

Closing Document B-4

Ratings Services
55 Water Street, 38th Floor
New York, NY 10041-0003
Tel 212 438-2074
Reference No.: 40139790

Vincent Orgo
Administrative Officer
Public Finance Ratings

Standard & Poor's 
A Division of The McGraw-Hill Companies

April 10, 2003

Ms. Sheelagh Flanagan
Managing Director
Financial Security Assurance Inc.
1550 Spear Tower
One Market
San Francisco, CA 94105

Re: *\$40,610,000 State of Hawaii, Highway Revenue Bonds, Refunding Series 2003,*
dated: Date of Delivery, due: July 1, 2005 (bearing interest at 3.0%), July 1, 2006-2013,
(POLICY #200602-N)

Dear Ms. Flanagan:

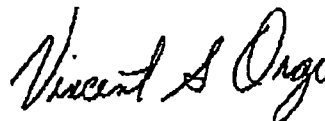
This is to advise you that we have changed the rating to 'AAA' from 'AA' on the subject bonds.

The rating change reflects our assessment of the likelihood of repayment of principal and interest based on the bond insurance policy your company is providing.

When using the Standard & Poor's rating, include the definition of the rating together with a statement that this may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. This rating is not a "market rating", because it is not a recommendation to buy, hold or sell the obligations.

If you have any questions, please contact us.

Very truly yours



APR-07-2003 13:48

Civic Market
Stewart Tower, 15th Floor
San Francisco, CA 94103-1000
Tel 415 371-5004
Reference No: 597648

A. G. EDWARDS & SONS
Managing Director
Public Finance Ratings

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March 19, 2003

Ms. Georgina Kawamura
Director of Finance
State of Hawaii, Department of Budget and Finance
250 South Hotel Street, Room 105
Honolulu, HI 96813

Re: \$45,670,000 Hawaii Highway Revenue Refunding Bonds, (Hawaii Department of Transportation), Series 2003, dated: Date of Delivery, due: July 1, 2013

Dear Ms. Kawamura:

Pursuant to your request for a Standard & Poor's rating on the above debt obligations, we have reviewed the information furnished to us and, subject to the terms and conditions of the *MEMORANDUM OF AGREEMENT* on the reverse side hereof, have assigned a rating of 'AA' to the obligations. S&P views the outlook for this rating over the intermediate to longer term as stable.

Please note that the ongoing information required includes annual audits and budgets and, for revenue bond ratings in connection with construction financing, progress reports, not less often than quarterly, covering the project being financed and should be forwarded to:

Standard & Poor's Ratings Services
Public Finance
55 Water Street, Muni Drop Box No. 1, 38-3-10
New York, NY 10041-0003

S&P relies on the issuer and its counsel, accountants and other experts for the accuracy and completeness of the information submitted in connection with the rating. In addition, it should be understood that the rating is not a "market" rating nor a recommendation to buy, hold or sell these securities. Please note that the rating, as is the case with all of S&P's municipal ratings, does not address the likelihood that interest payable on the Bonds may be deemed or declared includable in the gross income of Bondholders by the relevant authorities at any time.

In the event that you decide to include this rating in an Official Statement, prospectus or other offering literature, we request that you include S&P's definition of the rating together with a statement that the rating may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information.

We are pleased to have been of service to you. Thank you for choosing Standard & Poor's Ratings Services. If you have any questions, please contact us.

Very truly yours,

Steve Zimmerman
Steve Murphy

bh
cc: Mr. Brian Colon
A.G. Edwards & Sons, Inc.