

LOAN AGREEMENT (2016A)

This LOAN AGREEMENT (the "Agreement") is made and entered into as of _____, 2016 and is by and between the CITY OF GAINESVILLE, FLORIDA, a municipal corporation created and existing under the laws of the State of Florida, and its successors and assigns (the "Issuer"), and TD BANK, NATIONAL ASSOCIATION, a national banking association, and its successors and assigns, as holder(s) of the hereinafter defined Note (the "Bank").

The parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE as follows:

ARTICLE I

DEFINITION OF TERMS

Section 1.01 Definitions. The words and terms used in capitalized form in this Agreement shall have the meanings as set forth in the recitals above and the following words and terms as used in this Agreement shall have the following meanings:

"Act" means the Charter of the Issuer, Chapter 166, Florida Statutes, Article VIII, Section 2, Constitution of the State of Florida, and other applicable provisions of law.

"Agreement" means this Loan Agreement and any and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Annual Budget" means the budget or budgets, as amended and supplemented from time to time, prepared by the Issuer for each Fiscal Year in accordance with the laws of the State of Florida.

"Bond Counsel" means any attorney at law or firm of attorneys retained by the Issuer, of nationally recognized experience in matters pertaining to the validity of, and exclusion from gross income for federal income tax purposes of interest on, the obligations of states and their political subdivisions.

"Bond Year" means the annual period beginning on the first day of November of each year and ending on the last day of October of the same year.

"Business Day" means any day except any Saturday or Sunday or day on which the Principal Office of the Bank is lawfully closed.

"City Manager" means the City Manager of the Issuer.

"Code" means the Internal Revenue Code of 1986, as amended, and applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context thereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of Treasury (including applicable final regulations, temporary regulations and

proposed regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings), and applicable court rulings.

"Costs" means, with respect to the issuance of the Note, any lawful expenditure of the Issuer which meets the further requirements of this Agreement.

"Debt" means as of any date and without duplication, all of the following to the extent that they are payable in whole or in part from any Non-Ad Valorem Revenues: (i) all obligations of the Issuer for borrowed money or evidenced by bonds, debentures, notes or other similar instruments; (ii) all obligations of the Issuer to pay the deferred purchase price of property or services, except trade accounts payable under normal trade terms and which arise in the ordinary course of business; (iii) all obligations of the Issuer as lessee under capitalized leases; and (iv) all indebtedness of other persons to the extent guaranteed by, or secured by Non-Ad Valorem Revenues of, the Issuer.

"Debt Service Account" means the Refunding Revenue Note, Series 2016A Debt Service Account established by the Resolution from which the Issuer shall make payments of the principal of, interest on and any redemption or prepayment premiums with respect to the Loan under the Note.

"Escrow Agent" means U.S. Bank National Association, and its successors and assigns.

"Refunded Series 2009 Note Escrow Deposit Agreement" means the Escrow Deposit Agreement dated as of _____, 2016, among the Issuer, the Escrow Agent and Branch Banking and Trust Company, related to the refunding of the Refunded Series 2009 Note.

"Pooled Loans Escrow Deposit Agreement" means the Escrow Deposit Agreement dated as of _____, 2016, between the Issuer and the Escrow Agent related to the refunding of the Refunded Series 2005 Loan and the Refunded Series 2007 Loan.

"Event of Default" means an event of default specified in Article VI of this Agreement.

"Fiscal Year" means the period commencing on October 1 of each year and ending on the succeeding September 30, or such other period of twelve consecutive months as may hereafter be designated as the fiscal year of the Issuer by general law.

"Loan" means the loan by the Bank to the Issuer contemplated hereby.

"Loan Amount" means \$ _____.

"Loan Documents" means this Agreement and the Note.

"Non-Ad Valorem Revenues" means all legally available non-ad valorem revenues of the Issuer derived from any source whatsoever, other than ad valorem taxation on real and personal property, including, without limitation, investment income, which are legally available for the payment by the Issuer of debt service on the Note or Non-Self-Supporting Revenue Debt, including, without limitation, legally available non-ad valorem revenues derived from sources subject to a prior pledge thereof for the payment of other obligations of the Issuer and available after payment of principal and interest on such other obligations, after provision has been made

by the Issuer for the payment of services and programs which are for essential governmental services of the Issuer or which are legally mandated by applicable law; notwithstanding the foregoing, "Non-Ad Valorem Revenues" shall not include revenues derived from the Issuer's electric system, natural gas system, water system, wastewater system, telecommunications system and stormwater management utility system, except to the extent that revenues derived from such sources have been deposited into the Issuer's General Fund.

"Non-Self-Supporting Revenue Debt" means obligations evidencing indebtedness for borrowed money, including the Note, (i) the primary security for which is provided by a covenant of the Issuer to budget and appropriate Non-Ad Valorem Revenues of the Issuer for the payment of debt service on such obligations, or (ii) primarily secured or payable from another source of funds, but with respect to which the Issuer has also covenanted to budget and appropriate Non-Ad Valorem Revenues of the Issuer for the payment of debt service on such obligations, provided that obligations described in this clause (ii) shall only be considered Non-Self-Supporting Revenue Debt to the extent the Issuer has included in its budget (by amendment or otherwise) the payment of such Non-Ad Valorem Revenues pursuant to such covenant to pay debt service on such obligations. "Non-Self-Supporting Revenue Debt" shall expressly not include indebtedness payable from the revenues of a utility system, or any other enterprise fund of the Issuer, which are pledged to the payment of such indebtedness.

"Note" means the Issuer's Refunding Revenue Note, Series 2016A in the form attached hereto as Exhibit "A."

"Notice Address" means,

As to the Issuer: Office of the City Attorney
200 E. University Avenue, Suite 425
Gainesville, Florida 32601
Attn: Nicolle Shalley, City Attorney
Email address: shalleynm@cityofgainesville.org

As to the Bank: TD Bank, National Association
9715 Gate Parkway North
Jacksonville, Florida 32246
Attn: Coley Jones
Email address: coley.jones@td.com

or to such other address as either party may have specified in writing to the other using the procedures specified in Section 7.06.

"Person" means an individual, corporation, partnership, joint venture, trust, limited liability company, unincorporated organization or other judicial entity.

"Pledged Funds" means (i) the Non-Ad Valorem Revenues budgeted and appropriated and deposited into the Debt Service Account to pay debt service on the Note and (ii) all funds on deposit in the Debt Service Account (including all investment securities on deposit therein) and all investment earnings on any such funds.

"Principal Office" means, with respect to the Bank, the office located at 9715 Gate Parkway North, Jacksonville, Florida 32246, or such other office as the Bank may designate to the Issuer in writing.

"Refunded Series 2009 Note" means the Issuer's outstanding Revenue Note, Series 2009 issued on July 3, 2009 evidencing a loan pursuant to a Loan Agreement dated July 3, 2009 between Branch Banking and Trust Company and the Issuer.

"Refunded Series 2005 Loan" means the portion of the Issuer's outstanding obligations under a Loan Agreement dated as of March 1, 2005 between the First Florida Governmental Financing Commission and the Issuer.

"Refunded Series 2007 Loan" means the portion of the Issuer's outstanding obligations under a Loan Agreement dated as of April 1, 2007 between the First Florida Governmental Financing Commission and the Issuer payable on and after June 20, 2018.

