



The Commonwealth of Massachusetts

OFFICE OF THE STATE TREASURER

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TREASURER AND RECEIVER GENERAL

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January 17, 2024

Dear Bondholder:

The Commonwealth of Massachusetts (the “**Commonwealth**”) appreciates your investment in one or more of our Bonds, as listed hereto in **Attachment A** (collectively, the “**Target Bonds**”). Terms used in this letter and not defined herein have the same meanings assigned to them in the Tender Offer.

You are receiving this letter because the Commonwealth is offering **to purchase your Target Bonds for cash** in connection with a potential refinancing of certain of the Commonwealth’s outstanding debt.

This offer for purchase is further described in the Commonwealth’s Invitation to Tender Bonds, dated January 17, 2024 (the “**Tender Offer**”), and is subject to the terms and conditions described in the Tender Offer. Information concerning the Commonwealth and its proposed General Obligation Refunding Bonds, 2024 Series B (the “**Refunding Bonds**”), which will be issued to fund the purchase price for Target Bonds tendered and accepted by the Commonwealth pursuant to the Tender Offer, among other purposes as set forth and described in the Commonwealth’s Preliminary Official Statement, dated January 17, 2024 (the “**Refunding Bonds POS**”), attached as Appendix A to the Tender Offer. *Please see below for directions regarding how to access the Tender Offer and related offer documents via the web.*

Background

The purpose of the Tender Offer is to give the Commonwealth an opportunity to refinance a portion of its outstanding debt. The Commonwealth anticipates paying for the Target Bonds it purchases pursuant to the Tender Offer from proceeds of the Refunding Bonds anticipated to be issued on the Settlement Date (as set forth in the Tender Offer).

What Price is the Commonwealth Offering to Purchase my Target Bonds?

Each Bondholder is invited by the Commonwealth to offer to sell to the Commonwealth, for payment in cash, all or part of its beneficial ownership interests in the Target Bonds. The purchase price for holders of the Target Bonds will be based on a fixed spread to be added to the yields on certain benchmark United States Treasury Securities. **Please see the Tender Offer (as well as Attachment A) for the Indicative Fixed Spread that the Commonwealth intends to offer for your Target Bonds.**

Please note that the fixed spreads listed in the Tender Offer are subject to change. On or about January 25, 2024, the Commonwealth will publish the Pricing Notice (described in the Tender Offer), which will include the final Fixed Spreads the Commonwealth is offering for your Target Bonds and which will either confirm or amend the Indicative Fixed Spread for each Target Bond subject to the Tender Offer. On February 7, 2024, the Commonwealth will determine the purchase price for the Target Bonds pursuant to the calculations described in the Tender Offer and will publish the respective purchase prices.

The Commonwealth has no obligation to accept for purchase any tendered Target Bonds and the Commonwealth's obligation to purchase Target Bonds validly tendered (and not validly withdrawn) and accepted pursuant to the Tender Offer is subject to the satisfaction of or waiver of the Financing Conditions described in the Tender Offer on or prior to the Settlement Date.

In deciding whether, and if so, how to respond to the Tender Offer, you should contact your broker, account executive, financial advisor and/or other professional to discuss the Tender Offer and the options available to you.

What Happens if I Choose Not to Participate?

Holders of Target Bonds, who do not accept the Tender Offer, as well as Holders of Target Bonds who tender Target Bonds for purchase that the Commonwealth chooses not to accept, will remain outstanding and the Holder will continue to hold such Target Bonds in their account unchanged by virtue of the Tender Offer.

The deadline to offer your Target Bonds for purchase is February 2, 2024, at 5:00 p.m., New York City time, unless extended or earlier terminated. Should you wish to participate in the Tender Offer, please contact your bank, broker or other financial advisor in advance of this date so that they may have sufficient time to relay your instructions to the Commonwealth prior to expiration of the Tender Offer.

This brief letter does not provide all the information you need to consider the Commonwealth's Tender Offer. The offer to purchase the Target Bonds is only being made pursuant to the Tender Offer. ***Bondholders are urged to carefully read the entire Tender Offer, the Refunding Bonds POS, the Pricing Notice (to be published on January 25, 2024), and all appendices to both documents, because these documents contain information, including the various terms of and conditions to the Tender Offer that Bondholders should consider before making any decision regarding tendering their Target Bonds.***

The Tender Offer along with the Refunding Bonds POS, attached as Appendix A thereto, are available electronically on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Target Bonds listed in the Tender Offer, as well as the website of the Information Agent at www.globic.com/mass. Throughout the term of the Tender Offer and upon expiration of the Tender Offer, the Commonwealth will post notices regarding the Tender Offer on these same weblinks.

