those Obligations are to be redeemed prior to their stated maturity, notice of that redemption has been given to each holder of those Obligations or arrangements satisfactory to the applicable Trustee have been made for giving that notice, or waiver of that notice satisfactory in form to the applicable Trustee has been filed with the applicable Trustee, and (b) that if those Obligations are to be purchased for cancellation, a firm offer for sale stating the price has been received and accepted; and
- (iii) Lost, stolen, mutilated or destroyed Obligations in lieu of which others have been authenticated (or payment when due of which is made without replacement) under the applicable Trust Agreement.

"Parks and Recreation Bonds" means the \$58,055,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025A (Parks and Recreation Improvement Fund Projects) (Tax-Exempt) authorized by the Parks and Recreation Series 2025A Order.

"Parks and Recreation General Bond Order" means the General Bond Order No. 10-12 issued by the Treasurer on May 3, 2012, as it may be amended, supplemented or superseded from time to time in accordance with the provisions of the Parks and Recreation Trust Agreement.

"Parks and Recreation Lease" means the Parks and Recreation Original Lease Agreement as amended and supplemented from time to time, including as amended and supplemented by the Parks and Recreation Series 2025A Supplemental Lease, and unless content or use clearly indicates otherwise, includes all applicable Supplemental Leases.

"Parks and Recreation Original Lease Agreement" means the Lease Agreement between the OPFC and the DNR, dated as of May 1, 2012.

"Parks and Recreation Series 2025A Order" means Series Bond Order No. 6-25 issued by the Treasurer on December __, 2025 providing for the Parks and Recreation Bonds.

"Parks and Recreation Series 2025A Supplemental Lease" means the Series 2025A Supplemental Lease Agreement dated as of December 1, 2025 between the OPFC and the DNR, amending or supplementing the Parks and Recreation Lease.

"Parks and Recreation Series 2025A Supplemental Trust Agreement" means the Series 2025A Supplemental Trust Agreement dated December 1, 2025 between the State, acting by and through the Treasurer, and the Parks and Recreation Trustee, amending or supplementing the Parks and Recreation Trust Agreement, and includes the Parks and Recreation Series 2025A Order set forth in it.

"Parks and Recreation Trust Agreement" means the Parks and Recreation Original Trust Agreement, including the Parks and Recreation General Bond Order set forth in it, as the same may be amended, modified or supplemented, including as amended, modified or supplemented by the Parks and Recreation Series 2025A Supplemental Trust Agreement, and unless the context indicates otherwise, includes all applicable Supplemental Trust Agreements.

"Parks and Recreation Trustee" means the Trustee at the time serving under the Parks and Recreation Trust Agreement, currently U.S. Bank Trust Company, National Association, Columbus, Ohio, and any successor Trustee as determined or designated pursuant to the Parks and Recreation Trust Agreement.

"Paying Agents" means the applicable Trustee and any other banks or trust companies, and the Treasurer of State, designated as the paying agencies or places of payment for Obligations by or pursuant to the applicable Series Order, and their successors designated pursuant to the applicable Trust Agreement.

"Payment Accounts" means, collectively, the trust funds established by the provisions of the respective Supplemental Trust Agreements in the custody of the applicable Trustee for payment on the applicable series of the Series 2025 Bonds.

"Person" means any natural person, firm, corporation, limited liability company, partnership (including, without limitation, general and limited partnerships), joint venture, society, estate, trust, public or governmental body or other entity, and any combination of those persons.

"Pledged Receipts" means:

- (i) All rentals and other revenues and receipts received pursuant to the applicable Lease, excepting only those portions to be deposited to the applicable Administrative Service Funds as provided in the General Bond Orders, and amounts necessary to pay any rebate amount or related amount computed in accordance with Section 148(f) of the Internal Revenue Code and the regulations under that Section;

* Preliminary; subject to change.

- (ii) All amounts standing to the credit of the applicable Bond Service Funds including the Bond Service Reserve Accounts (other than sub-accounts in the Bond Service Reserve Accounts which are limited to a certain series of Obligations);
- (iii) Any gifts, grants, donations and pledges, and receipts from those gifts, grants, donations and pledges, available for payment of applicable Bond Service Charges, but excluding any such amounts which under restrictions imposed as a condition of their receipt are not available for payment of those Bond Service Charges; and
- (iv) Any other "available receipts," as defined in Sections 154.20(C), 154.22(C) or 154.24(D) of the Revised Code, as applicable to the series of the Series 2025 Bonds, which are pledged for the payment of applicable Bond Service Charges by a Series Order.

"Premium Taxable Bonds" means any Taxable Bonds that are sold to the public at a price greater than the principal amount payable at maturity or earlier call date.

"Premium Tax-Exempt Bonds" means any Tax-Exempt Bonds that are sold to the public at a price greater than the principal amount payable at maturity or earlier call date.

"Principal Payment Date(s)" means the date(s) on which principal is stated to be payable on Obligations at stated maturity or pursuant to Mandatory Sinking Fund Requirements and Mandatory Redemption Obligations and, for the Series 2025 Bonds, as shown on the Cover of the Official Statement.

"Project Costs" means costs of the applicable Projects.

"Projects" means those Capital Facilities, or portions of Capital Facilities, the Project Costs of which have been or are to be financed or refinanced by Obligations, and shall include that undivided portion of any Capital Facilities representing the part of Project Costs financed or refinanced by Obligations.

"Rating Service" means any of Fitch, Moody's or S&P or their successors and assigns. If any of these corporations ceases to act as a securities rating agency, the Treasurer may, with the approval of the applicable Trustee, appoint any nationally recognized securities rating agency as a replacement.

"Redemption Price" means, with respect to the Refunded Bonds, 100% of the principal amount of those Refunded Bonds, as shown under **PLAN OF FINANCE – Refunded Parks and Recreation Bonds**.

"Refunded Bonds" means the Parks and Recreation Refunded Bonds shown under **PLAN OF FINANCE – Refunded Parks and Recreation Bonds**, and where context is applicable, the Tendered Bonds shown under **PLAN OF FINANCE – Tender Offer**.

"Register" means the books kept and maintained by the applicable Bond Registrar for the registration, exchange and transfer of Obligations pursuant to the applicable Trust Agreement.

"Registered Obligations" means fully registered obligations registered as to both principal and interest in the name of the owner or holder.

"Registered Owner" means any Person in whose name an Obligation is registered pursuant to the Bond Proceedings.

"Regular Record Date" means the 15th day of the calendar month immediately preceding the month when an Interest Payment Date on the Obligations occurs.

"Renewal Term" means each successive term of a Lease resulting from the exercise by the Mental Health Departments, the DNR, the DRC, and the DAS, respectively, of its right to renew the term of its Lease to end at twelve o'clock midnight on the last day of the State's fiscal biennium (June 30th of each odd-numbered year) or until the Treasurer shall have paid and retired, or shall have made due and adequate provision for the payment and retirement of, all applicable Obligations issued by the Treasurer.

"Required Reserve" means any reserve for payment of Bond Service Charges on any Obligations, or series or two or more series or part of a series of Obligations, that may be provided for in the applicable Series Order(s), which Required Reserve may be provided for by deposit of moneys or Eligible Investments in a Special Fund or Account or by a Credit Enhancement Facility or by any combination of the foregoing.

"Revised Code" means the Ohio Revised Code.

"Rule" means U.S. Securities and Exchange Commission Rule 15c2-12.

"S&P" means S&P Global Ratings, a division of S&P Global Inc.

"Securities Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book-entry system to record ownership and effect transfers of book-entry interests in bonds, notes or other evidence of obligations. Securities Depository includes its nominee for the particular purpose.

"Series 2025 Bonds" means, collectively, the Mental Health Bonds, the Parks and Recreation Bonds, the Adult Correctional Bonds, and the Administrative Bonds.

"Series Order" means an order or resolution of the Treasurer authorizing the issuance of Obligations in accordance with the General Bond Orders, including Mental Health Series 2025A Order, the Parks and Recreation 2025A Order, the Adult Correctional Series 2025C Order, and the Administrative Series 2025C Order, and includes any order, resolution or certificate providing for or evidencing the award and specific terms of Obligations authorized by that Series Order.

"Special Funds" or "Special Funds and Accounts" means the Bond Service Funds and accounts in those Funds to the extent pertaining to the applicable Obligations, and any other funds or accounts, including, without implied limitation, Bond Service Reserve Accounts providing a Required Reserve or funds or accounts relating to a Credit Enhancement Facility, permitted by, established under or identified in the applicable Trust Agreement or a Series Order or applicable Supplemental Trust Agreement.

"State" means the State of Ohio.

"Supplemental Lease" means any Supplemental Lease amending or supplementing any of the Leases as contemplated by the Leases.

"Supplemental Trust Agreement" means any Supplemental Trust Agreement amending or supplementing a Trust Agreement.

"Taxable Bonds" means the Administrative Bonds.

"Tax-Exempt Bonds" means the Mental Health Bonds, the Parks and Recreation Bonds and the Adult Correctional Bonds.

"Term Bonds" means those Bonds designated as such and maturing on the date or dates set forth in the applicable Bond Proceedings, bearing interest payable on each Interest Payment Date and subject to Mandatory Redemption pursuant to Mandatory Sinking Fund Requirements.

"Treasurer" means the State Treasurer of Ohio.

"Treasury Rate" for purposes of the Make-Whole Redemption Price for the Taxable Bonds, has the meaning as shown in **THE SERIES 2025 BONDS – Prior Redemption**.

"Trust Agreement" means any of the Mental Health Trust Agreement, the Parks and Recreation Trust Agreement, the Adult Correctional Trust Agreement, or the Administrative Trust Agreement.

"Trust Agreements" means, collectively, the Mental Health Trust Agreement, the Parks and Recreation Trust Agreement, the Adult Correctional Trust Agreement, and the Administrative Trust Agreement.

"Trustees" means, collectively, the Mental Health Trustee, the Parks and Recreation Trustee, the Adult Correctional Trustee, and the Administrative Trustee.

"Underwriters" means, collectively, Jefferies LLC, Janney Montgomery Scott LLC, KeyBanc Capital Markets, Inc., Loop Capital Markets LLC, and Raymond James & Associates, Inc.

Summary of the Trust Agreements

General

The following, in addition to information contained above under the heading **THE TRUST AGREEMENTS**, summarizes certain provisions of the respective Trust Agreements, to which reference to the full documents is made for their detailed provisions. The General Bond Orders and the Series Orders authorizing the Series 2025 Bonds are incorporated in their entirety in, and constitute part of, each respective Trust Agreement to which they apply and all references in this summary to a Trust Agreement shall, unless specific section references are made, include the applicable General Bond Order and the Series Orders.