"Refunded Loans" means collectively, the Refunded Series 2009 Note, Refunded Series 2005 Loan and the Refunded Series 2007 Loan."

"Resolution" means Resolution No. ____ adopted by the City Commission of the Issuer on April 7, 2016.

"State" means the State of Florida.

Section 1.02 Titles and Headings. The titles and headings of the articles and sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

ARTICLE II

REPRESENTATIONS OF ISSUER

The Issuer represents and warrants to the Bank, which representations and warranties shall be deemed made on the date hereof, that:

Section 2.01 Powers of Issuer. The Issuer is a municipal corporation, duly organized and validly existing under the laws of the State. The Issuer has the power under the Act to borrow the Loan Amount provided for in this Agreement, to execute and deliver the Loan Documents, to secure this Agreement and the Note in the manner contemplated hereby and to perform and observe all the terms and conditions of the Loan Documents on its part to be performed and observed. The Issuer may lawfully borrow funds hereunder in order to refund the Refunded Loans and pay the costs of issuance of the Loan.

Section 2.02 Authorization of Loan. The Issuer had, has, or will have on the date of the Note and at all relevant times, full legal right, power and authority to execute and deliver the Loan Documents, to make the Note, and to carry out and consummate all other transactions contemplated hereby, and the Issuer has complied and will comply with all provisions of

applicable law in all material matters relating to such transactions. The Issuer has duly authorized the borrowing of the Loan Amount provided for in this Agreement, the execution and delivery of this Agreement, and the making and delivery of the Note to the Bank, and to that end the Issuer warrants that it will, subject to the terms hereof and of the Note, take all action and do all things which it is authorized by law to take and to do in order to fulfill all covenants on its part to be performed and to provide for and to assure payment of the Note. The Note has been duly authorized, executed, issued and delivered to the Bank and constitutes the legal, valid and binding obligation of the Issuer enforceable in accordance with the terms thereof and the terms hereof, and is entitled to the benefits and security of this Agreement, subject to the provisions of the bankruptcy laws of the United States of America and to other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights, heretofore or hereinafter enacted, to the extent constitutionally applicable, and provided that its enforcement may also be subject to equitable principles that may affect remedies or other equitable relief, or to the exercise of judicial discretion in appropriate cases. All approvals, consents, and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the issuance of the Note or the execution and delivery of or the performance by the Issuer of its obligations under this Agreement and the Note have been obtained or made and any consents, approvals, and orders to be received or filings so made are in full force and effect. NOTWITHSTANDING THE FOREGOING, HOWEVER, OR ANYTHING ELSE HEREIN OR IN THE NOTE TO THE CONTRARY, NEITHER THIS AGREEMENT NOR THE NOTE SHALL CONSTITUTE A GENERAL OBLIGATION OR A PLEDGE OF THE FAITH AND CREDIT OF THE ISSUER, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, LEGISLATIVE OR CHARTER PROVISION OR LIMITATION, BUT SHALL BE PAYABLE SOLELY FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN AND IN THE RESOLUTION. No holder or owner of the Note shall ever have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the Issuer or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for any purpose, including, without limitation, for the payment of debt service with respect thereto, or to maintain or continue any activities of the Issuer which generate user service charges, regulatory fees or other non-ad valorem revenues, nor shall any holder or owner of the Note be entitled to payment of such principal and interest from any other funds of the Issuer other than the Pledged Funds, all in the manner and to the extent herein and in the Resolution provided.

Section 2.03 No Violation of Law or Contract. The Issuer is not in default in any material respect under any agreement or other instrument to which it is a party or by which it may be bound, the breach of which could result in a material and adverse impact on the financial condition of the Issuer or the ability of the Issuer to perform its obligations hereunder and under the Note. The making and performing by the Issuer of this Agreement and the Note will not violate any applicable provision of law, and will not result in a material breach of any of the terms of any agreement or instrument to which the Issuer is a party or by which the Issuer is bound, the breach of which could result in a material and adverse impact on the financial condition of the Issuer or the ability of the Issuer to perform its obligations hereunder and under the Note.

Section 2.04 Resolution. The Resolution has been duly adopted by the Issuer, is in full force and effect and has not been amended, altered, repealed or revoked in any way.

Section 2.05 Pending or Threatened Litigation. Except as has been disclosed to the Bank in writing, there are no actions or proceedings pending against the Issuer or affecting the Issuer or, to the knowledge of the Issuer, threatened, which, either in any case or in the aggregate, might result in any material adverse change in the financial condition of the Issuer, or which questions the validity of this Agreement or the Note or of any action taken or to be taken in connection with the transactions contemplated hereby or thereby.

Section 2.06 Financial Information. The financial information regarding the Issuer furnished to the Bank by the Issuer in connection with the Loan is complete and accurate, and there has been no material and adverse change in the financial condition of the Issuer from that presented in such information.

ARTICLE III

COVENANTS OF THE ISSUER

Section 3.01 Affirmative Covenants. For so long as any of the principal amount of or interest or any redemption or prepayment premium on the Note is outstanding or any duty or obligation of the Issuer hereunder or under the Note remains unpaid or unperformed, the Issuer covenants to the Bank as follows:

(a) Payment. The Issuer shall pay the principal of and the interest or any redemption or prepayment premium on the Note at the time and place and in the manner provided herein and in the Note.

(b) Use of Proceeds. Proceeds from the Note will be (i) deposited into the Refunded Series 2009 Escrow Deposit Agreement to refund the Refunded Series 2009 Note and (ii) deposited into the Pooled Loans Escrow Deposit Agreement to refund the Refunded Series 2005 Loan and the Refunded Series 2007 Loan, and (iii) applied to pay costs of issuance of the Loan, except as otherwise expressly provided hereby.

(c) Maintenance of Existence. The Issuer will take all reasonable legal action within its control in order to maintain its existence until all amounts due and owing from the Issuer to the Bank under this Agreement and the Note have been paid in full.

(d) Records. The Issuer agrees that any and all records of the Issuer with respect to the Loan shall be open to inspection by the Bank or its representatives at all reasonable times and after receipt by the Issuer of reasonable notice from the Bank at the offices the Issuer.

(e) Financial Statements, Budget and Compliance Certificate. The Issuer will cause an audit to be completed of its books and accounts and shall make available electronically to the Bank audited year-end financial statements of the Issuer, including a balance sheet as of the end of such Fiscal Year and related statements of revenues, expenses and changes in net assets, certified by an independent certified public accountant to the effect that such audit has been conducted in accordance with generally accepted auditing standards and stating whether such financial statements present fairly in all material respects the financial position of the Issuer and the results of its operations and cash flows for the periods covered by the audit report, all in conformity with generally accepted accounting principles applied on a consistent basis. The Issuer shall make available electronically to the Bank the audited financial statements for each

Fiscal Year ending on or after September 30, 2016, within 210 days after the end thereof and shall make available electronically to the Bank an annual budget within 60 days after the same shall have been approved by the City Commission of the Issuer. The Issuer shall also provide to the Bank, together with the annual audited financial statements referred to in this paragraph, a certificate of an officer of the Issuer to the effect that the Issuer is not in breach of any of the covenants set forth in this Article III. The Issuer shall also provide to the Bank upon request such additional financial information to supplement or verify certain financial assumptions or the creditworthiness of the Issuer

(f) Insurance. The Issuer shall maintain such liability, casualty and other insurance as, or shall self-insure in a manner as, is reasonable and prudent for similarly situated governmental entities of the State of Florida.

