

**AMENDMENT NO. 1 TO  
INVITATION TO OFFER BONDS**

**made by the**

**FINANCE AUTHORITY OF MAINE**

**The Authority invites its Bondowners to offer to sell to the Authority for cash the**

**AUCTION RATE BONDS**

**of the Authority listed on Appendix A hereto.**

**This notice amends Sections 1 and 6 of the captioned Invitation  
to Offer Bonds (the “Invitation”). The Invitation has not been  
previously amended since its initial distribution and the terms and conditions  
of the Invitation remain in full force and effect except as amended hereby.**

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**Investors with questions about the Invitation should contact the Authority:**

**Finance Authority of Maine**

**5 Community Drive, P.O. Box 949**

**August, ME 04332**

**Attention: Invitation to Offer Bonds Coordinator**

**Christopher Roney, Esq.**

**[Crony@famemaine.com](mailto:Crony@famemaine.com)**

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Amendment date: March 12, 2009

**AMENDMENT NO. 1 TO  
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made by the  
FINANCE AUTHORITY OF MAINE**

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**1. Amendment of Section 1 of the Invitation**

The text of Section 1 of the Invitation is hereby amended to read, in its entirety, as follows:

**1. Introduction**

This Invitation to Offer Bonds (the “Invitation”) is made by the Finance Authority of Maine (the “Authority”) to the owners (the “Bondowners”) of the Authority’s auction rate bonds (collectively, the “Bonds”) listed on Appendix A to this document.

Each Bondowner is invited by the Authority to offer to sell to the Authority for cash all or any part of its Bonds, subject to the terms and conditions set forth in this Invitation at an offer price specified by the Bondowner (an “Offer Price”), subject to acceptance by the Authority as described herein (an “Offer”).

Prices of Bonds that the Authority accepts for purchase will be determined pursuant to the auction procedure described herein. See “**15. Determination of Purchase Prices**”.

The Authority is under no obligation to purchase any Bonds Offered pursuant to this Invitation. The Authority may decide to purchase all less than all, or none of the Bonds bearing a particular CUSIP number (each a “Series”) Offered to the Authority.

**The Authority currently expects to apply approximately \$25 million of funds available to it to purchase its Bonds pursuant to Offers responsive to this Invitation, but reserves the right to increase or decrease this amount based upon the Offers received or other factors. If the Authority receives favorable Offer Prices pursuant to the Invitation, which afford it the opportunity to reach its economic goals, it could use all or any portion of such funds to purchase Bonds of any Series. The Authority has no present intention of purchasing Bonds in the secondary market at prices equal to, or greater than, par, but reserves the right to do so in the future. In addition, the Authority reserves the rights, from time to time, to purchase Bonds in the secondary market by methods that may include, without limitation, the distribution of separate invitations to tender, bidding upon Bonds that may be offered in any manner and negotiation with individual**

**Bondowners, to redeem Bonds at par in accordance with their terms and to fund such purchase or redemption from any source available to the Authority. See “3. Certain Potential Adverse Effects of Invitation on Owners of Bonds”.**

As more fully described herein, the “Expiration Date” is March 25, 2009 (subject to change as described herein). The Bonds the Authority decides to purchase will be paid for by 2:00 p.m. on March 31, 2009 (the “Settlement Date”). Accrued interest on the purchased Bonds through the day before the Settlement Date (the “Accrued Interest”) will also be paid on the Settlement Date.

The Dissemination Agent for the Invitation is The Bank of New York Mellon. Institutional investors with questions about the Invitation should contact the Authority as set forth on the cover of the Invitation.

All times in the Invitation are New York City Time.

In accordance with the provisions of Rule 15c2-12, as amended (“Rule 15c2-12”), promulgated by the United States Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended, on December 30, 2008, the Authority filed with Bloomberg Municipal Repository, DPC Data Inc., Interactive Data Pricing and Reference Data, Inc., and Standard & Poor’s Securities Evaluations, Inc. (such repositories being all of the “Nationally Recognized Municipal Securities Information Repositories” (“NRMSIRs”) approved by the SEC pursuant to Rule 15c2-12 as of such date) a document entitled “Annual Financial Information” (the “2008 Annual Notice”). The 2008 Annual Notice sets forth certain information with respect to the Authority and to the Bonds including, among other things, the Authority’s financial statements for the fiscal years ended June 30, 2008 and 2007, and certain student loan portfolio information. In addition: (i) on September 26, 2008, the Authority filed with each NRMSIR a document entitled “Notice” (the “September 26, 2008 Material Event Notice”), (ii) on February 2, 2009, the Authority filed with each NRMSIR a document entitled “Notice of Material Event — Rating Change” (the “February 2, 2009 Material Event Notice”) and (iii) on March 12, 2009, the Authority filed with each NRMSIR a document entitled “Notice” (the “March 12, 2009 Material Event Notice”). The September 26, 2008 Material Event Notice discloses the Authority’s determination that it may, from time to time, purchase Bonds through secondary market transactions. The February 2, 2009 Material Event Notice and the March 12, 2009 Material Event Notice each disclose certain information concerning recent negative rating actions with respect to each Series of the Bonds. *There is hereby included in this Invitation by this reference the information contained in the 2008 Annual Notice, the September 26, 2009 Material Event Notice, the February 2, 2009 Material Event*