So long as the Series 2025 Bonds are immobilized in a book-entry system with a Securities Depository, that Securities Depository or its nominee is for all purposes of the Trust Agreements considered by the Treasurer and the applicable Trustee to be the holder of those Series 2025 Bonds and the book-entry interest owners of the Series 2025 Bonds will not be considered holders of the Series 2025 Bonds and have no rights as holders under the Trust Agreements. (See THE SERIES 2025 BONDS – Registration, Payment and Transfer and APPENDIX C – BOOK-ENTRY SYSTEM; DTC)

Security

Each Trust Agreement provides for a pledge of the applicable Pledged Receipts by the State to the applicable Trustee, for the benefit of the holders of the applicable Obligations. Nothing in the Act, the Trust Agreements or other Bond Proceedings gives the holders of the Obligations, and they do not have, the right to have the General Assembly levy any excises or taxes for the payment of Bond Service Charges. (See **THE BONDS GENERALLY – Security**)

The Mental Health Bonds are secured by a pledge of Pledged Receipts under their applicable Trust Agreement. The Parks and Recreation Bonds are secured by a pledge of Pledged Receipts under their applicable Trust Agreement. The Adult Correctional Bonds are secured by a pledge of the Pledged Receipts under their applicable Trust Agreement. The Administrative Bonds are secured by a pledge of the Pledged Receipts under their applicable Trust Agreement. No series of the Series 2025 Bonds is secured by a pledge of Pledged Receipts that secures the any other series of the Series 2025 Bonds. Pledged Receipts consist mainly of the respective rental payments under the respective Leases to which the series of the Series 2025 Bonds relates.

Funds and Accounts

Each Trust Agreement establishes for the applicable series of the Series 2025 Bonds the following funds and accounts to be held in the custody of the Treasurer, separate and apart from and not a part of the State treasury, and used for specific purposes described below: the Bond Service Fund, which includes the Bond Service Account; and the Administrative Service Fund. Each Trust Agreement also establishes a Payment Account to be held by the applicable Trustee and used for the specific purposes described below. In addition, the General Assembly has created the adult correctional building fund, the parks and recreation improvement fund, the administrative building fund, and the mental health facilities improvement fund, and the General Assembly has delegated authority to the Director of Budget and Management to create analogous "taxable project funds" into which the proceeds of taxable Obligations may be deposited (collectively, the "Improvement Funds" and each an "Improvement Fund"), which are held by the Treasurer, which may include a separate account for each Project and each series of Obligations. The Improvement Funds are not pledged to the payment of Bond Service Charges on the respective Obligations. In addition, as described below, the Administrative Service Funds are not pledged to the payment of Bond Service Charges on the respective Obligations.

Bond Service Funds. The Act establishes the respective bond service funds, designated the "adult correctional facilities bond service trust fund," the "administrative facilities bond service trust fund," the "parks and recreation bond service trust fund," and the "mental health bond service trust fund," each in the custody of the Treasurer, separate and apart from and not a part of the State treasury, and provides that all moneys received by or on account of the Treasurer or the OPFC and required by the applicable Bond Proceedings to be deposited, transferred, or credited to such Bond Service Fund, and all other moneys

transferred or allocated to or received for the purposes of that Bond Service Fund, shall be deposited with the Treasurer and credited to that Bond Service Fund, subject to the applicable Bond Proceedings, without necessity for any act of appropriation. Each Bond Service Fund is a trust fund pledged to the payment of Bond Service Charges on applicable Obligations to the extent provided in the applicable Bond Proceedings and payment of Bond Service Charges from such Bond Service Fund shall be made or provided for by the Treasurer in accordance with the Bond Proceedings without necessity for any act of appropriation. Pursuant to the Act, it is required that all money received by or on account of the OPFC from a lessee under the respective Leases will be deposited, transferred or credited to that particular Bond Service Fund, except for Additional Rent which will be deposited, transferred or credited to the applicable Administrative Service Fund. The Treasurer may create accounts within a Bond Service Fund including a Bond Service Account referred to below and one or more payment accounts for the applicable Obligations.

Bond Service Accounts. Each Bond Service Account has been established in the respective Bond Service Funds. There will be deposited in the applicable Bond Service Account: (i) unless otherwise provided in the applicable Series Order, from the proceeds of the sale of Obligations any amounts representing accrued interest and capitalized interest; (ii) all moneys received by the Treasurer under the applicable Lease, excepting the portion of those moneys to be credited to the applicable Administrative Service Fund; and (iii) any grants, gifts, donations, pledges, and the receipts from such grants, gifts, donations and pledges, received by the Treasurer for the purposes of that Bond Service Account or any Required Reserve (there is no Required Reserve for the Series 2025 Bonds) any moneys to be transferred from the applicable Improvement Fund to the applicable Bond Service Account or any Required Reserve or any Special Fund, except the applicable Administrative Service Fund, and any other moneys transferred or allocated to or received for the purposes of that Bond Service Account or any Required Reserve. Each Bond Service Account is pledged to and shall be used except as excess amounts may be transferred pursuant to the applicable General Bond Order, solely for the payment of Bond Service Charges on the applicable Obligations as they fall or become due and payable.

Administrative Service Funds. Each Administrative Service Fund will be used to pay (i) regular and special fees and reimbursement of reasonable expenses of the applicable Trustee, Paying Agents, Authenticating Agents, Bond Registrar, depositories, financial advisors, consultants, attorneys, accountants and others providing services with respect to the authorization, sale, issuance, delivery and servicing of the applicable Obligations, including audits, certifications, and reports provided for in the applicable General Bond Order or any applicable Series Order and (ii) the financing charges, costs of Credit Enhancement Facilities, costs of printing, engraving, advertising, and other expenses in connection with such authorization, sale, issuance, delivery and servicing of the applicable Obligations. Amounts necessary to pay any rebate amount computed in accordance with the requirements of Section 148(f) of the Internal Revenue Code and the related regulations, may also be paid by the Treasurer from the applicable Administrative Service Fund. None of the Administrative Service Funds are pledged to the payment of Bond Service Charges on the respective Obligations.

Payment Accounts. Payment Accounts are established in the custody of the respective Trustees. Moneys for the payment of Bond Service Charges on the applicable series of the Series 2025 Bonds transferred by the Treasurer to the applicable Trustee pursuant to the General Bond Orders shall be deposited in the applicable Payment Accounts. The applicable Trustee shall make all payment of Bond Service Charges on the applicable series of the Series 2025 Bonds with moneys on deposit or credited to those applicable Payment Accounts.

Bond Redemption Accounts. If provided by a Series Order of the Treasurer, one or more Bond Redemption Accounts may be established with the respective Trustees or may be held by the Treasurer. A portion of the proceeds of refunding Obligations may be credited to a Bond Redemption Account that, as provided in the Series Order authorizing their issuance, and allocated to the payment of the principal, any redemption premium, or purchase price of and interest on the Obligations to be refunded, by redemption or purchase for cancellation or otherwise, through the issuance of those refunding Obligations; any amounts to be transferred by order of the Treasurer from the Bond Service Account to that Bond Redemption Account; and any other amounts made available for the purposes of that Bond Redemption Account. Amounts for the payment of Bond Service Charges pursuant to Mandatory Sinking Fund Requirements are not to be deposited to the credit of a Bond Redemption Account, but are to be deposited to the credit of the Bond Service Account unless otherwise provided in the applicable Series Order.

Any amounts in a Bond Redemption Account may be committed, by Series Order or other order of the Treasurer, for the retirement of and Bond Service Charges on only specified Obligations and, so long as so committed, shall be used solely for that purpose whether directly or through transfer to the Bond Service Account. Unless otherwise provided by Series Order, the Treasurer may by order cause moneys in a Bond Redemption Account to be used to purchase any Obligations for cancellation, and to redeem Obligations in accordance with their applicable redemption provisions. From moneys in a Bond Redemption Account the Treasurer or Trustee will transmit or otherwise disburse such amounts at such times as are required for the

redemption or purchase for cancellation of and Bond Service Charges on Obligations, in accordance with the applicable Series Order of the Treasurer.

Other Special Funds and Accounts. If and to the extent required by any loan or grant agreement or other agreement with the United States of America or the State or any other governmental or public agency providing for any financial assistance, guarantee or insurance in connection with the financing of any Project or in connection with the issuance of Obligations, or by any Credit Enhancement Facility, the Treasurer may, pursuant to the applicable Series Order, create Special Funds and Accounts or sub-accounts in a Bond Service Fund and in a Bond Service Account or other accounts, relating to that Project or its financing or the particular Obligations, and make special provisions, among others, that moneys received under that agreement or instrument be restricted to such Special Funds and Accounts or sub-accounts, and for the holding, investing and disposition of any moneys in Special Funds and Accounts or sub-accounts in accordance with that agreement or instrument and for the primary or exclusive benefit of the applicable Obligations, but all only as and to the extent required by that agreement or instrument. If any Special Funds or Accounts or sub-accounts are so restricted, then the amounts in those Special Funds or Accounts or sub-accounts, to the extent so restricted, shall not be considered to be available for Bond Service Charges on other Obligations in determining the sufficiency of or deposits to the applicable Bond Service Account under the provisions of the applicable General Bond Order with respect to those other Obligations.

Investment of Certain Funds

Moneys in the Improvement Funds will be invested in accordance with State law. Moneys held in the Bond Service Accounts may be invested and reinvested by the Treasurer in any Eligible Investments as provided in the Trust Agreements, provided that investments of moneys in the Bond Service Accounts shall mature or be redeemable at the option of the holder at the times and in the amounts necessary to provide moneys to meet the payment of applicable Bond Service Charges as they fall due. The Treasurer may from time to time sell such investments and reinvest the proceeds in similarly rated Eligible Investments maturing or redeemable as provided above. Any Eligible Investments may be purchased from the applicable Trustee or its affiliates. Subject to the provisions of the applicable Bond Proceedings, an investment made from moneys credited to the Bond Service Accounts shall constitute part of that Bond Service Account, and that Bond Service Account shall be credited with all proceeds of sale and income from that investment. Those investments shall be valued at the lesser of face amount or market value. Moneys held in an Administrative Service Fund, until required for payments to be made from that Administrative Service Fund, may also be invested in Eligible Investments upon or pursuant to order of the Treasurer.

Additional Bonds

One or more series of Additional Bonds may be issued under each Trust Agreement to pay Costs of Capital Facilities for the purposes described therein and in the Act, and to refund, advance refund, fund or retire Obligations or Prior Bonds. Such Additional Bonds shall be authorized by Series Orders as provided in the General Bond Orders.