Institutional investors with questions about the Tender Offer should contact the Dealer Manager at:

Jefferies LLC

Attn: Municipal Syndicate Desk

Tel: (800) 567-8567

Email: muni_underwriting@jefferies.com

Individual investors and their brokers, account executives, financial advisors and/or other appropriate professionals with questions about the Tender Offer should contact the Information Agent, Robert Stevens of Globic Advisors, at: (212) 227-9699 or by email: rstevens@globic.com.

Please note that the Commonwealth retains the right to modify or withdraw the Tender Offer as more fully described in the Tender Offer.

Thank you for taking the time to consider the Tender Offer.

THE COMMONWEALTH OF MASSACHUSETTS

ATTACHMENT A

BONDS SUBJECT TO THE TENDER OFFER

General Obligation Refunding Bonds, 2019 Series D (Federally Taxable)

CUSIP ¹	Maturity Date	Average Life Date ²	Par Call Date	Interest Rate	Outstanding Principal Amount	Maximum Principal Amount that May be Accepted for Purchase	Benchmark Treasury Security ³	Indicative Fixed Spreads ⁴
57582RYN0	9/1/2039	9/21/2035	n/a	2.663%	\$432,710,000	\$432,710,000	10-Year	+32 bps
57582RYP5	9/1/2043	8/29/2042	n/a	2.813	402,880,000	402,880,000	30-Year	+42 bps

General Obligation Refunding Bonds, 2020 Series C (Federally Taxable)

CUSIP ¹	Maturity Date	Average Life Date ²	Par Call Date	Interest Rate	Outstanding Principal Amount	Maximum Principal Amount that May be Accepted for Purchase	Benchmark Treasury Security ³	Indicative Fixed Spreads ⁴
57582RF92	7/1/2034	n/a	7/1/2030	1.929%	\$40,435,000	\$36,150,000	10-Year	+27 bps
57582RG26	7/1/2035	n/a	7/1/2030	2.029	55,535,000	49,650,000	10-Year	+34 bps
57582RG34	7/1/2041	1/24/2039	7/1/2030	2.514	302,905,000	270,805,000	10-Year	+47 bps

General Obligation Refunding Bonds, 2020 Series E (Federally Taxable)

CUSIP ¹	Maturity Date	Average Life Date ²	Par Call Date	Interest Rate	Outstanding Principal Amount	Maximum Principal Amount that May be Accepted for Purchase	Benchmark Treasury Security ³	Indicative Fixed Spreads ⁴
57582RL53	11/1/2030	n/a	n/a	1.520%	\$24,400,000	\$15,220,000	7-Year	-5 bps
57582RL61	11/1/2031	n/a	11/1/2030	1.670	34,060,000	21,240,000	7-Year	+5 bps
57582RL79	11/1/2032	n/a	11/1/2030	1.770	23,720,000	14,790,000	10-Year	+15 bps
57582RL87	11/1/2033	n/a	11/1/2030	1.870	58,050,000	36,205,000	10-Year	+20 bps
57582RL95	11/1/2034	n/a	11/1/2030	1.970	16,770,000	10,460,000	10-Year	+28 bps

¹ CUSIP is a registered trademark of FactSet. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP number are being provided solely for the convenience of the owners of the Bonds and the Commonwealth 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 Average life date is shown for the Target Term Bonds (as defined in the Tender Offer) only. The Target Term Bonds will be priced to their respective average life dates.

³ Each Benchmark Treasury Security (as defined in the Tender Offer) will be the most recently auctioned “on-the-run” United States Treasury Security for the maturity indicated as of the date and time that the Purchase Price for the Target Bonds is set, currently expected to be approximately 10:00 a.m. ET on February 7, 2024.

⁴ Indicative Fixed Spreads (as defined in the Tender Offer) are preliminary and subject to change. Actual Fixed Spreads will appear in the Pricing Notice.