(g) Credit Rating. If the Issuer maintains a long-term credit rating on Non-Self Supporting Revenue Debt, without regard to credit enhancement, it shall not be less than BBB+ (or the equivalent), as rated by Moody's Investors Service, Inc. ("Moody's"), Standard & Poor's Ratings Services, a business of Standard & Poor's Financial Services LLC ("S&P"), Fitch Ratings ("Fitch") or Kroll Bond Rating Agency, Inc., ("Kroll") or withdrawn for credit related reasons, provided, however, notwithstanding the foregoing the Issuer shall not be required to obtain or maintain a rating on the Note or on any other outstanding indebtedness of the Issuer.

Section 3.02 Negative Covenants. For so long as any of the principal amount of or interest on the Note is outstanding or any duty or obligation of the Issuer hereunder or under the Note remains unpaid or unperformed, the Issuer covenants to the Bank as follows:

Anti-Dilution. Except with respect to Non-Self Supporting Revenue Debt issued to refund existing Non-Self Supporting Revenue Debt where the aggregate debt service of the refunding Non-Self Supporting Revenue Debt will not be greater than that for the Non-Self Supporting Revenue Debt being refunded, the Issuer may incur additional Non-Self-Supporting Revenue Debt only if,

(i) after the issuance thereof, the maximum annual debt service in any Bond Year (net of any subsidies or reimbursements related to interest) resulting from the total outstanding Non-Self-Supporting Revenue Debt of the Issuer, including such additional Non-Self-Supporting Revenue Debt, does not exceed fifty percent (50%) of total Non-Ad Valorem Revenues received in the preceding Fiscal Year; and

(ii) the Non-Ad Valorem Revenues of the Issuer for the preceding Fiscal Year were at least 2.00 times average annual debt service (net of any subsidies or reimbursements related to interest) in all future Bond Years on all outstanding Non-Self-Supporting Revenue Debt and the Non-Self-Supporting Revenue Debt proposed to be issued.

For purposes of calculating the foregoing, if any Non-Self-Supporting Revenue Debt bears a rate of interest that is not fixed for the entire term of the Non-Self-Supporting Revenue Debt (excluding any provisions that adjust the interest rate upon a change in tax law or in the tax treatment of interest on the debt or upon a default), then the interest rate on such Non-Self-Supporting Revenue Debt shall be assumed to be the highest of (x) the average rate of actual

interest borne by such Non-Self-Supporting Revenue Debt during the most recent complete month prior to the date of calculation, (y) for tax-exempt Non-Self-Supporting Revenue Debt, The Bond Buyer Revenue Bond Index last published in the month preceding the date of calculation plus one percent, or (z) for taxable Non-Self-Supporting Revenue Debt, the yield on a U.S. Treasury obligation with a maturity closest to but not before the maturity date of such Non-Self-Supporting Revenue Debt, as reported in Statistical Release H.15 of the Federal Reserve on the last day of the month preceding the date of issuance of such proposed Non-Self-Supporting Revenue Debt, plus three percent; provided that if the Issuer shall have entered into an interest rate swap or interest rate cap or shall have taken any other action which has the effect of fixing or capping the interest rate on such Non-Self-Supporting Revenue Debt for the entire term thereof, then such fixed or capped rate shall be used as the applicable rate for the period of such swap or cap; and provided further that if The Bond Buyer Revenue Bond Index or Statistical Release H.15 of the Federal Reserve is no longer available or no longer contains the necessary data, such other comparable source of comparable data as selected by the Issuer shall be utilized in the foregoing calculations. For the purpose of calculating the foregoing, "Balloon Indebtedness" (as defined in the immediately succeeding sentence) shall be assumed to amortize over 20 years in substantially equal annual payments at its fixed interest rate and, if the interest rate is not fixed, at the rate calculated pursuant to the immediately preceding sentence. "Balloon Indebtedness" is any Non-Self-Supporting Revenue Debt, twenty-five percent (25%) or more of the principal amount of which comes due in any single Fiscal Year.

Section 3.03 Registration and Exchange of Note. The Note shall initially be owned by the Bank. The ownership of the Note may only be transferred, and the Issuer will transfer the ownership of the Note, in whole upon written request of the Bank to the Issuer specifying the name, address and taxpayer identification number of the transferee, and the Issuer will keep and maintain at all times a record setting forth the identification of the owner of the Note. The Note can only be transferred to an "accredited investor", as defined in Rule 501(A)(1),(2) or (3) under Regulation D of the Securities Act of 1933, as amended, or a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended.

The Person in whose name the Note shall be registered shall be deemed and regarded the absolute owner thereof for all purposes, and payment of principal and interest on such Note shall be made only to or upon the written order of such Person. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Section 3.04 Note Mutilated, Destroyed, Stolen or Lost. In case the Note shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Note, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for the Note destroyed, stolen or lost and upon the Bank furnishing the Issuer proof of ownership thereof, an affidavit of lost or stolen instrument and indemnity reasonably satisfactory to the Issuer and paying such expenses as the Issuer may reasonably incur in connection therewith.

Section 3.05 Payment of Principal and Interest; Limited Obligation. The Issuer promises that it will promptly pay the principal of and interest on and any prepayment or redemption premium or fee on the Note, at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and of the Note; provided that the Issuer may be compelled to pay the principal of and interest on and any prepayment premium or fee

with respect to the Note solely from the Pledged Funds, and nothing in the Note, this Loan Agreement or the Resolution shall be construed as pledging any other funds or assets of the Issuer to such payment or as authorizing such payment to be made from any other source. The Issuer is not and shall not be liable for the payment of the principal of and interest on the Note and any prepayment premium or fee with respect to or for the performance of any pledge, obligation or agreement for payment undertaken by the Issuer hereunder, under the Note or under the Resolution from any property other than the Pledged Funds. The Bank shall not have any right to resort to legal or equitable action to require or compel the Issuer to make any payment required by the Note or this Loan Agreement from any source other than the Pledged Funds.