The issuance of Additional Bonds under a Trust Agreement is also subject to the following conditions, among others: (i) the State is not in default, and the authentication and delivery of the Additional Bonds will not result in any default, of any of the State's covenants or obligations under the Trust Agreement; (ii) the aggregate outstanding principal amount of those Additional Bonds and any other Obligations outstanding and issued under the Act, will not exceed in aggregate the amount of those particular Obligations that may be issued or outstanding under the Act; (iii) upon such issuance and delivery, the amount in or of any Required Reserve for any Additional Bonds is not less than that Required Reserve; (iv) other requirements provided in the Trust Agreement for the issuance of Additional Bonds have been met; and (v) the Trustee has received (a) a copy, certified by the Treasurer of the Series Order authorizing the issuance and delivery of those Additional Bonds, adopted in conformity with the General Bond Order; (b) an original executed counterpart of the Supplemental Trust Agreement entered into in connection with the issuance of those Additional Bonds; (c) an original executed counterpart of the Supplemental Lease entered into in connection with the issuance of those Additional Bonds; (d) a request and authorization to the Trustee on behalf of the Treasurer, signed by its Authorized Officer, to authenticate and deliver the Additional Bonds to or on the order of the Original Purchaser identified, and upon payment of an amount specified, in that request and authorization; (e) a certificate of an Authorized Officer confirming that conditions (i) through (iv) above are satisfied; (f) the written opinion of legal counsel retained by the Treasurer, or other legal counsel satisfactory to the Trustee, to the effect that documents submitted to the Trustee in connection with that request and authorization comply with the requirements of the Trust Agreement, and that all legal conditions precedent to the issuance of those Additional Bonds as provided in the Trust Agreement have been complied with and a written opinion of bond counsel for or designated by the Treasurer, who may also be the legal counsel referred to above, that those Additional Bonds, when duly executed, authenticated and delivered, will be valid and legal special obligations of the State, by the Treasurer, in accordance with their terms and those Additional Bonds, together with all Obligations then outstanding under the Trust Agreement, will be secured by the Trust Agreement; (g) a certificate of an authorized officer of the

State confirming that amounts sufficient to support all rentals estimated to be due under the Lease for the current fiscal biennium have been appropriated to the lessee for the payment of such rentals and that, to the extent that budget requests have been made for the next succeeding fiscal biennium, amounts sufficient to support all rentals estimated to be due under the Lease for such biennium have been requested; and (h) any items required by the applicable Supplemental Trust Agreement to be filed with the Trustee before such Additional Bonds are initially authenticated and delivered.

Further Covenants

Certain other covenants of the Treasurer (with respect to the applicable Obligations) contained in each Trust Agreement are as follows:

Payment. The Treasurer covenants in each Trust Agreement to, from the sources provided in the applicable General Bond Order, pay or cause to be paid the Bond Service Charges on each and all Obligations on the dates, at the places and in the manner provided in the applicable General Bond Order, Bond Proceedings, and Obligations, according to their true intent and meaning.

Maintenance of Pledge. The Treasurer covenants in each Trust Agreement not to make any pledge or assignment of or create or suffer any lien or encumbrance upon the applicable Pledged Receipts prior to or on a parity with the pledge of the Pledged Receipts under, except as and if authorized or permitted under, the applicable General Bond Order and that Trust Agreement.

Observance of Covenants. The Treasurer covenants in each Trust Agreement to faithfully observe and perform all agreements, covenants, undertakings, stipulations, and provisions contained in the respective General Bond Order, the respective Trust Agreement, any other applicable Series Order, and any and every outstanding Obligation executed, authenticated and delivered under that Trust Agreement.

Duties Binding on All with Authority; Enforcement by Mandamus. The Treasurer has acknowledged that each provision of the applicable Bond Proceedings is binding upon the officer, board, authority, agency, department, or other person or body as may from time to time have the authority under law to take the actions as may be necessary to perform all or any part of the duty required by the provision. The Treasurer also acknowledged that each duty of the Treasurer and the Treasurer's officers and employees is established as a duty of the Treasurer, and of each officer and employee having authority to perform that duty, specifically enjoined by law resulting from an office, trust or station within the meaning of Section 2731.01 of the Revised Code, providing for enforcement by writ of mandamus.

Annual Reports. The Treasurer will, within 90 days after the end of each Fiscal Year, submit to the applicable Trustee, the Governor and to the General Assembly by delivery to the presiding officers of each house of the General Assembly, an annual report by the Treasurer in the form required by Section 154.05 of the Revised Code.

Events of Default and Remedies

Events of Default. The occurrence of any of the following events is declared to be and to constitute an Event of Default under a Trust Agreement:

- Failure to pay any interest on any applicable Obligation, when and as the same shall have become due and payable;
- Failure to pay the principal of or any redemption premium on any applicable Obligation, when and as the same shall have become due and payable, whether at maturity or by acceleration or call for redemption; or
- Failure to perform or observe duly or punctually any other covenant, condition or agreement contained in the applicable Obligations or that Trust Agreement and to be performed by the State, which failure shall have continued for a period of 60 days after written notice of it to the Treasurer given by the applicable Trustee or the holders of not less than 25% in aggregate outstanding principal amount of affected Obligations.

Obligations issued under a Trust Agreement are not cross-defaulted with Obligations issued under a different Trust Agreement. Holders of Obligations have only those rights and remedies applicable to them under their applicable Trust Agreement. The applicable Trustee shall not be required to take notice, and shall not be deemed to have notice or knowledge, of any Event of Default described in the third bullet above, unless the applicable Trustee is notified specifically of the Event of

Default in a written instrument delivered to it by the Treasurer or by the holders of at least 10% of the aggregate outstanding principal amount of Obligations under the applicable Trust Agreement. In the absence of delivery of a notice satisfying those requirements, the applicable Trustee may assume conclusively that there is no Event of Default as described in the third bullet above.

If an Event of Default occurs, the applicable Trustee shall give written notice to the Treasurer within five business days after having knowledge of that Event of Default, and to the Original Purchasers of each series of Obligations then outstanding under that Trust Agreement, to the Bondholders of those applicable Obligations, and to any other applicable Paying Agents and Authenticating Agents within 90 days after having such knowledge, unless the Event of Default has been remedied or cured before the giving of that notice or, in the case of an Event of Default under the third bullet above, the applicable Trustee in good faith determines that the withholding of that notice is in the interests of the Bondholders.

Remedies. Remedies are only available to Bondholders who are holders of Obligations under a Trust Agreement for which there has been a default. Obligations issued under a Trust Agreement are not cross-defaulted with Obligations issued under a different Trust Agreement. Remedies are limited to those applicable Pledged Receipts securing the applicable Obligations and not to Pledged Receipts that secure other Obligations issued under a different Trust Agreement. If an Event of Default as described in the first and second bullets above has occurred and is continuing the applicable Trustee shall, and if an Event of Default as described in the third bullet above has occurred and is continuing the applicable Trustee may, and upon the written request of the holders of not less than 25% in aggregate outstanding principal amount of the applicable Obligations shall, proceed in its own name to protect and enforce its rights and the rights of the Bondholders under that Trust Agreement by such of the following remedies as the applicable Trustee, being advised by counsel, shall deem most effective to protect and enforce those rights:

- (i) By mandamus or other suit, action or proceeding at law or in equity enforce all the rights of the Bondholders, including the compelling of the performance of all duties of the Treasurer or applicable governmental agencies under the Bond Proceedings and the enforcement of the payment of those Bond Service Charges;
- (ii) Bring suit upon the applicable Obligations;
- (iii) Enjoin unlawful activities or activities in violation of the rights of the Bondholders under that Trust Agreement;
- (iv) In the case of an Event of Default that is a payment default (described in the first and second bullets above), apply to a court having jurisdiction of the cause to appoint a receiver (which may be the applicable Trustee) to receive and administer the applicable Pledged Receipts, other than those in the custody of the Treasurer, with full power to pay and to provide for payment of Bond Service Charges, and with such powers, subject to the discretion of the court, as are accorded receivers in general equity cases, excluding any power (i) to pledge additional revenues or receipts or other income or moneys of the Treasurer or the State or State agencies to the payment of those Bond Service Charges, and (ii) to take possession, mortgage or cause the sale or otherwise dispose of any Capital Facilities; and
- (v) In the case of an Event of Default that is a payment default (described in the first and second bullet above), by notice in writing to the Treasurer declare the principal of all applicable Obligations then outstanding (if not then due and payable) and any interest accrued on those Obligations to be due and payable immediately, and upon that declaration that principal and interest, shall become and be immediately due and payable.

The provisions of the above subparagraph (v) are subject, however, to the condition that if at any time after principal and interest have been so declared due and payable and prior to the entry of judgment in a court of law or equity for enforcement or the appointment of a receiver under the applicable Trust Agreement all sums payable under the applicable Trust Agreement, except the principal of the applicable Obligations which have not reached their stated maturity dates and which are due and payable solely by reason of such declaration, plus interest (to the extent permitted by law) on any overdue installments of interest at the rate borne by the Obligations in respect of which such Event of Default shall have occurred, shall have been duly paid or provided for by deposit with the applicable Trustee or Paying Agents and all existing defaults thereunder shall have been made good, then and in every such case that payment or provision for payment shall, in and of itself, constitute a waiver of that applicable Event of Default and its consequences and an automatic rescission and annulment of the declaration under the above subparagraph (v). No such waiver, rescission and annulment shall extend to or affect any or impair any rights consequent on a subsequent or other Event of Default.

Enforcement of Rights Under Agreement. Upon the occurrence and continuance of any Event of Default the applicable Trustee may proceed, and upon the written request of the holders of not less than 25% in aggregate outstanding principal amount of the applicable Obligations shall proceed, to protect and enforce its rights and the rights of the Bondholders under that Trust Agreement by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant or agreement contained in that Trust Agreement or in the aid or execution of any power granted in that Trust Agreement or for the enforcement of any proper legal or equitable remedy, as the applicable Trustee, being advised by counsel, shall deem most effective to protect and enforce those rights.

In the enforcement of any remedy under the applicable Trust Agreement, that Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming due and at any time remaining unpaid on account of principal, interest or otherwise under any of the provisions of the applicable Trust Agreement or of the applicable Obligations, with interest on overdue payments at the rate or rates of interest specified or provided for in those Obligations or the applicable Series Order, together with any and all costs and expenses of collection and of all proceedings under that Trust Agreement and under those Obligations, without prejudice to any other right or remedy of the applicable Trustee or of the applicable Bondholders, and to recover and enforce any judgment or decree against the State or the Treasurer, but solely as provided in that Trust Agreement and in those Obligations, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (but solely from the applicable Pledged Receipts and the Special Funds and Accounts from which those Obligations are payable) in any manner provided by law, the moneys adjudged or decreed to be payable.

The holders of not less than a majority in aggregate outstanding principal amount of the applicable Obligations shall have the right at any time by an instrument or concurrent instruments in writing executed and delivered to the applicable Trustee, to direct the method and place of conducting any and all remedial proceedings under the applicable Trust Agreement. However, (i) that direction shall not be otherwise than in accordance with the provisions of law or of that Trust Agreement, (ii) the applicable Trustee shall be indemnified as provided in that Trust Agreement, and (iii) the applicable Trustee shall have the right to decline to follow any such direction which in its opinion would be unjustly prejudicial to applicable Bondholders not parties to that direction.