*Notice, the March 12, 2009 Material Event Notice and, with respect to each Series, the respective Official Statement (each, an “Official Statement” and, collectively, the “Official Statements”) of the Authority with respect to the initial offering of such Series, which information should be read in its entirety in connection with this Invitation.*

Copies of the 2008 Annual Notice, of the September 26, 2008 Material Event Notice, of the February 2, 2009 Material Event Notice and of the March 12, 2009 Material Event Notice may be obtained from the NRMSIRs listed above pursuant to their usual procedures and at prescribed rates. Copies of the 2008 Annual Report, of the September 26, 2008 Material Revenue Notice, of the February 2, 2009 Material Event Notice, of the March 12, 2009 Material Event Notice and of each of the Official Statements also may be obtained via the Internet, from the Authority’s World Wide Web site at “[www.famemaine.com/investorInformation.asp](http://www.famemaine.com/investorInformation.asp)”. In addition, at its sole discretion, the Authority may from time to time prior to the Expiration Date post additional information, including, without limitation, responses to questions received with respect to this Invitation that the Authority believes may be of general interest to Bondowners considering Offers on its World Wide Web site.

## 2. Amendment of Section 6 of the Invitation

The text of Section 6 of the Invitation is hereby amended to read, in its entirety, as follows:

### 6. How Offers Can Be Made

*Offers can be made only through the automated tender offer program (“ATOP”) account to be established pursuant to DTC procedures as described in Section 10 of this Invitation. Bondowners who are not DTC participants and who wish to make an offer should contact their broker-dealer, bank, trust company or another financial institution that is a DTC participant to submit their offer through this ATOP account. See “8. Provisions Applicable to all Offers — Offers of Book-Entry Only Bonds” and “9. Procedures for Offering Bonds Held through Brokers and Banks”.*

A Bondowner may make one or more Offers to sell to the Authority Bonds of a particular Series in a maximum par amount of its choosing; **provided, that the par amount Offered is: (i) an integral multiple of \$50,000**, with respect to the 2003 Senior Series A Bonds; **(ii) an integral multiple of \$50,000**, with respect to the 2005 Senior Series A-1 Bonds and 2005 Senior Series A-2 Bonds; and **(iii) an integral multiple of \$100,000**, with respect to the 2007 Senior Series A-1 Bonds, the 2007 Senior

Series A-2 Bonds and the 2007 Senior Series A-3 Bonds (respectively, the “Minimum Denominations”) and at an Offer Price of its choosing, expressed as described in the next paragraph.

**Each Offer Price must be expressed in dollars per \$1,000 of the maximum par amount of the Bonds of the particular Series Offered. An Offer Price may contain no more than one number to the right of the decimal point. Any Offer Price containing more than one number to the right of the decimal point will not be processed, and will be automatically rejected, by DTC.**

A Bondowner may Offer to sell to the Authority portions of the Bonds of a particular Series that it owns at more than one Offer Price or all or a portion of the Bonds of different Series that it owns at the same or at different Offer Prices, so long as each Offer independently conforms to the foregoing requirements and does not exceed the par amount of the applicable Series of Bonds owned by that Bondowner.

**FINANCE AUTHORITY OF MAINE**

By: /S/ Elizabeth L. Bordowitz

Acting Chief Executive Officer

**APPENDIX A**  
**FINANCE AUTHORITY OF MAINE**  
**Outstanding Debt**

<b>CUSIP*</b>	<b>Bond Series</b>	<b>Amount Outstanding</b>	<b>Maturity</b>	<b>Interest Rate</b>
56041W AA0	2003 Senior Series A	\$69,500,000	December 1, 2033	Auction Rate
56041W AC6	2005 Senior Series A-1	47,500,000	December 1, 2035	Auction Rate
56041W AD4	2005 Senior Series A-2	47,000,000	December 1, 2035	Auction Rate
56041W AF9	2007 Senior Series A-1	50,000,000	December 1, 2037	Auction Rate
56041W AG7	2007 Senior Series A-2	50,000,000	December 1, 2037	Auction Rate
56041W AH5	2007 Senior Series A-3	40,000,000	December 1, 2037	Auction Rate
<b>Total Outstanding:</b>		<b>\$304,000,000</b>		

\* Neither the Authority nor the Dissemination Agent shall be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to the correctness thereof as indicated in this Invitation. CUSIP numbers are included solely for the convenience of holders.