Section 3.06 Covenant to Budget and Appropriate. The Issuer hereby covenants and agrees, to the extent permitted by and in accordance with applicable law and budgetary processes, to prepare, approve and appropriate in its Annual Budget for each Fiscal Year, by amendment if necessary, and to deposit to the credit of the Debt Service Account in a timely manner as needed to pay debt service on the Note, Non-Ad Valorem Revenues of the Issuer in an amount which is equal to the debt service with respect to the Note for the applicable Fiscal Year. Such covenant and agreement on the part of the Issuer to budget and appropriate sufficient amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues in amounts sufficient to make all required payments hereunder and under the Note as and when due, including any delinquent payments, shall have been budgeted, appropriated and actually paid into the Debt Service Account; provided, however, that such covenant shall not constitute a lien, either legal or equitable, on any of the Issuer's Non-Ad Valorem Revenues or other revenues, nor shall it preclude the Issuer from pledging in the future any of its Non-Ad Valorem Revenues or other revenues to other obligations so long as the granting of such pledge does not have the effect of impairing the obligation of or breaching a covenant of the Issuer under this Agreement and the Note by making unavailable sufficient Non-Ad Valorem Revenues required to timely make payments of principal and interest on the Note and any other payments required hereunder, nor shall it give the holder or owner of the Note a prior claim on the Non-Ad Valorem Revenues. Anything herein to the contrary notwithstanding, all obligations of the Issuer hereunder shall be secured only by the Non-Ad Valorem Revenues actually budgeted and appropriated and deposited into the Debt Service Account, as provided for herein. The Issuer is prohibited by law from expending moneys not appropriated or in excess of its current budgeted revenues and surpluses. The obligation of the Issuer to budget, appropriate and make payments hereunder from its Non-Ad Valorem Revenues is subject to the availability of Non-Ad Valorem Revenues after satisfying funding requirements for obligations having an express lien on or pledge of such revenues and after satisfying funding requirements for essential governmental services of the Issuer. Notwithstanding the foregoing or anything herein to the contrary, the Issuer has not covenanted to maintain any service or program now provided or maintained by the Issuer which generates Non-Ad Valorem Revenues.

Section 3.07 Pledge. The payment of the principal of, premium, if any, and interest on the Note, and all other amounts payable under this Agreement, shall be secured by an irrevocable lien on the Pledged Funds, all in the manner and to the extent provided herein and in the Resolution. The Issuer does hereby pledge such Pledged Funds to the principal of, premium, if any, and interest on the Note and for all other payments provided for herein.

Section 3.08 Debt Service Account. The Issuer shall apply all moneys on deposit in the Debt Service Account to the timely payment of the principal of, premium, if any, and interest on the Note. Funds held in the Debt Service Account may be invested in investments permitted by law and meeting the requirements of the Issuer's written investment policy and that mature not later than the dates that such funds will be needed for the purposes of such accounts.

Section 3.09 Officers and Employees of the Issuer Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Loan Agreement or the Note or for any claim based hereon or thereon or otherwise in respect thereof, shall be had against any officer, agent or employee, as such, of the Issuer, past, present or future, it being expressly understood (a) that the obligation of the Issuer under this Agreement and under the Note is solely a corporate one, limited as provided herein, (b) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the officers, agents, or employees, as such, of the Issuer, or any of them, under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom, and (c) that any and all such personal liability of, and any and all such rights and claims against, every such officer, agent, or employee, as such, of the Issuer under or by reason of the obligations, covenants or agreements contained in this Agreement and under the Note, or implied therefrom, are waived and released as a condition of, and as a consideration for, the execution of this Agreement and the issuance of the Note on the part of the Issuer.

Section 3.10 Business Days. In any case where the due date of interest on or principal of the Note is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day; provided that credit for payments made shall not be given until the payment is actually received by the Bank.

Section 3.11 Tax Representations, Warranties and Covenants of the Issuer. It is the intention of the Issuer that the interest on the Note be and remain excluded from gross income of the holders and owners of the Note for federal income tax purposes. The Issuer hereby covenants and represents that it has taken and caused to be taken and shall make and take and cause to be made and taken all actions that may be required of it for the interest on the Note to be and remain excluded from the gross income of the registered owner and holder thereof for federal income tax purposes to the extent set forth in the Code, and that to the best of its knowledge it has not taken or permitted to be taken on its behalf, and covenants that to the best of its ability and within its control, it shall not make or take, or permit to be made or taken on its behalf, any action which, if made or taken, would adversely affect such exclusion under the provisions of the Code.

The Issuer acknowledges that the continued exclusion of interest on the Note from gross income for federal income tax purposes depends, in part, upon compliance with the arbitrage limitations imposed by Sections 103(b)(2) and 148 of the Code. The Issuer hereby acknowledges responsibility to take all reasonable actions necessary to comply with these requirements. The Issuer hereby agrees and covenants that it shall not permit at any time or times any of the proceeds of the Note or other funds of the Issuer to be intentionally used, directly or indirectly, to acquire or to replace funds which were used directly or indirectly to acquire any higher yielding investments (as defined in Section 148 of the Code), the acquisition of which would cause the Note to be an arbitrage bond for purposes of Sections 103(b)(2) and 148 of the Code. The Issuer further agrees and covenants that it shall do and perform all acts and

things necessary in order to assure that the requirements of Section 103(b)(2) and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are met.

Specifically, without intending to limit in any way the generality of the foregoing, the Issuer covenants and agrees:

(1) to make or cause to be made all necessary determinations and calculations of the excess of the amount earned on all non-purpose investments (as defined in Section 148(f)(6) of the Code) over the amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield on the Note, plus any income attributable to such excess, but not including any amount exempted under Section 148(f) of the Code (the "Rebate Amount");

(2) to pay the Rebate Amount to the United States of America from legally available funds of the Issuer at the times and to the extent required pursuant to Section 148(f) of the Code;

(3) to maintain and retain all records pertaining to the Rebate Amount and required payments of the Rebate Amount for at least six years after the final maturity of the Note or such other period as shall be necessary to comply with the Code;

(4) to refrain from taking any action that would cause the Note to be classified as "private activity bond" under Section 141(a) of the Code; and

(5) to refrain from taking any action that would cause the Note to become an arbitrage bond under Section 148 of the Code.

The terms "debt service," "gross proceeds," "net proceeds," "proceeds," and "yield" have the meanings assigned to them for purposes of Section 148 of the Code.

The Issuer understands that the foregoing covenants impose continuing obligations on it to comply with the requirements of Section 103 and Part IV of Subchapter B of Subpart A of Chapter 1 of the Code so long as such requirements are applicable.

Section 3.12 Separate Accounts. The moneys required to be accounted for the foregoing funds established herein may be deposited in a single bank account, and funds allocable to any fund or account established herein may be invested in a common investment pool; provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds and accounts as herein provided.

The designation and establishment of any funds or accounts and by this Agreement shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE IV

CONDITIONS OF LENDING

The obligations of the Bank to lend hereunder are subject to the following conditions precedent:

Section 4.01 No Default. On the date hereof, the Issuer shall be in compliance with all the terms and provisions set forth in this Agreement and the Note on its part to be observed or performed, and no Event of Default or any event that, upon notice or lapse of time or both, would constitute such an Event of Default, shall have occurred and be continuing at such time.

Section 4.02 Supporting Documents. On or prior to the date hereof, the Bank shall have received the following supporting documents, all of which shall be satisfactory in form and substance to the Bank (such satisfaction to be evidenced by the purchase of the Note by the Bank):

(a) The opinion of the attorney for the Issuer and/or bond counsel to the Issuer, regarding the due authorization, execution, delivery, validity and enforceability of the Resolution authorizing this Agreement and the Note, and such other items as the Bank shall reasonably request;

(b) The opinion of Bond Counsel to the Issuer to the effect that the interest on the Note is excluded from gross income for federal income tax purposes and the Note is not an item of tax preference under Section 57 of the Code and such other items as the Bank shall reasonably request; and

(c) Such additional supporting documents as the Bank may reasonably request.

ARTICLE V

FUNDING THE LOAN

Section 5.01 The Loan. The Bank hereby agrees to lend to the Issuer the Loan Amount to provide funds for the purposes described herein upon the terms and conditions set forth in this Agreement. The Issuer agrees to repay the principal amount borrowed plus interest thereon upon the terms and conditions set forth in this Agreement and the Note.