No remedy by the terms of a Trust Agreement conferred upon or reserved to the applicable Trustee (or to the holders of the Obligations) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and in addition to any other remedy given to the applicable Trustee or to the holders of the Obligations under that Trust Agreement or now or existing in the future.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of or acquiescence in that default or Event of Default. Every such right and power may be exercised from time to time and as often as may be deemed expedient.

On the occurrence of an Event of Default, neither the Treasurer nor the State nor any governmental agency, nor anyone claiming through or under any of them, shall set up, claim, or seek to take advantage of any laws now in force or in force in the future, in order to prevent or hinder the enforcement of a Trust Agreement, but the Treasurer, for the Treasurer and all who claim through or under the Treasurer, and for the State and for any governmental agency, waives, under that Trust Agreement, to the extent it may lawfully do so, the benefit of all such laws to which they or the State or such governmental agency may be entitled.

Waiver of Events of Default

At any time the applicable Trustee may in its discretion waive any Event of Default under a Trust Agreement and its consequences, and rescind any declaration of accelerated maturity of principal and interest, and shall do so upon the written request of the holders of (i) at least a majority in aggregate outstanding principal amount of all the applicable Obligations in respect of which an Event of Default in the payment of Bond Service Charges has occurred, or (ii) at least 25% in aggregate outstanding principal amount of all applicable Obligations in case of any other Event of Default. However, there may not be so waived any Event of Default that is a payment default (described in the first and second bullets under **Summary of the Trust Agreements – Events of Default and Remedies – Events of Default** above), or any such declaration in connection with such an Event of Default rescinded, unless at the time of that waiver or rescission payments of the amounts as provided under **Summary of the Trust Agreements – Events of Default and Remedies – Remedies** above for waiver and automatic rescission in connection with that acceleration have been made or provided for. In case of any such waiver or rescission, the Treasurer, the applicable Trustee and the applicable Bondholders shall be restored to their respective positions and rights under the applicable Trust Agreement. No such waiver or rescission shall extend to or impair any rights consequent on any subsequent or other Event of Default.

Supplemental Trust Agreements

The State and the applicable Trustee, without the consent of or notice to any of the applicable Bondholders, may enter into agreements supplemental to the applicable Trust Agreement as shall not, in the opinion of the Treasurer and the applicable Trustee, be inconsistent with the terms and provisions of that Trust Agreement for any one or more of the following purposes:

- (i) to cure any ambiguity, inconsistency or formal defect or omission in that Trust Agreement;
- (ii) to grant to or confer upon the applicable Trustee for the benefit of those Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon those Bondholders or the applicable Trustee;
- (iii) to subject additional revenues or receipts to the lien and pledge of that Trust Agreement;
- (iv) to add to the State's covenants and agreements contained in that Trust Agreement other covenants and agreements to be observed after such addition for the protection of all or particular Bondholders, or to surrender or limit any right, power or authority reserved to or conferred upon the State in that Trust Agreement, including the limitation of rights of redemption so that in certain instances Obligations of different series will be redeemed in some prescribed relation to one another;
- (v) to evidence any succession to the Treasurer and the assumption by that successor of the Treasurer's covenants and agreements contained in that Trust Agreement and the Obligations;
- (vi) in connection with the issuance of Obligations in accordance with that Trust Agreement, including any and all appropriate provisions relating to the issuance of Additional Bonds in form other than Registered Obligations;
- (vii) to permit compliance with changes in federal or state securities or tax laws or regulations;
- (viii) to permit the applicable Trustee to comply with any obligations imposed upon it by law;
- (ix) to specify further the duties and responsibilities at and to define further the relationship among, the applicable Trustee and any other Authenticating Agent, Bond Registrar or Paying Agent;
- (x) the transfer of Obligations from one Securities Depository to another, and the succession of Securities Depositories, and the withdrawal of Obligations issued to a Securities Depository for holding in a book-entry system and the issuance of replacement Registered Obligations to others than a Securities Depository;
- (xi) to limit the Eligible Investments of moneys in the applicable Bond Service Account as listed in that Trust Agreement, or to add to that list other Eligible Investments. If there be such a Rating Service at the time, the addition of Eligible Investments must be approved for the purpose by each Rating Service that has at the Treasurer's request assigned a rating to, and at the time maintains a rating on, the applicable outstanding Obligations; and
- (xii) in connection with any other amendment to that Trust Agreement which, in the judgment of the applicable Trustee is not to the prejudice of the applicable Trustee or the holders of outstanding Obligations which that amendment may affect.

The provisions of clauses (vii) and (viii) of the preceding paragraph shall not be deemed to constitute a waiver by the applicable Trustee, the Treasurer or any holder of any right which it may have in the absence of those clauses (vii) and (viii) to contest the application of any change in law to that Trust Agreement or those Obligations.

In addition, subject to the terms, provisions and limitations that follow, and not otherwise, the holders of not less than a majority in aggregate of the applicable outstanding principal amount of the Obligations shall have the right, from time to time, anything contained in that Trust Agreement to the contrary notwithstanding, to consent to and approve the execution by the Treasurer and the applicable Trustee of such other agreement or agreements supplemental to the applicable Trust Agreement as may be deemed necessary and desirable by the Treasurer for the purpose of modifying, altering, adding to or rescinding, in any

particular, any of the terms or provisions contained in that Trust Agreement. However, nothing in a Trust Agreement shall permit or be construed as permitting:

- (i) an extension of the maturity of the principal of or the interest on any Obligation, or a reduction in the principal amount of or the rate of interest or redemption premium on any Obligation, or a reduction in the amount or extension of the time of any payment required by any Mandatory Sinking Fund Requirements, without the consent of the holder of each Obligation so affected; or
- (ii) a reduction in the aggregate outstanding principal amount of the Obligations required for consent to such Supplemental Trust Agreement without the consent of the applicable holders of all of the Obligations then outstanding.

Where the consent of the applicable holders of the Obligations is required, procedures are established in each Trust Agreement for notice to those holders and for the execution and filing of the requisite consents. Any consent shall be binding upon the holder of the Obligation giving that consent and upon any subsequent holder of that Obligation and of any Obligation issued in exchange for it, whether or not that subsequent holder has notice of the consent. However, the consent may be revoked by the holder of the Obligation who gave the consent if still the holder, or by a subsequent holder of that Obligation, by filing a written revocation with the applicable Trustee prior to the date of execution by that Trustee of the applicable Supplemental Trust Agreement. If the applicable holders of the required percentage in aggregate outstanding principal amount of the Obligations have consented to and approved the execution of the Supplemental Trust Agreement as provided in that Trust Agreement, no holder of any Obligation shall have any right to object to the execution of that Supplemental Trust Agreement, or to object to any of the terms and provisions contained in or the operation of that Supplemental Trust Agreement, or in any manner to question the propriety of the execution of that Supplemental Trust Agreement or to enjoin or restrain the applicable Trustee or the Treasurer from executing it or from taking any action pursuant to its provisions.

Defeasance

If the State, by the Treasurer, shall pay or cause to be paid, or there shall otherwise be paid, to the holders of the outstanding Obligations all Bond Service Charges due or to become due thereon, and provision shall also be made for paying all other sums payable under the applicable Trust Agreement by the Treasurer, then and in that event that Trust Agreement shall cease, determine and become null and void, and the covenants, agreements and other obligations of the Treasurer under that Trust Agreement shall be discharged and satisfied. Bond Service Charges due or to become due on the applicable outstanding Obligations shall be deemed to have been so paid or caused to be paid if:

- (i) the applicable Trustee and Paying Agents shall hold, in trust for and irrevocably committed to the payment of Bond Service Charges, sufficient moneys; or
- (ii) the applicable Trustee shall hold, in trust for and irrevocably committed to the payment of Bond Service Charges, non-callable Federal Securities certified by a firm of independent certified public accountants of national reputation to be of such maturities and interest payment dates and to bear such interest or other investment income as will be, without further investment or reinvestment of either the principal amount of or the interest earnings from them, sufficient, together with any moneys referred to in (i) above, for the payment, when due, of all applicable Bond Service Charges to the date or respective dates of maturity or redemption, as the case may be; provided, that if any Obligations are to be redeemed prior to their maturity, notice of that redemption shall have been duly given or irrevocable provision reasonably satisfactory to the applicable Trustee shall have been duly made for the giving of that notice.

Non-Presentation of Bonds

If an Obligation is not presented for payment when due in whole or in part, whether at maturity, prior redemption or otherwise, or a check or draft for interest is uncashed, and if moneys for the purpose of paying and sufficient to pay the amount involved have been made available to the applicable Trustee for the benefit of the Bondholder, all liability of the State or the Treasurer to that holder for that payment shall then cease and be discharged completely, and it shall then be the duty of the Paying Agents to hold those moneys in trust, without liability for interest on them, for the exclusive benefit of that holder. Subject to the provisions of the applicable Trust Agreement, that Bondholder (and successive holders of that Obligation) shall, from that time, be restricted exclusively to those moneys for any claim of whatever nature on such holder's part under that Trust Agreement or on or with respect to that amount then due on that Obligation or that check or draft.

Any moneys so held by the applicable Trustee or Paying Agents and remaining unclaimed by the holder (or successive holders) of that Obligation, for a period of three years after the date on which that Obligation became payable as provided above or on which that check or draft was issued, shall be paid to the Treasurer and, from that time, the holder (or successive holders) of that Obligation shall look only to the Treasurer for payment and then only to the amounts so received by the Treasurer without any interest on those amounts, and the Paying Agents and the applicable Trustee shall have no further responsibility with respect to those moneys.

Payments Due on Saturdays, Sundays and Holidays

If any Interest Payment Date or Principal Payment Date (the date of maturity of the principal of any Obligations, or date fixed for redemption of any Obligations) (each referred to below as "the applicable date") is a Saturday or Sunday, or a day on which:

- (i) the applicable Trustee is required, or authorized or not prohibited, by law (including without limitation, executive orders) to close and is closed, then payment of interest, principal, and any redemption premium (each referred to as the "payment") need not be made by the applicable Trustee or any Paying Agent on that date, and that payment shall be made on the next succeeding business day on which the applicable Trustee and the Paying Agent are open for business with the same force and effect as if that payment were made on the applicable date, and no interest shall accrue for the period after that applicable date; or
- (ii) a Paying Agent is required, or authorized or not prohibited, by law (including without limitation, executive orders) to close and is closed, then the payment need not be made by that Paying Agent on that date, and the payment shall be made on the next succeeding business day on which that Paying Agent is open for business with the same force and effect as if the payment were made on the applicable date, and no interest shall accrue for the period after that applicable date.

If, however, the applicable Trustee is open for business on the applicable date it shall make any payment with respect to interest on outstanding Obligations and principal of and premium on Obligations presented to it for payment, regardless of whether any other Paying Agent is open for business or closed on that date.

