

**State of West Virginia**  
**Material Event Notice – Defeasance of Notes**  
**Dated February 23, 2018**

**STATE OF WEST VIRGINIA (COMMISSIONER OF HIGHWAYS)**  
**SURFACE TRANSPORTATION IMPROVEMENTS**  
**SPECIAL OBLIGATION NOTES, SERIES 2016 A**

NOTICE IS HEREBY GIVEN that there has been deposited with The Bank of New York Mellon, as trustee (the "Trustee" or the "Escrow Trustee") under the Master Trust Indenture dated December 22, 2016, by and between the State of West Virginia Commissioner of Highways (the "Commissioner") and the Trustee, as supplemented by the First Series Indenture dated December 22, 2016 (collectively, the "Indenture"), monies for the purpose of refunding, paying and discharging all of the principal and interest accruing on the Commissioner's outstanding Surface Transportation Improvements Special Obligation Notes, Series 2016 A (the "Defeased Notes"):

<u><b>Maturity</b></u>	<u><b>Outstanding Principal Amount</b></u>	<u><b>Principal Amount Defeased</b></u>	<u><b>Interest Rate</b></u>	<u><b>CUSIP</b></u>
09/01/2018	8,120,000	8,120,000	5.00%	95649ABX1
09/01/2019	8,525,000	8,525,000	5.00%	95649ABY9
09/01/2020	8,950,000	8,950,000	5.00%	95649ABZ6
09/01/2021	9,400,000	9,400,000	5.00%	95649ACA0
09/01/2022	9,870,000	9,870,000	5.00%	95649ACB8

This Notice is provided by the State of West Virginia, acting by and through its Department of Administration (the "State"), for the benefit of the Commissioner and is being filed in accordance with a Disclosure Dissemination Agent Agreement between the State and Digital Assurance Certification, L.L.C. with respect to the Defeased Notes.

Notice is hereby given to the holders of the Defeased Notes that pursuant to an Escrow Agreement dated February 15, 2018, by and between the Commissioner and the Escrow Trustee, acting as escrow trustee, the Commissioner has deposited \$48,914,547.06 into an escrow account held by the Escrow Trustee to invest (except for an initial cash deposit to be held uninvested) in Government Obligations (as defined in the Indenture), the principal of and interest on which, when due, will provide monies to refund, pay and discharge the principal of, and interest on, the Defeased Notes.

Pursuant to the provisions of the Indenture, the Defeased Notes are deemed to be no longer outstanding under the Indenture, but will be payable solely by the application of

the Government Obligations and cash on deposit in the escrow account held by the Escrow Trustee. The Defeased Notes shall mature by their terms on the dates shown above.

According to a report of Robert Thomas CPA, LLC, independent certified public accountants, there has been deposited with the Escrow Trustee either cash or Governmental Obligations, the principal of and the interest on which, when due, will provide monies which shall be sufficient to pay when due the principal of, and interest on, the Defeased Notes as the same become due on the applicable maturity dates.

The information in this Material Event Notice is provided to comply with the State's contractual commitment to provide such notice pursuant to Section 4(a) of the Disclosure Dissemination Agent Agreement. This Material Event Notice does not, and is not intended to, provide disclosure as to the financial condition or operations of the State or the Commissioner, and no representation is made as to the materiality of the information provided in this Material Event Notice. Other information may exist that an investor would consider important when making an investment decision.

Dated: February 15, 2018

*\* The State and the Commissioner shall not be responsible for the use of the CUSIP numbers referenced above, nor is any representation made as to their correctness in this Material Event Notice or as printed on any of the Defeased Notes. The CUSIP numbers are included in this Material Event Notice solely for the convenience of the holders of the Defeased Notes.*

By: /s/ Jane Shinn

Jane Shinn

State of West Virginia,

Department of Administration