Section 5.02 Description and Payment Terms of the Note. To evidence the obligation of the Issuer to repay the Loan, the Issuer shall make and deliver to the Bank the Note in the form attached hereto as Exhibit "A." Prepayment of principal may be made only as provided in the Note and the rate of interest on the Note, including any adjustments thereto, shall be as provided in the Note.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.01 General. An "Event of Default" shall be deemed to have occurred under this Agreement if:

(a) The Issuer shall fail to make any payment of the principal of, premium, if any, or interest on the Loan when the same shall become due and payable, whether by maturity, by acceleration at the discretion of the Bank as provided for in Section 6.02 or otherwise; or

(b) The Issuer shall default in the performance of or compliance with any term or covenant contained in this Agreement or the Note, other than a term or covenant a default in the performance of which or noncompliance with which is elsewhere specifically dealt with in this Section 6.01, which default or non-compliance shall continue and not be cured within thirty (30) days after written notice thereof to the Issuer by the Bank; or

(c) The Issuer admits in writing its inability to pay its debts generally as they become due or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself; or

(d) The Issuer is adjudged insolvent by a court of competent jurisdiction, or it is adjudged bankrupt on a petition in bankruptcy filed by the Issuer, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver or trustee of the Issuer or of the whole or any part of its property, and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof; or

(e) The Issuer shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or the State.

Notwithstanding the provisions of clause (b) above or anything to the contrary in Section 6.02 below, a default of any of the covenants contained in Section 3.11 hereof shall not be an "Event of Default" hereunder and the sole remedy of the Bank shall be an adjustment of the interest rate on the Note to the Taxable Rate (as defined in the Note) and the payment of the Additional Amount (as defined in the Note) to the extent and in the manner described in the Note.

Section 6.02 Effect of Event of Default. Immediately and without notice, upon the occurrence of any Event of Default under Section 6.01(a) hereof, the Bank may declare all obligations of the Issuer under this Agreement and the Note to be immediately due and payable without further action of any kind, and upon such declaration the Note and the interest accrued thereon shall become immediately due and payable. In addition, and regardless whether such declaration is or is not made, the Bank may also seek enforcement of and exercise all remedies available to it under any applicable law. All payments made on the Note, after an Event of Default, shall be first applied to accrued interest then to any reasonable costs or expenses, including reasonable legal fees and expenses, that the Bank may have incurred in protecting or

exercising its rights under the Loan Documents and the balance thereof shall apply to the principal sum due.

ARTICLE VII

MISCELLANEOUS

Section 7.01 No Waiver; Cumulative Remedies. No failure or delay on the part of the Bank in exercising any right, power, remedy hereunder or under the Note shall operate as a waiver of the Bank's rights, powers and remedies hereunder, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof, or the exercise of any other right, power or remedy hereunder or thereunder. The remedies herein and therein provided are cumulative and not exclusive of any remedies provided by law or in equity.

Section 7.02 Amendments, Changes or Modifications to the Agreement. This Agreement shall not be amended, changed or modified except in writing signed by the Bank and the Issuer. The Issuer agrees to pay all of the Bank's costs and reasonable attorneys' fees incurred in modifying and/or amending this Agreement at the Issuer's request or behest.

Section 7.03 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement, and, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 7.04 Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any other provisions or sections hereof, and this Agreement shall be construed and enforced to the end that the transactions contemplated hereby be effected and the obligations contemplated hereby be enforced, as if such illegal or invalid clause, provision or section had not been contained herein.

Section 7.05 Term of Agreement. Except as otherwise specified in this Agreement, this Agreement and all representations, warranties, covenants and agreements contained herein or made in writing by the Issuer in connection herewith shall be in full force and effect from the date hereof and shall continue in effect until as long as the Note is outstanding.

Section 7.06 Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy, electronic telephone line facsimile transmission or other similar electronic or digital transmission method (provided customary evidence of receipt is obtained); the day after it is sent, if sent by overnight common carrier service; and five days after it is sent, if mailed, certified mail, return receipt requested, postage prepaid. In each case notice shall be sent to the Notice Address.

Section 7.07 Ratings. References herein to ratings are to rating categories as presently determined by Moody's, S&P, Fitch, and Kroll (each the "Rating Agency") and in the event of the adoption of any new or changed ratings system or a "global" rating scale by any such Rating

Agency, the ratings categories shall be adjusted accordingly to new ratings which most closely approximate the ratings currently in effect.

Section 7.08 Applicable Law; Venue. This Agreement shall be construed pursuant to and governed by the substantive laws of the State. The Issuer and the Bank waive any objection either might otherwise have to venue in any judicial proceeding brought in connection herewith lying in the Alachua County, Florida.

Section 7.09 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the successors in interest and permitted assigns of the parties. The Issuer shall have no rights to assign any of its rights or obligations hereunder without the prior written consent of the Bank.

Section 7.10 No Third Party Beneficiaries. It is the intent and agreement of the parties hereto that this Agreement is solely for the benefit of the parties hereto and no person not a party hereto shall have any rights or privileges hereunder.

Section 7.11 Entire Agreement. Except as otherwise expressly provided, this Agreement and the Note embody the entire agreement and understanding between the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

Section 7.12 Further Assurances. The parties to this Agreement will execute and deliver, or cause to be executed and delivered, such additional or further documents, agreements or instruments and shall cooperate with one another in all respects for the purpose of carrying out the transactions contemplated by this Agreement.

Section 7.13 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE NOTE AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective between them as of the date of first set forth above.

CITY OF GAINESVILLE, FLORIDA

ATTEST:

By: _____
Finance Director

By: _____
Clerk of Commission

APPROVED AS TO FORM AND LEGALITY:

By: _____
City Attorney

TD BANK, NATIONAL ASSOCIATION

By: _____
Banking Officer

#39057394_v6
16334-48

EXHIBIT "A"

FORM OF NOTE

REFUNDING REVENUE NOTE, SERIES 2016A

The CITY OF GAINESVILLE, FLORIDA (the "City"), a municipal corporation duly created and existing under the laws of the State of Florida, for value received, promises to pay, but solely from the sources hereinafter provided, to the order of TD BANK, NATIONAL ASSOCIATION or registered assigns (together with any other registered owner of this Note, hereinafter, the "Bank"), the principal sum of _____ Dollars (\$ _____) or such lesser amount as shall be outstanding hereunder, together with interest on the principal balance outstanding at the Interest Rate (defined below), calculated based upon a year of 360 days consisting of twelve 30-day months, such amounts to be payable as provided herein. This Note is issued pursuant to Resolution No. ____ adopted by the Issuer on April 7, 2016 (the "Resolution") and in conjunction with a Loan Agreement, dated _____ 1, 2016, between the Issuer and the Bank (the "Loan Agreement") and is subject to all the terms and conditions of the Loan Agreement. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto, or referenced, in the Loan Agreement.

Principal of and interest on this Refunding Revenue Note, Series 2016A (the "Note") are payable in immediately available funds constituting lawful money of the United States of America at the Principal Office or such place as the Bank may designate in writing to the Issuer.