Trustees

The Trustee under the Adult Correctional Trust Agreement is The Bank of New York Mellon Trust Company, N.A. The Trustee under the Mental Health Trust Agreement, the Parks and Recreation Trust Agreement, and the Administrative Trust Agreement is U.S. Bank Trust Company, National Association. Each is a national banking association organized and existing under and by virtue of the laws of the United States of America and authorized to exercise corporate trust powers in the State. Each Trustee accepts the trusts imposed upon it by the applicable Trust Agreement, but only upon the terms and conditions set forth in each Trust Agreement. Each Trustee, prior to the occurrence of an Event of Default under any applicable Trust Agreement and after the curing of all Events of Default under any applicable Trust Agreement which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the applicable Trust Agreement, and no implied covenants or obligations should be read into a Trust Agreement against the applicable Trustee. If any Event of Default under the applicable Trust Agreement shall have occurred and be continuing, the applicable Trustee shall exercise such of the rights and powers vested in it by that Trust Agreement and shall use the same degree of care as a prudent person would exercise or use in the circumstances in the conduct of such prudent person's own affairs. Before taking action under the provisions of that Trust Agreement related to intervention by the applicable Trustee and default (with the exception of any action required to be taken under that Trust Agreement related to giving notice of an Event of Default), the applicable Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement to it of all reasonable expenses to which it may be put and to protect it against all liability by reason of any action so taken, except liability which is adjudicated to have resulted from its negligence, bad faith or willful misconduct by reason of any action so taken. The permissive right of the applicable Trustee to do things enumerated in that Trust Agreement shall not be construed as a duty and the applicable Trustee shall not be answerable for other than its negligence, bad faith or willful misconduct.

Summary of the Leases

General

Pursuant to the Act, the OPFC may lease Capital Facilities, including a separate lease of the Capital Facilities to each lessee. Accordingly, the OPFC has entered into separate Leases with each of the Mental Health Departments, the DNR, the

DRC, and the DAS, each a lessee under its respective Lease. The following, in addition to information contained above under **THE LEASES**, summarizes certain provisions of the Leases, to which reference to the complete documents is made for their detailed provisions.

Term of Each Lease

The Initial Term of each Lease has been renewed to expire at twelve o'clock midnight the last day of the State's fiscal biennium, currently June 30, 2027. The applicable lessee shall have the right to further renew the term of its Lease for successive Renewal Terms until the Treasurer shall have paid and retired, or shall have made due and adequate provision for the payment and retirement of, all applicable Obligations issued by the Treasurer. Subject to any change in the method of determining the State's fiscal biennium, or the length of the last Renewal Term, each Renewal Term shall be for the two year period commencing on the day succeeding the expiration of the preceding term and ending on the last day of any fiscal biennium, currently June 30 of every odd-numbered year, upon the same terms as are contained in each respective Lease, unless sooner terminated in accordance with the provisions of that Lease and the applicable Trust Agreement. The applicable lessee shall be deemed to have exercised its right to renew the term of its Lease and its Lease shall be renewed, upon the effectiveness, at or prior to the expiration of the Initial Term or the Renewal Term then in effect, of legislation enacted by the General Assembly appropriating sufficient funds to the applicable lessee for the purpose of paying the rentals required by each Lease during the next succeeding Renewal Term.

Rental Payments and Pledges

Each Lease requires the applicable lessee to pay Basic Rent directly to the Treasurer in amounts at least adequate to meet the Bond Service Charges on the applicable Obligations and establish and maintain any Required Reserve (there is no Required Reserve for any of the Series 2025 Bonds). Each Lease also requires the applicable lessee to pay Additional Rent directly to the Treasurer in amounts at least adequate to provide for the purposes of the applicable Administrative Service Fund established under the applicable Trust Agreement. The Act requires that all money received by or on account of the OPFC from the applicable lessee under each Lease be deposited, transferred or credited to the applicable Bond Service Fund, except for Additional Rent which shall be deposited, transferred or credited to the applicable Administrative Service Fund. See **Summary of the Trust Agreements – Funds and Accounts** above. The applicable Lease rental payments, other than those deposited in the applicable Administrative Service Fund, are pledged by the Treasurer pursuant to the applicable Trust Agreement for the payment of Bond Service Charges on the applicable Obligations under the applicable Lease, and the OPFC has assigned those rentals to the Treasurer for the purpose.

The applicable lessee may, at its option, make from time to time prepayments of Basic Rent under its Lease to be used, to the extent allowable pursuant to the applicable Trust Agreement, together with any additional deposit of money of the applicable lessee, for the purchase or redemption of applicable Obligations. It is specifically acknowledged that Additional Rent to be paid for the purpose of the applicable Administrative Service Fund in connection with the Series 2025 Bonds may include any sums necessary to pay any rebate amount or related payment on the Series 2025 Bonds which are not paid from other sources.

Except as described below under **Summary of the Leases – Legislative Appropriations**, the obligation of the applicable lessee to pay Basic Rent and Additional Rent under its Lease shall be absolute and unconditional, and such Basic Rent and Additional Rent shall be payable without any rights of termination, set-off, recoupment, deduction, defense or counterclaim it might have against the OPFC, the Treasurer, the applicable Trustee, or any other Person, and without abatement, suspension, deferment, diminution or reduction for any reason or as the result of any occurrence whatsoever, including without limitation, whether the applicable Projects are ever constructed, installed or made ready for occupancy or are ever used or occupied by the applicable lessee or available for use or occupancy by the applicable lessee, any acts or circumstances that may constitute an eviction or constructive eviction, failure of consideration, failure of title or frustration of purpose, any damage to or destruction of a Project, the taking by condemnation, eminent domain or operation of law of title to or the right of temporary use of all or any part of a Project, or the disposal of all or any part of a Project.

Project Substitutions and Alterations; Other Rights and Duties

In addition to other rights and privileges under each Lease, the applicable lessee shall have the privilege from time to time of substituting furnishings, equipment and related property in connection with the applicable Projects, provided that such substitution shall not impair the character of the Projects as Capital Facilities useful to the applicable lessee. Any such substituted property shall become part of the Projects for purposes of each Lease, and the replaced property shall become the property of the applicable lessee. The applicable lessee shall also have the privilege of removing any portion of the Projects without

substitution for such removed portion; provided, however, that the removal of such portion will not impair the usefulness of the Projects to the applicable lessee.

The applicable lessee shall, subject to applicable laws, have the right at any time and from time to time, without liability to the OPFC, to make or cause to be made such changes, alterations and additions, structural or otherwise, to any portion of the Projects, as the applicable lessee shall deem necessary or desirable in connection with its use of the Projects. All alterations, additions and improvements to the Projects shall become a part of the Projects. The applicable lessee has other rights and duties under each Lease including the right to grant licenses and leases on the Projects with certain restrictions and such other rights it may have under applicable laws. Likewise, the applicable lessee shall have the duties to keep the Projects in good repair and order, comply with applicable law, and keep the Projects free of liens.

Insurance

The OPFC is not to, and shall not be required to, expend any money or do any acts or take any steps affecting or with respect to the maintenance, preservation, operation, insurance, repair, restoration, reconstruction or protection of any Project or any part of any Project.

The applicable lessee shall maintain, or cause to be maintained, general liability insurance and property insurance, including if applicable builders' risk insurance, in an amount that, at a minimum, covers the full replacement cost of Projects funded, in whole or in part, by the State. Insurance proceeds are not Pledged Receipts.

Reserved Right of Amendment

Notwithstanding any other provision of each Lease, the OPFC and the applicable lessee reserve the right to modify or amend the applicable Lease, including any Supplemental Lease, in a duly authorized signed writing. However, no modification or amendment shall impair or reduce the minimum rental requirements of each Lease.

Legislative Appropriations

It is the understanding and agreement of the parties that the applicable lessee will pay rentals required by each Lease solely from moneys separately appropriated, respectively, for the Mental Health Lease, the Parks and Recreation Lease, the Adult Correctional Lease, and the Administrative Lease by the General Assembly for the purpose and not from funds received from any Project, and that the agreement of the applicable lessee to pay those rentals during any period for which appropriations may lawfully be made by the General Assembly is effective and binding upon the applicable lessee only when and to the extent that moneys have been appropriated for that purpose and for that period. Under the Ohio Constitution, an appropriation may not be made beyond the fiscal biennium. In addition, each Lease may be renewed only for two-year periods. Accordingly, the applicable lessee is obligated to make rental payments under its Lease only for two-year periods, to the extent moneys have been appropriated and are available.

Annually and on or before the first day of each Fiscal Year, the OPFC will submit, or cause to be submitted, to the applicable lessee a written report, prepared and signed by the Treasurer and confirmed by the Director of the State Office of Budget and Management on behalf of the OPFC, setting forth the rental to become due (subject to the lawful availability of appropriations for that rental) as of each rental payment date as established under Supplemental Leases during the ensuing three Fiscal Years. Prior to the issuance of any applicable Additional Bonds, and upon any determination of the OPFC that a different amount than last reported will be required, the OPFC shall submit, or cause to be submitted, to the applicable lessee a revised report, prepared, signed and confirmed as provided above, setting forth the updated required amount. Each revised report will from its date supersede the next previous report made. The applicable lessee agrees that it will include in its estimated budget and in its certificates and supplemental certificates, as provided in Section 126.02 of the Revised Code, the amounts, at the dates, and for credit to the Special Funds and Accounts, as shown in the reports by the OPFC provided pursuant to each Lease.

Under the terms of each Lease, a failure by the General Assembly to appropriate moneys at least equal to Basic Rent under the applicable Lease, amounts the Treasurer estimates are necessary for Additional Rent and other sums payable under that Lease for the next State fiscal biennium would result in the termination of that Lease at the end of the two-year term then in effect. A Lease will, however, be fully reinstated, as if it had never been terminated, provided the conditions set forth below under **Summary of the Leases – Reinstatement** are met.

The General Assembly may not make appropriations for a period longer than two years. While the Treasurer expects that, for each State fiscal biennium, the General Assembly will appropriate amounts to each applicable lessee

sufficient to make its rental payments to the Treasurer under each Lease consistent with the State budget, the General Assembly is not under a legal obligation to make appropriations in accordance with such State budgets for future State fiscal biennia. Accordingly, none of the Treasurer, the OPFC, Mental Health Departments, the DNR, the DRC, or the DAS can make any assurance that appropriations will be made. Failure to appropriate for a particular Lease will not terminate the other Leases. Section 2i of Article VIII of the Ohio Constitution and the Act provide that the Bondholders and book-entry interest owners of the Obligations will have no right to have excises or taxes levied by the General Assembly for the payment of Bond Service Charges on the Obligations.

