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Hunton & Williams LLP's Transportation Infrastructure Group Assists In US \$1.9 Billion Financing for Capital Beltway HOT Lanes Project

Hunton & Williams served as bond counsel and issuer's counsel in relation to the issuance on June 12, 2008, of US \$589 million in tax-exempt AMT private activity bonds ("PABs"), to finance a portion of the innovative Capital Beltway I-495 HOT Lanes Project. This PPP project is being designed, constructed, financed and operated under the Virginia Public-Private Transportation Act (the "PPTA") pursuant to a long-term concession agreement between the Virginia Department of Transportation and Capital Beltway Express, LLC, a joint venture between affiliates of Transurban North America and Fluor Corporation (the "Sponsors").

The four components of the financing are:

- US \$349 million aggregate equity investment by the Sponsors
- US \$409 million contribution to the project made by VDOT to support construction of certain key project elements
- US \$589 million subordinated debt raised under the US Department

of Transportation's TIFIA financing program

- US \$589 million senior lien, multi-modal PABs, issued in four tranches, each credit-enhanced by an irrevocable direct-pay letter of credit issued by a commercial bank

The Capital Beltway HOT Lanes Project will expand and improve the I-495 Capital Beltway, adding two more lanes in each direction on a 14 mile section of the beltway ring-road between the Springfield Interchange and a point just north of the Dulles Toll Road in Fairfax County, Virginia.

Hunton & Williams transportation infrastructure practice again received national recognition in the *2008 Chambers USA Client Guide*. According to Chambers, the firm has established itself as "one of the premier firms in the PPP public finance arena" and is praised by its clients as "one of the most knowledgeable [firms] for these projects."

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