The Issuer shall pay the Bank interest on the outstanding principal balance of this Note in arrears, on November 1, 2016, and on the 1st day of each May and November thereafter, to and including the Final Maturity Date (hereinafter defined). The principal amount of this Note shall be payable in annual installments in the amounts set forth on Schedule A hereto, payable on November 1 of each year, commencing November 1, 2016, with the final installment payable November 1, 2028 (the "Final Maturity Date"). If any date for the payment of principal or interest is not a Business Day, such payment shall be due on the next succeeding Business Day.

All payments by the Issuer pursuant to this Note shall apply first to accrued interest, then to other charges due the Bank, and the balance thereof shall apply to the principal sum due. If any payment of principal or interest due hereunder is not paid within fifteen (15) days after the date due hereunder, the Issuer shall pay the Bank upon demand a late payment fee equal to six percent (6%) of the amount not paid when due.

The "Interest Rate," as used herein, shall mean ____% per annum unless adjusted as provided herein.

In the event of a Determination of Taxability, the Interest Rate shall be adjusted to cause the after-tax yield on this Note to the Bank after such Determination of Taxability to equal what the yield would have been to the Bank in the absence of such Determination of Taxability (the "Taxable Rate"), effective retroactively to the date on which such Determination of Taxability was effective. In addition, immediately upon a Determination of Taxability, the Issuer agrees to pay to the Bank the Additional Amount. "Additional Amount" means (i) the difference between

(a) interest on this Note for the period commencing on the date on which the interest on this Note ceases to be excludable from gross income for federal income tax purposes and ending on the earlier of the date this Note ceases to be outstanding or such adjustment is no longer applicable to this Note (the "Taxable Period") at a rate per annum equal to the Taxable Rate, and (b) the aggregate amount of interest paid on this Note for the Taxable Period under the provisions of this Note without considering the Determination of Taxability, plus (ii) any penalties and interest paid or payable by the Bank to the Internal Revenue Service by reason of such Determination of Taxability. As used herein, "Determination of Taxability" means a final decree or judgment of any federal court or a final action of the Internal Revenue Service or of the United States Treasury Department determining that as a result of an action or inaction of the Issuer, any interest payable on this Note is includable in the gross income of the Bank for federal income tax purposes. No such decree or action shall be considered final for the purposes of this paragraph unless the Issuer has been given written notice thereof and, if it is so desired by the Issuer and is legally permissible, the Issuer has been afforded the opportunity to contest the same, at its own expense, either directly or in the name of the Bank and until the conclusion of any appellate review, if sought.

Notwithstanding the foregoing, in no event shall the Interest Rate in any year exceed the maximum rate permitted by law.

The Bank shall promptly notify the Issuer in writing of any adjustment to the Interest Rate. The Bank shall certify to the Issuer in writing the additional amount, if any, due to the Bank as a result of an adjustment in the Interest Rate pursuant hereto and shall provide to the Issuer a written calculation of any change in the Interest Rate claimed hereunder.

The Note shall be prepayable at any time, in whole or in part, upon three (3) Business Days' prior written notice of the Issuer to the Bank, such prepayment to be at the greater of either (i) 101% of the principal amount to be prepaid plus accrued interest thereon to the date of prepayment and (ii) a Yield Maintenance Fee (as defined immediately below).

"Yield Maintenance Fee" means the current cost of funds, specifically the "bond equivalent yield" for United States Treasury securities (bills on a discounted basis shall be converted to a "bond equivalent yield") with a maturity date closest to the "Remaining Term" (as defined below), shall be subtracted from the Interest Rate or Default Rate, if applicable. If the result is zero or a negative number, there shall be no Yield Maintenance Fee due and payable. If the result is a positive number, then the resulting percentage shall be multiplied by the scheduled outstanding principal balance for each remaining monthly period of the "Remaining Term." Each resulting amount shall be divided by 360 and multiplied by the number of days in the monthly period. Said amounts shall be reduced to present values calculated by using the above-referenced current costs of funds divided by twelve (12). The resulting sum of present values shall be the Yield Maintenance Fee.

"Remaining Term" as used herein shall mean the remaining term of this Note from the date of prepayment.

Upon the occurrence of an Event of Default under Section 6.01(a) of the Loan Agreement, the Bank may declare the entire debt then remaining unpaid hereunder immediately due and payable; and in any such default and acceleration, the Issuer shall also be obligated to

pay (but only from the Pledged Funds) as part of the indebtedness evidenced by this Note, all costs of collection and enforcement hereof, including such fees as may be incurred on appeal or incurred in any proceeding under bankruptcy laws as they now or hereafter exist, including specifically but without limitation, claims, disputes and proceedings seeking adequate protection or relief from the automatic stay. The right of acceleration shall not be available as a remedy for any Event of Default except under Section 6.01(i) of the Loan Agreement. Upon the occurrence of an Event of Default the Interest Rate shall be adjusted to the Default Rate. Default Rate shall mean the lesser of (i) the sum of the Wall Street Journal Prime Rate (defined immediately below) at the time of the event of default, plus 8% per annum and (ii) the maximum rate permitted by applicable law.

"Wall Street Journal Prime Rate" means, the Prime Rate published in the Market Data section of the *Wall Street Journal* (or other similar section) from time to time.

The Issuer to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

This Note is payable solely from the Pledged Funds to the extent provided in the Loan Agreement and subject to the pledge of the Pledged Funds as more specifically provided in the Resolution and the Loan Agreement. Notwithstanding any other provision of this Note, the Issuer is not and shall not be liable for the payment of the principal of and interest on this Note or otherwise monetarily liable in connection herewith from any property other than as provided in the Loan Agreement and the Resolution.

NOTWITHSTANDING ANYTHING HEREIN OR IN THE LOAN AGREEMENT OR THE RESOLUTION TO THE CONTRARY, THIS NOTE AND THE INTEREST HEREON DOES NOT AND SHALL NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE ISSUER BUT SHALL BE PAYABLE SOLELY FROM THE MONEYS AND SOURCES DESIGNATED THEREFOR PURSUANT TO THE LOAN AGREEMENT AND THE RESOLUTION. NEITHER THE FAITH AND CREDIT NOR ANY AD VALOREM TAXING POWER OF THE ISSUER IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS NOTE OR OTHER COSTS INCIDENTAL HERETO.

All terms, conditions and provisions of the Loan Agreement are by this reference thereto incorporated herein as a part of this Note.

This Note may be exchanged or transferred but only as provided in the Loan Agreement.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Issuer has caused this Note to be executed in its name as of the date hereinafter set forth.

The date of this Note is _____, 2016.

CITY OF GAINESVILLE, FLORIDA

(SEAL)

By: _____
Finance Director

ATTESTED AND COUNTERSIGNED:

By: _____
Clerk of the Commission

APPROVED AS TO FORM AND LEGALITY:

By: _____
City Attorney

SCHEDULE A

Date
(November 1)

Principal Amount

TOTAL

**EXHIBIT "C" TO RESOLUTION
FORM OF 2016B LOAN AGREEMENT
(WITH ATTACHED FORM OF NOTE)**

LOAN AGREEMENT (2016B)

This LOAN AGREEMENT (the "Agreement") is made and entered into as of _____, 2016 and is by and between the CITY OF GAINESVILLE, FLORIDA, a municipal corporation created and existing under the laws of the State of Florida, and its successors and assigns (the "Issuer"), and TD BANK, NATIONAL ASSOCIATION, a national banking association, and its successors and assigns, as holder(s) of the hereinafter defined Note (the "Bank").

The parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE as follows:

ARTICLE I

DEFINITION OF TERMS

Section 1.01 Definitions. The words and terms used in capitalized form in this Agreement shall have the meanings as set forth in the recitals above and the following words and terms as used in this Agreement shall have the following meanings:

"Act" means the Charter of the Issuer, Chapter 166, Florida Statutes, Article VIII, Section 2, Constitution of the State of Florida, and other applicable provisions of law.

"Agreement" means this Loan Agreement and any and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Annual Budget" means the budget or budgets, as amended and supplemented from time to time, prepared by the Issuer for each Fiscal Year in accordance with the laws of the State of Florida.

"Bond Counsel" means any attorney at law or firm of attorneys retained by the Issuer, of nationally recognized experience in matters pertaining to the validity of, and exclusion from gross income for federal income tax purposes of interest on, the obligations of states and their political subdivisions.

"Bond Year" means the annual period beginning on the first day of November of each year and ending on the last day of October of the same year.

"Business Day" means any day except any Saturday or Sunday or day on which the Principal Office of the Bank is lawfully closed.

"City Manager" means the City Manager of the Issuer.

"Code" means the Internal Revenue Code of 1986, as amended, and applicable corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context thereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of Treasury (including applicable final regulations, temporary regulations and

proposed regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings), and applicable court rulings.

"Costs" means, with respect to the issuance of the Note, any lawful expenditure of the Issuer which meets the further requirements of this Agreement.

"Debt" means as of any date and without duplication, all of the following to the extent that they are payable in whole or in part from any Non-Ad Valorem Revenues: (i) all obligations of the Issuer for borrowed money or evidenced by bonds, debentures, notes or other similar instruments; (ii) all obligations of the Issuer to pay the deferred purchase price of property or services, except trade accounts payable under normal trade terms and which arise in the ordinary course of business; (iii) all obligations of the Issuer as lessee under capitalized leases; and (iv) all indebtedness of other persons to the extent guaranteed by, or secured by Non-Ad Valorem Revenues of, the Issuer.

"Debt Service Account" means the Revenue Note, Series 2016B Debt Service Account established by the Resolution from which the Issuer shall make payments of the principal of, interest on and any redemption or prepayment premiums with respect to the Loan under the Note.

"Event of Default" means an event of default specified in Article VI of this Agreement.

"Fiscal Year" means the period commencing on October 1 of each year and ending on the succeeding September 30, or such other period of twelve consecutive months as may hereafter be designated as the fiscal year of the Issuer by general law.

"Loan" means the loan by the Bank to the Issuer contemplated hereby.

"Loan Amount" means \$ _____.

"Loan Documents" means this Agreement and the Note.

"Non-Ad Valorem Revenues" means all legally available non-ad valorem revenues of the Issuer derived from any source whatsoever, other than ad valorem taxation on real and personal property, including, without limitation, investment income, which are legally available for the payment by the Issuer of debt service on the Note or Non-Self-Supporting Revenue Debt, including, without limitation, legally available non-ad valorem revenues derived from sources subject to a prior pledge thereof for the payment of other obligations of the Issuer and available after payment of principal and interest on such other obligations, after provision has been made by the Issuer for the payment of services and programs which are for essential governmental services of the Issuer or which are legally mandated by applicable law; notwithstanding the foregoing, "Non-Ad Valorem Revenues" shall not include revenues derived from the Issuer's electric system, natural gas system, water system, wastewater system, telecommunications system and stormwater management utility system, except to the extent that revenues derived from such sources have been deposited into the Issuer's General Fund.

"Non-Self-Supporting Revenue Debt" means obligations evidencing indebtedness for borrowed money, including the Note, (i) the primary security for which is provided by a covenant of the Issuer to budget and appropriate Non-Ad Valorem Revenues of the Issuer for the

payment of debt service on such obligations, or (ii) primarily secured or payable from another source of funds, but with respect to which the Issuer has also covenanted to budget and appropriate Non-Ad Valorem Revenues of the Issuer for the payment of debt service on such obligations, provided that obligations described in this clause (ii) shall only be considered Non-Self-Supporting Revenue Debt to the extent the Issuer has included in its budget (by amendment or otherwise) the payment of such Non-Ad Valorem Revenues pursuant to such covenant to pay debt service on such obligations. "Non-Self-Supporting Revenue Debt" shall expressly not include indebtedness payable from the revenues of a utility system, or any other enterprise fund of the Issuer, which are pledged to the payment of such indebtedness.

"Note" means the Issuer's Revenue Note, Series 2016B in the form attached hereto as Exhibit "B."

"Notice Address" means,

| | |
|-------------------|--|
| As to the Issuer: | Office of the City Attorney 200 E. University Avenue, Suite 425 Gainesville, Florida 32601 Attn: Nicolle Shalley, City Attorney Email address: shalleynm@cityofgainesville.org |
|-------------------|--|

| | |
|-----------------|---|
| As to the Bank: | TD Bank, National Association 9715 Gate Parkway North Jacksonville, Florida 32246 Attn: Coley Jones Email address: coley.jones@td.com |
|-----------------|---|

or to such other address as either party may have specified in writing to the other using the procedures specified in Section 7.06.

"Person" means an individual, corporation, partnership, joint venture, trust, limited liability company, unincorporated organization or other judicial entity.

"Pledged Funds" means (i) the Non-Ad Valorem Revenues budgeted and appropriated and deposited into the Debt Service Account to pay debt service on the Note and (ii) all funds on deposit in the Debt Service Account and the Project Account (including all investment securities on deposit therein) and all investment earnings on any such funds.

"Principal Office" means, with respect to the Bank, the office located at 9715 Gate Parkway North, Jacksonville, Florida 32246, or such other office as the Bank may designate to the Issuer in writing.

"Project" means the acquisition and construction of the capital improvements and other items described on Exhibit "A" hereto and of the costs of the Loan and the costs of issuance of the Note.

"Project Account" means the Revenue Note, Series 2016B Project Account created by the Resolution.

"Resolution" means Resolution No. _____ adopted by the City Commission of the Issuer on April 7, 2016.

"State" means the State of Florida.

Section 1.02 Titles and Headings. The titles and headings of the articles and sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

ARTICLE II

REPRESENTATIONS OF ISSUER

The Issuer represents and warrants to the Bank, which representations and warranties shall be deemed made on the date hereof, that:

Section 2.01 Powers of Issuer. The Issuer is a municipal corporation, duly organized and validly existing under the laws of the State. The Issuer has the power under the Act to borrow the Loan Amount provided for in this Agreement, to execute and deliver the Loan Documents, to secure this Agreement and the Note in the manner contemplated hereby and to perform and observe all the terms and conditions of the Loan Documents on its part to be performed and observed. The Issuer may lawfully borrow funds hereunder in order to provide funds to finance or refinance the costs of the Project, including paying the costs of issuance of the Loan.