Remedies

Under each Lease, the OPFC waives, relinquishes and releases any and all rights it may have of re-entry or to take or retake possession of any Project, and covenants and agrees not to exercise any such rights in the event of a failure to make payment of rentals, the occurrence of any other default by the applicable lessee under each Lease, or the termination of each Lease for any reason. **Consequently, the OPFC does not have the remedies generally available to lessors upon default under or termination of a lease and the OPFC and the Treasurer may have no practical remedy to ensure that moneys are available for the payment of Bond Service Charges on the Series 2025 Bonds.**

Termination

If the applicable lessee fails to exercise its right to renew the term of its Lease for any Renewal Term, that Lease will terminate at the end of the Renewal Term then in effect. The applicable lessee will be deemed to exercise its renewal right upon the effectiveness of legislation enacted by the General Assembly appropriating sufficient funds to the applicable lessee for the purposes of paying rentals under its Lease. In the event of such a termination of its Lease, the obligation of the applicable lessee to make rental payments to provide moneys to pay Bond Service Charges on those applicable Obligations would terminate. Each Lease also terminates upon payment in full of all Obligations outstanding under the applicable Trust Agreement and all obligations of the Treasurer to Financial Institutions providing Credit Enhancement Facilities in connection with the applicable Obligations. Under the Act and the applicable Trust Agreement, the applicable Trustee may not take possession of, or operate, or sell the Projects in the event of a failure to pay Basic Rent or Additional Rent under the applicable Lease or upon any termination of that Lease.

Reinstatement

Notwithstanding any termination of a Lease, if (a) all overdue installments, if any, of interest on outstanding Obligations, all principal of all Obligations then outstanding which have become due and payable otherwise than by acceleration, if any, in accordance with the terms of the applicable Trust Agreement, and all other sums (including, without limitation, all obligations of the Treasurer to Financial Institutions) then payable under or pursuant to that Trust Agreement (except the principal of and the interest on such Obligations which by such acceleration shall have become due and payable) shall have been paid, and such acceleration, if any, shall have been duly rescinded and annulled, and (b) the General Assembly shall have appropriated funds to enable the applicable lessee to pay or provide for the payment of the amounts to be paid under its Lease as set forth in the latest revised report delivered pursuant to the applicable Lease (which shall at least equal the amounts of Basic Rent payable) for the Initial Term or Renewal Term to be reinstated and the observation and performance of all covenants and agreements on the part of the applicable lessee to be observed or performed under its Lease, then that Lease shall be fully reinstated, as if it had never been terminated.

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APPENDIX C

BOOK-ENTRY SYSTEM; DTC

The information set forth in the following numbered paragraphs is based on information provided by The Depository Trust Company in its "Sample Offering Document Language Describing Book-Entry-Only Issuance" (September 2024). As such, each of the Treasurer and the State believes it to be reliable, but the Treasurer and the State take no responsibility for the accuracy or completeness of that information. It has been adapted to the Series 2025 Bond issue by substituting "Series 2025 Bonds" for "Securities," "Treasurer" for "Issuer" and "Trustee" for "registrar" and "Agent" and by the addition of the italicized language set forth in the text. See also the additional information following those numbered paragraphs.

1. The Depository Trust Company ("DTC") will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2025 Bond certificate will be issued for each (*maturity*) of the Series 2025 Bonds (*and interest rate within a maturity*), each in the aggregate principal amount of such (*maturity*), and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. (*This internet site is included for reference only, and the information in this internet site is not incorporated by reference in this Official Statement.*)

3. Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with

respect to the Series 2025 Bonds, such as redemptions, tenders, defaults and proposed amendments to the Series 2025 Bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to each of the Treasurer and the State as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividends payments (*debt charges*) on the Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Treasurer or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Treasurer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividends (*debt charges*) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Treasurer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. (*Not applicable to the Series 2025 Bonds*).

10. DTC may discontinue providing its services as depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the Treasurer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2025 Bond certificates are required to be printed (*or otherwise produced*) and delivered.

11. The Treasurer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2025 Bond certificates will be printed (*or otherwise produced*) and delivered to DTC. (*See also **Revision of Book-Entry System; Replacement Bonds.***)

The information (*above*) in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Treasurer believes to be reliable, but the Treasurer and the State take no responsibility for the accuracy thereof.

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EXHIBIT A

PROPOSED TEXT OF BOND COUNSEL LEGAL OPINIONS

\$89,590,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025A (Mental Health Facilities Improvement Fund Projects) (Tax-Exempt)

We have examined the transcript of proceedings relating to the issuance by the State Treasurer of Ohio (the "Treasurer"), on behalf of the State of Ohio (the "State"), of the \$89,590,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025A (Mental Health Facilities Improvement Fund Projects) (Tax-Exempt) (the "Series 2025 Bonds"), issued to provide moneys to pay costs of capital facilities to be leased to the Department of Behavioral Health and Department of Developmental Disabilities of the State (together, the "Mental Health Departments"). The transcript includes conformed or executed counterparts of the Trust Agreement dated as of May 1, 2012 (the "Trust Agreement") between the State, acting by and through the Treasurer, and U.S. Bank Trust Company, National Association as trustee (the "Trustee"), successor trustee to The Huntington National Bank, including in it the General Bond Order No. 8-12 of the Treasurer dated May 3, 2012 (the "General Bond Order"), the Series 2025A Supplemental Trust Agreement dated as of December 1, 2025 (the "Series 2025A Supplemental Trust Agreement") between the State, acting by and through the Treasurer, and the Trustee, including in it the Series Order of the Treasurer dated December __, 2025 (the "Series 2025A Order"), the Lease Agreement dated as of May 1, 2012 (the "Lease Agreement") between the Ohio Public Facilities Commission ("OPFC") and the Mental Health Departments, and the Series 2025A Supplemental Lease Agreement dated as of December 1, 2025 (the "Series 2025A Supplemental Lease Agreement") between OPFC and the Mental Health Departments. We have also examined a conformed copy of a signed and authenticated Series 2025 Bond of the first maturity.

The Series 2025 Bonds are issued under and pursuant to Section 2i of Article VIII of the Ohio Constitution, Chapter 154 of the Ohio Revised Code and other authorizations by the Ohio General Assembly (the "General Assembly"), the Trust Agreement and the Series 2025A Supplemental Trust Agreement.

Based on this examination and subject to the limitations stated below, we are of the opinion that, under existing law:

1. The Series 2025 Bonds are valid and legally binding special obligations of the State in accordance with their terms and provisions; the principal of and interest on the Series 2025 Bonds, together with the principal of and interest on other Obligations (as defined in the Trust Agreement) previously or hereafter issued and outstanding pursuant to the Trust Agreement (collectively with the Series 2025 Bonds, the "Bonds"), are payable from and secured by a pledge of the Bond Service Account in the Bond Service Fund (the "Bond Service Fund") established by and as provided in the Trust Agreement and Section 154.20 of the Ohio Revised Code and the payments received by such Bond Service Account under the Lease Agreement and supplemental agreements to it constitute "Pledged Receipts" as defined in and subject to the provisions of the Trust Agreement. The Series 2025 Bonds are not otherwise secured and the owners of the Series 2025 Bonds are given no right to have any excises or taxes levied by the Ohio General Assembly for the payment of principal or interest.
2. The Trust Agreement and the Series 2025A Supplemental Trust Agreement have been duly authorized, executed and delivered by the Treasurer and constitute legal, valid and binding obligations of the State enforceable in accordance with their terms.
3. The Lease Agreement and Series 2025A Supplemental Lease Agreement have been duly made and entered into by OPFC and the Mental Health Departments and are legal and valid contractual obligations of the parties in accordance with their terms; pursuant to the Lease Agreement, the Mental Health Departments have agreed to pay rentals directly to the Treasurer at least adequate to meet, among other requirements, the principal and interest and any call premium and mandatory sinking fund requirements (the "Bond Service Charges") on all Bonds; pursuant thereto, those rentals are to be paid by the Mental Health Departments from funds appropriated to the Mental Health Departments for that purpose by the General Assembly, and the agreement of the Mental Health Departments to pay those rentals during any two-year period for which appropriations may lawfully be made by the General Assembly is effective and binding upon the Mental Health Departments only when and

* Preliminary; subject to change.

to the extent that funds have been appropriated and are available for that purpose and for that period; and the General Assembly is not at any time obligated to make appropriations to pay those rentals.

4. The interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The opinion set forth in the preceding sentence is subject to the condition that the Treasurer, the Mental Health Departments and the State comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2025 Bonds in order that the interest thereon be, and continue to be, excluded from gross income for federal income tax purposes.
5. The Series 2025 Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State.

We express no other opinion as to the federal or state tax consequences regarding the Series 2025 Bonds.

In giving the opinions contained herein with respect to the treatment of the Series 2025 Bonds under federal tax laws, we have assumed compliance with and the accuracy of, and have relied upon, the covenants, representations and certifications in the transcript. We have not independently verified the accuracy of those representations and certifications. The accuracy of those representations and certifications, and the compliance with those covenants may be necessary for the interest on the Series 2025 Bonds to be and to remain excluded from gross income for federal income tax purposes. Failure to comply with certain of those covenants subsequent to issuance of the Series 2025 Bonds could cause the interest on the Series 2025 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2025 Bonds.

Under the Code, interest on the Series 2025 Bonds may be subject to (i) a branch profits tax imposed on certain foreign corporations doing business in the United States, (ii) a tax imposed on excess net passive income of certain S corporations, and (iii) the alternative minimum tax imposed under Section 55(b) of the Code on "applicable corporations" (within the meaning of Section 59(k) of the Code).

We have assumed for purposes of this opinion the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Trust Agreement and the Series 2025A Supplemental Trust Agreement. Please be advised that the rights of the owners of the Series 2025 Bonds and the enforceability of the Series 2025 Bonds, the Trust Agreement, the Series 2025A Supplemental Trust Agreement, the Lease Agreement and the Series 2025A Supplemental Lease Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally heretofore or hereafter enacted, general principles of equity, whether considered at law or in equity, governing specific performance, injunctive relief and other equitable remedies, and the exercise of judicial discretion in appropriate cases.

The opinions expressed herein are given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result.

Respectfully submitted,

PROPOSED TEXT OF BOND COUNSEL LEGAL OPINION

\$58,055,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025A (Parks and Recreation Improvement Fund Projects) (Tax-Exempt)

We have examined the transcript of proceedings relating to the issuance by the State Treasurer of Ohio (the "Treasurer"), on behalf of the State of Ohio (the "State"), of the \$58,055,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025A (Parks and Recreation Improvement Fund Projects) (Tax-Exempt) (the "Series 2025 Bonds"), issued for the purpose of refunding bonds previously issued to pay costs of capital facilities that are leased to the Department of Natural Resources of the State of Ohio (the "DNR"). The transcript includes conformed or executed counterparts of the Trust Agreement dated as of March 1, 2012 (the "Trust Agreement") between the State, acting by and through the Treasurer, and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), including in it the General Bond Order No. 10-12 of the Treasurer dated May 3, 2012 (the "General Bond Order"), the Series 2025A Supplemental Trust Agreement dated as of December 1, 2025 (the "Series 2025A Supplemental Trust Agreement") between the State, acting by and through the Treasurer, and the Trustee, including in it the Series Order of the Treasurer dated December __, 2025 (the "Series 2025A Order"), the Lease Agreement dated as of March 1, 2012 (the "Lease Agreement") between the Ohio Public Facilities Commission ("OPFC") and the DNR, and the Series 2025A Supplemental Lease Agreement dated as of December 1, 2025 (the "Series 2025A Supplemental Lease Agreement") between OPFC and the DNR. We have also examined a conformed copy of a signed and authenticated Series 2025 Bond of the first maturity.

The Series 2025 Bonds are issued under and pursuant to Section 2i of Article VIII of the Ohio Constitution, Chapter 154 of the Ohio Revised Code and other authorizations by the Ohio General Assembly (the "General Assembly"), the Trust Agreement and the Series 2025A Supplemental Trust Agreement.

Based on this examination and subject to the limitations stated below, we are of the opinion that, under existing law:

1. The Series 2025 Bonds are valid and legally binding special obligations of the State in accordance with their terms and provisions; the principal of and interest on the Series 2025 Bonds, together with the principal of and interest on other Obligations (as defined in the Trust Agreement) previously or hereafter issued and outstanding pursuant to the Trust Agreement (collectively with the Series 2025 Bonds, the "Bonds"), are payable from and secured by a pledge of the Bond Service Account in the Bond Service Fund (the "Bond Service Fund") established by and as provided in the Trust Agreement and Section 154.22 of the Ohio Revised Code and the payments received by such Bond Service Account under the Lease Agreement and supplemental agreements to it constitute "Pledged Receipts" as defined in and subject to the provisions of the Trust Agreement. The Series 2025 Bonds are not otherwise secured and the owners of the Series 2025 Bonds are given no right to have any excises or taxes levied by the Ohio General Assembly for the payment of principal or interest.
2. The Trust Agreement and the Series 2025A Supplemental Trust Agreement have been duly authorized, executed and delivered by the Treasurer and constitute legal, valid and binding obligations of the State enforceable in accordance with their terms.
3. The Lease Agreement and Series 2025A Supplemental Lease Agreement have been duly made and entered into by OPFC and the DNR and are legal and valid contractual obligations of the parties in accordance with their terms; pursuant to the Lease Agreement, the DNR has agreed to pay rentals directly to the Treasurer at least adequate to meet, among other requirements, the principal and interest and any call premium and mandatory sinking fund requirements (the "Bond Service Charges") on all Bonds; pursuant thereto, those rentals are to be paid by the DNR from funds appropriated to the DNR for that purpose by the General Assembly, and the agreement of the DNR to pay those rentals during any two-year period for which appropriations may lawfully be made by the General Assembly is effective and binding upon the DNR only when and to the extent that funds have been appropriated and are available for that purpose and for that period; and the General Assembly is not at any time obligated to make appropriations to pay those rentals.
4. The interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The opinion set forth in the preceding sentence is subject to the condition that the Treasurer, the DNR and the State comply with all requirements of the Code

* Preliminary; subject to change.

that must be satisfied subsequent to the issuance of the Series 2025 Bonds in order that the interest thereon be, and continue to be, excluded from gross income for federal income tax purposes.

5. The Series 2025 Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State.

We express no other opinion as to the federal or state tax consequences regarding the Series 2025 Bonds.

In giving the opinions contained herein with respect to the treatment of the Series 2025 Bonds under federal tax laws, we have assumed compliance with and the accuracy of, and have relied upon, the covenants, representations and certifications in the transcript. We have not independently verified the accuracy of those representations and certifications. The accuracy of those representations and certifications, and the compliance with those covenants may be necessary for the interest on the Series 2025 Bonds to be and to remain excluded from gross income for federal income tax purposes. Failure to comply with certain of those covenants subsequent to issuance of the Series 2025 Bonds could cause the interest on the Series 2025 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2025 Bonds.

Under the Code, interest on the Series 2025 Bonds may be subject to (i) a branch profits tax imposed on certain foreign corporations doing business in the United States, (ii) a tax imposed on excess net passive income of certain S corporations, and (iii) the alternative minimum tax imposed under Section 55(b) of the Code on "applicable corporations" (within the meaning of Section 59(k) of the Code).

We have assumed for purposes of this opinion the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Trust Agreement and the Series 2025A Supplemental Trust Agreement. Please be advised that the rights of the owners of the Series 2025 Bonds and the enforceability of the Series 2025 Bonds, the Trust Agreement, the Series 2025A Supplemental Trust Agreement, the Lease Agreement and the Series 2025A Supplemental Lease Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally heretofore or hereafter enacted, general principles of equity, whether considered at law or in equity, governing specific performance, injunctive relief and other equitable remedies, and the exercise of judicial discretion in appropriate cases.

The opinions expressed herein are given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result.

Respectfully submitted,

PROPOSED TEXT OF BOND COUNSEL LEGAL OPINION

\$26,175,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025C (Adult Correctional Building Fund Projects) (Tax-Exempt)

We have examined the transcript of proceedings relating to the issuance by the State Treasurer of Ohio (the "Treasurer"), on behalf of the State of Ohio (the "State"), of the \$26,175,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2025C (Adult Correctional Building Fund Projects) (Tax-Exempt) (the "Series 2025 Bonds"), issued for the purpose of refunding bonds previously issued to provide moneys to pay costs of capital facilities that are leased to the Department of Rehabilitation and Correction of the State of Ohio (the "DRC"). The transcript includes conformed or executed counterparts of the Trust Agreement dated as of May 1, 2012 (the "Trust Agreement") between the State, acting by and through the Treasurer, and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), including in it the General Bond Order No. 12-12 of the Treasurer dated May 3, 2012 (the "General Bond Order"), the Series 2025C Supplemental Trust Agreement dated as of December 1, 2025 (the "Series 2025C Supplemental Trust Agreement") between the State, acting by and through the Treasurer, and the Trustee, including in it the Series Order of the Treasurer dated December __, 2025 (the "Series 2025C Order"), the Lease Agreement dated as of May 1, 2012 (the "Lease Agreement") between the Ohio Public Facilities Commission ("OPFC") and the DRC, and the Series 2025C Supplemental Lease Agreement dated as of December 1, 2025 (the "Series 2025C Supplemental Lease Agreement") between OPFC and the DRC. We have also examined a conformed copy of a signed and authenticated Series 2025 Bond of the first maturity.

The Series 2025 Bonds are issued under and pursuant to Section 2i of Article VIII of the Ohio Constitution, Chapter 154 of the Ohio Revised Code and other authorizations by the Ohio General Assembly (the "General Assembly"), the Trust Agreement and the Series 2025C Supplemental Trust Agreement.

Based on this examination and subject to the limitations stated below, we are of the opinion that, under existing law:

1. The Series 2025 Bonds are valid and legally binding special obligations of the State in accordance with their terms and provisions; the principal of and interest on the Series 2025 Bonds, together with the principal of and interest on other Obligations (as defined in the Trust Agreement) previously or hereafter issued and outstanding pursuant to the Trust Agreement (collectively with the Series 2025 Bonds, the "Bonds"), are payable from and secured by a pledge of the Bond Service Account in the Bond Service Fund (the "Bond Service Fund") established by and as provided in the Trust Agreement and Section 154.24 of the Ohio Revised Code and the payments received by such Bond Service Account under the Lease Agreement and supplemental agreements to it constitute "Pledged Receipts" as defined in and subject to the provisions of the Trust Agreement. The Series 2025 Bonds are not otherwise secured and the owners of the Series 2025 Bonds are given no right to have any excises or taxes levied by the Ohio General Assembly for the payment of principal or interest.
2. The Trust Agreement and the Series 2025C Supplemental Trust Agreement have been duly authorized, executed and delivered by the Treasurer and constitute legal, valid and binding obligations of the State enforceable in accordance with their terms.
3. The Lease Agreement and Series 2025C Supplemental Lease Agreement have been duly made and entered into by OPFC and the DRC and are legal and valid contractual obligations of the parties in accordance with their terms; pursuant to the Lease Agreement, the DRC has agreed to pay rentals directly to the Treasurer at least adequate to meet, among other requirements, the principal and interest and any call premium and mandatory sinking fund requirements (the "Bond Service Charges") on all Bonds; pursuant thereto, those rentals are to be paid by the DRC from funds appropriated to the DRC for that purpose by the General Assembly, and the agreement of the DRC to pay those rentals during any two-year period for which appropriations may lawfully be made by the General Assembly is effective and binding upon the DRC only when and to the extent that funds have been appropriated and are available for that purpose and for that period; and the General Assembly is not at any time obligated to make appropriations to pay those rentals.
4. The interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The opinion set forth in the preceding sentence

* Preliminary; subject to change.

is subject to the condition that the Treasurer, the DRC and the State comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2025 Bonds in order that the interest thereon be, and continue to be, excluded from gross income for federal income tax purposes.

5. The Series 2025 Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State.

We express no other opinion as to the federal or state tax consequences regarding the Series 2025 Bonds.

In giving the opinions contained herein with respect to the treatment of the Series 2025 Bonds under federal tax laws, we have assumed compliance with and the accuracy of, and have relied upon, the covenants, representations and certifications in the transcript. We have not independently verified the accuracy of those representations and certifications. The accuracy of those representations and certifications, and the compliance with those covenants may be necessary for the interest on the Series 2025 Bonds to be and to remain excluded from gross income for federal income tax purposes. Failure to comply with certain of those covenants subsequent to issuance of the Series 2025 Bonds could cause the interest on the Series 2025 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2025 Bonds.

Under the Code, interest on the Series 2025 Bonds may be subject to (i) a branch profits tax imposed on certain foreign corporations doing business in the United States, (ii) a tax imposed on excess net passive income of certain S corporations, and (iii) the alternative minimum tax imposed under Section 55(b) of the Code on "applicable corporations" (within the meaning of Section 59(k) of the Code).

We have assumed for purposes of this opinion the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Trust Agreement and the Series 2025C Supplemental Trust Agreement. Please be advised that the rights of the owners of the Series 2025 Bonds and the enforceability of the Series 2025 Bonds, the Trust Agreement, the Series 2025C Supplemental Trust Agreement, the Lease Agreement and the Series 2025C Supplemental Lease Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally heretofore or hereafter enacted, general principles of equity, whether considered at law or in equity, governing specific performance, injunctive relief and other equitable remedies, and the exercise of judicial discretion in appropriate cases.

The opinions expressed herein are given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result.

Respectfully submitted,

PROPOSED TEXT OF BOND COUNSEL LEGAL OPINION

\$38,245,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025C (Administrative Building Fund Projects) (Federally Taxable)

We have examined the transcript of proceedings relating to the issuance by the State Treasurer of Ohio (the "Treasurer"), on behalf of the State of Ohio (the "State"), of the \$38,245,000* State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2025C (Administrative Building Fund Projects) (Federally Taxable) (the "Series 2025 Bonds"), issued for the purpose of refunding bonds previously issued to provide moneys to pay costs of capital facilities to be leased to the Department of Administrative Services of the State of Ohio (the "DAS"). The transcript includes conformed or executed counterparts of the Trust Agreement dated as of March 1, 2012 (the "Trust Agreement") between the State, acting by and through the Treasurer, and U.S. Bank Trust Company, National Association as trustee (the "Trustee"), successor trustee to The Huntington National Bank, including in it the General Bond Order No. 1-12 of the Treasurer dated February 28, 2012 (the "General Bond Order"), the Series 2025C Supplemental Trust Agreement dated as of December 1, 2025 (the "Series 2025C Supplemental Trust Agreement") between the State, acting by and through the Treasurer, and the Trustee, including in it the Series Order of the Treasurer dated December __, 2025 (the "Series 2025C Order"), the Lease Agreement dated as of March 1, 2012 (the "Lease Agreement") between the Ohio Public Facilities Commission ("OPFC") and the DAS, and the Series 2025C Supplemental Lease Agreement dated as of December 1, 2025 (the "Series 2025C Supplemental Lease Agreement") between OPFC and the DAS. We have also examined a conformed copy of a signed and authenticated Series 2025 Bond of the first maturity.

The Series 2025 Bonds are issued under and pursuant to Section 2i of Article VIII of the Ohio Constitution, Chapter 154 of the Ohio Revised Code and other authorizations by the Ohio General Assembly (the "General Assembly"), the Trust Agreement and the Series 2025C Supplemental Trust Agreement.

Based on this examination and subject to the limitations stated below, we are of the opinion that, under existing law:

1. The Series 2025 Bonds are valid and legally binding special obligations of the State in accordance with their terms and provisions; the principal of and interest on the Series 2025 Bonds, together with the principal of and interest on other Obligations (as defined in the Trust Agreement) previously or hereafter issued and outstanding pursuant to the Trust Agreement (collectively with the Series 2025 Bonds, the "Bonds"), are payable from and secured by a pledge of the Bond Service Account in the Bond Service Fund (the "Bond Service Fund") established by and as provided in the Trust Agreement and Section 154.24 of the Ohio Revised Code and the payments received by such Bond Service Account under the Lease Agreement and supplemental agreements to it constitute "Pledged Receipts" as defined in and subject to the provisions of the Trust Agreement. The Series 2025 Bonds are not otherwise secured and the owners of the Series 2025 Bonds are given no right to have any excises or taxes levied by the Ohio General Assembly for the payment of principal or interest.
2. The Trust Agreement and the Series 2025C Supplemental Trust Agreement have been duly authorized, executed and delivered by the Treasurer and constitute legal, valid and binding obligations of the State enforceable in accordance with their terms.
3. The Lease Agreement and Series 2025C Supplemental Lease Agreement have been duly made and entered into by OPFC and the DAS and are legal and valid contractual obligations of the parties in accordance with their terms; pursuant to the Lease Agreement, the DAS has agreed to pay rentals directly to the Treasurer at least adequate to meet, among other requirements, the principal and interest and any call premium and mandatory sinking fund requirements (the "Bond Service Charges") on all Bonds; pursuant thereto, those rentals are to be paid by the DAS from funds appropriated to the DAS for that purpose by the General Assembly, and the agreement of the DAS to pay those rentals during any two-year period for which appropriations may lawfully be made by the General Assembly is effective and binding upon the DAS only when and to the extent that funds have been appropriated and are available for that purpose and for that period; and the General Assembly is not at any time obligated to make appropriations to pay those rentals.

* Preliminary; subject to change.

4. The Series 2025 Bonds, the transfer thereof, and the income therefrom, including any profit made on the sale thereof, are free from taxation within the State.

We express no other opinion as to the federal or state tax consequences regarding the Series 2025 Bonds.

We have assumed for purposes of this opinion the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee of the Trust Agreement and the Series 2025C Supplemental Trust Agreement. Please be advised that the rights of the owners of the Series 2025 Bonds and the enforceability of the Series 2025 Bonds, the Trust Agreement, the Series 2025C Supplemental Trust Agreement, the Lease Agreement and the Series 2025B Supplemental Lease Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally heretofore or hereafter enacted, general principles of equity, whether considered at law or in equity, governing specific performance, injunctive relief and other equitable remedies, and the exercise of judicial discretion in appropriate cases.

The opinions expressed herein are given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result.

Respectfully submitted,

Appendix B

FORM OF PRICING NOTICE

PRICING NOTICE

RELATING TO THE INVITATION TO TENDER BONDS DATED NOVEMBER 13, 2025

describing an offer (the "Tender Offer") made by the

STATE OF OHIO

Acting by and through the Treasurer of State to the Bondowners described herein of all or any portion of the maturities listed on pages (ii) and (iii) of the Invitation (hereinafter defined)

- State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds (Parks and Recreation Improvement Fund Projects) Series 2016C and Series 2017A (Base CUSIPs: 67759H, 67760A)
- State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds (Adult Correctional Building Fund Projects) Series 2016A, Series 2017A and Series 2017B (Base CUSIPs: 677522, 677524)

The purpose of this Pricing Notice dated November 21, 2025 (the "Pricing Notice") is to publish the Offer Purchase Prices for the Target Bonds. All other terms relating to the Invitation (hereinafter defined) and the Tender Offer remain unchanged.

Pursuant to the Invitation to Tender Bonds dated November 13, 2025 (as it may be amended or supplemented, the "Invitation"), the State of Ohio (the "Issuer") invited Bondholders to tender Target Bonds for cash at the applicable Offer Purchase Prices set forth in this Pricing Notice, plus Accrued Interest on the Target Bonds tendered for purchase to but not including the Settlement Date. All terms used herein and not otherwise defined are used as defined in the Invitation.

[There has been no change to the Indicative Offer Purchase Prices listed on pages (ii) through (iii) of the Invitation / the Indicative Offer Purchase Prices listed on pages (ii) and (iii) of the Invitation have been revised]

As set forth in the Invitation, the Issuer retains the right to extend the Tender Offer, or amend the terms of the Tender Offer (including a waiver of any term) in any material respect, provided, that the Issuer shall provide notice thereof at such time and in such manner to allow reasonable time for dissemination to Bondowners and for Bondowners to respond. In such event, any offers for tenders of Target Bonds prior to such change pursuant to the Invitation will remain in full force and effect and any Bondowner of such affected Target Bonds, wishing to revoke its offer to tender such Target Bonds for purchase must affirmatively withdraw such offer prior to the Expiration Date, as extended. See Section 11 of the Invitation, "Withdrawals of Tenders Prior to Expiration Date; Irrevocability of Tenders on Expiration Date."

The POS attached to the Invitation applicable to this Tender Offer is available: (i) at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Target Bonds, and (ii) on the website of the Information Agent and Tender Agent at www.globic.com/ohiotos.

Any questions are to be directed to the Information Agent and Tender Agent at (212) 227-9622.

TENDER OFFER – TARGET BONDS – OFFER PURCHASE PRICES

Pursuant to the Invitation, the Offer Purchase Prices for the Target Bonds are listed in the tables below. [There has been no change to the Indicative Offer Purchase Prices listed on pages (ii) through (iii) of the Invitation / the Indicative Offer Purchase Prices listed on pages (ii) through (iii) of the Invitation have been revised].

State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2016C (Parks and Recreation Improvement Fund Projects)

CUSIP (Base No. 67759H) ⁽¹⁾	Maturity Date (December 1)	Par Call Date (December 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Offer Purchase Price ⁽²⁾
HY3	2028	2026	5.000	7,890,000	
HZ0	2029	2026	5.000	8,290,000	
JA3	2030	2026	5.000	8,715,000	
JB1	2031	2026	5.000	9,165,000	

State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2017A (Parks and Recreation Improvement Fund Projects)

CUSIP (Base No. 67760A) ⁽¹⁾	Maturity Date (December 1)	Par Call Date (December 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Offer Purchase Price ⁽²⁾
DU7	2028	2027	5.000	7,570,000	
DV5	2029	2027	5.000	7,955,000	
DW3	2030	2027	5.000	8,365,000	
DX1	2031	2027	5.000	8,795,000	
DY9	2032	2027	5.000	9,245,000	

State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2016A (Adult Correctional Building Fund Projects)

CUSIP (Base No. 677522) ⁽¹⁾	Maturity Date (October 1)	Par Call Date (October 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Offer Purchase Price ⁽²⁾
LM4	2028	2026	5.000	2,765,000	

State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2017A (Adult Correctional Building Fund Projects)

CUSIP (Base No. 677524) ⁽¹⁾	Maturity Date (October 1)	Par Call Date (October 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Offer Purchase Price ⁽²⁾
BP4	2029	2027	5.000	5,050,000	
BQ2	2030	2027	5.000	5,310,000	
BR0	2031	2027	5.000	5,580,000	
BS8	2032	2027	5.000	5,870,000	
BT6	2033	2027	5.000	6,170,000	
BU3	2034	2027	5.000	6,485,000	
BV1	2035	2027	5.000	6,820,000	
BW9	2036	2027	5.000	7,170,000	
BX7	2037	2027	5.000	7,535,000	

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc., solely for the convenience of the Bondowners of the Target Bonds and the Issuer is not responsible for the selection or correctness of the CUSIP numbers printed herein and does not make any representation with respect to such numbers or undertake any responsibility for their accuracy.

⁽²⁾ Offer Purchase Prices are expressed as a dollar amount per \$100 principal amount of the Target Bonds and exclude Accrued Interest. Accrued Interest on purchased Target Bonds will be paid by the Issuer to but not including the Settlement Date in addition to the applicable Purchase Price.

TARGET BONDS SUBJECT TO TENDER OFFER FOR CASH

**State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2017B
(Adult Correctional Building Fund Projects)**

CUSIP (Base No. 677524)⁽¹⁾	Maturity Date (October 1)	Par Call Date (October 1)	Interest Rate (%)	Outstanding Principal Amount (\$)	Offer Purchase Price⁽²⁾
CH1	2029	2027	5.000	5,285,000	
CJ7	2030	2027	5.000	5,560,000	

⁽¹⁾ CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc., solely for the convenience of the Bondowners of the Target Bonds and the Issuer is not responsible for the selection or correctness of the CUSIP numbers printed herein and does not make any representation with respect to such numbers or undertake any responsibility for their accuracy.

⁽²⁾ Offer Purchase Prices are expressed as a dollar amount per \$100 principal amount of the Target Bonds and exclude Accrued Interest. Accrued Interest on purchased Target Bonds will be paid by the Issuer to but not including the Settlement Date in addition to the applicable Purchase Price.