Section 2.02 Authorization of Loan. The Issuer had, has, or will have on the date of the Note and at all relevant times, full legal right, power and authority to execute and deliver the Loan Documents, to make the Note, and to carry out and consummate all other transactions contemplated hereby, and the Issuer has complied and will comply with all provisions of applicable law in all material matters relating to such transactions. The Issuer has duly authorized the borrowing of the Loan Amount provided for in this Agreement, the execution and delivery of this Agreement, and the making and delivery of the Note to the Bank, and to that end the Issuer warrants that it will, subject to the terms hereof and of the Note, take all action and do all things which it is authorized by law to take and to do in order to fulfill all covenants on its part to be performed and to provide for and to assure payment of the Note. The Note has been duly authorized, executed, issued and delivered to the Bank and constitutes the legal, valid and binding obligation of the Issuer enforceable in accordance with the terms thereof and the terms hereof, and is entitled to the benefits and security of this Agreement, subject to the provisions of the bankruptcy laws of the United States of America and to other applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights, heretofore or hereinafter enacted, to the extent constitutionally applicable, and provided that its enforcement may also be subject to equitable principles that may affect remedies or other equitable relief, or to the exercise of judicial discretion in appropriate cases. All approvals, consents, and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the issuance of the Note or the execution and delivery of or the performance by the Issuer of its obligations under this Agreement and the Note have been

obtained or made and any consents, approvals, and orders to be received or filings so made are in full force and effect. NOTWITHSTANDING THE FOREGOING, HOWEVER, OR ANYTHING ELSE HEREIN OR IN THE NOTE TO THE CONTRARY, NEITHER THIS AGREEMENT NOR THE NOTE SHALL CONSTITUTE A GENERAL OBLIGATION OR A PLEDGE OF THE FAITH AND CREDIT OF THE ISSUER, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, LEGISLATIVE OR CHARTER PROVISION OR LIMITATION, BUT SHALL BE PAYABLE SOLELY FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN AND IN THE RESOLUTION. No holder or owner of the Note shall ever have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the Issuer or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for any purpose, including, without limitation, for the payment of debt service with respect thereto, or to maintain or continue any activities of the Issuer which generate user service charges, regulatory fees or other non-ad valorem revenues, nor shall any holder or owner of the Note be entitled to payment of such principal and interest from any other funds of the Issuer other than the Pledged Funds, all in the manner and to the extent herein and in the Resolution provided.

Section 2.03 No Violation of Law or Contract. The Issuer is not in default in any material respect under any agreement or other instrument to which it is a party or by which it may be bound, the breach of which could result in a material and adverse impact on the financial condition of the Issuer or the ability of the Issuer to perform its obligations hereunder and under the Note. The making and performing by the Issuer of this Agreement and the Note will not violate any applicable provision of law, and will not result in a material breach of any of the terms of any agreement or instrument to which the Issuer is a party or by which the Issuer is bound, the breach of which could result in a material and adverse impact on the financial condition of the Issuer or the ability of the Issuer to perform its obligations hereunder and under the Note.

Section 2.04 Resolution. The Resolution has been duly adopted by the Issuer, is in full force and effect and has not been amended, altered, repealed or revoked in any way.

Section 2.05 Pending or Threatened Litigation. Except as has been disclosed to the Bank in writing, there are no actions or proceedings pending against the Issuer or affecting the Issuer or, to the knowledge of the Issuer, threatened, which, either in any case or in the aggregate, might result in any material adverse change in the financial condition of the Issuer, or which questions the validity of this Agreement or the Note or of any action taken or to be taken in connection with the transactions contemplated hereby or thereby.

Section 2.06 Financial Information. The financial information regarding the Issuer furnished to the Bank by the Issuer in connection with the Loan is complete and accurate, and there has been no material and adverse change in the financial condition of the Issuer from that presented in such information.

ARTICLE III

COVENANTS OF THE ISSUER

Section 3.01 Affirmative Covenants. For so long as any of the principal amount of or interest or any redemption or prepayment premium on the Note is outstanding or any duty or obligation of the Issuer hereunder or under the Note remains unpaid or unperformed, the Issuer covenants to the Bank as follows:

(a) Payment. The Issuer shall pay the principal of and the interest or any redemption or prepayment premium on the Note at the time and place and in the manner provided herein and in the Note.

(b) Use of Proceeds. Proceeds from the Note will be used only to pay Costs of the Project, including the payment of closing costs of the Loan and costs of issuance of the Note, except as otherwise expressly provided hereby.

(c) Maintenance of Existence. The Issuer will take all reasonable legal action within its control in order to maintain its existence until all amounts due and owing from the Issuer to the Bank under this Agreement and the Note have been paid in full.

(d) Records. The Issuer agrees that any and all records of the Issuer with respect to the Loan shall be open to inspection by the Bank or its representatives at all reasonable times and after receipt by the Issuer of reasonable notice from the Bank at the offices the Issuer.

(e) Financial Statements, Budget and Compliance Certificate. The Issuer will cause an audit to be completed of its books and accounts and shall make available electronically to the Bank audited year-end financial statements of the Issuer, including a balance sheet as of the end of such Fiscal Year and related statements of revenues, expenses and changes in net assets, certified by an independent certified public accountant to the effect that such audit has been conducted in accordance with generally accepted auditing standards and stating whether such financial statements present fairly in all material respects the financial position of the Issuer and the results of its operations and cash flows for the periods covered by the audit report, all in conformity with generally accepted accounting principles applied on a consistent basis. The Issuer shall make available electronically to the Bank the audited financial statements for each Fiscal Year ending on or after September 30, 2016, within 210 days after the end thereof and shall make available electronically to the Bank an annual budget within 60 days after the same shall have been approved by the City Commission of the Issuer. The Issuer shall also provide to the Bank, together with the annual audited financial statements referred to in this paragraph, a certificate of an officer of the Issuer to the effect that the Issuer is not in breach of any of the covenants set forth in this Article III. The Issuer shall also provide to the Bank upon request such additional financial information to supplement or verify certain financial assumptions or the creditworthiness of the Issuer.

(f) Insurance. The Issuer shall maintain such liability, casualty and other insurance as, or shall self-insure in a manner as, is reasonable and prudent for similarly situated governmental entities of the State of Florida.

(g) Credit Rating. If the Issuer maintains a long-term credit rating on Non-Self Supporting Revenue Debt, without regard to credit enhancement, it shall not be less than BBB+ (or the equivalent), as rated by Moody's Investors Service, Inc. ("Moody's"), Standard & Poor's Ratings Services, a business of Standard & Poor's Financial Services LLC ("S&P"), Fitch Ratings ("Fitch") or Kroll Bond Rating Agency, Inc., ("Kroll") or withdrawn for credit related reasons, provided, however, notwithstanding the foregoing the Issuer shall not be required to obtain or maintain a rating on the Note or on any other outstanding indebtedness of the Issuer.

Section 3.02 Negative Covenants. For so long as any of the principal amount of or interest on the Note is outstanding or any duty or obligation of the Issuer hereunder or under the Note remains unpaid or unperformed, the Issuer covenants to the Bank as follows:

Anti-Dilution. Except with respect to Non-Self Supporting Revenue Debt issued to refund existing Non-Self Supporting Revenue Debt where the aggregate debt service of the refunding Non-Self Supporting Revenue Debt will not be greater than that for the Non-Self Supporting Revenue Debt being refunded, the Issuer may incur additional Non-Self-Supporting Revenue Debt only if,

(i) after the issuance thereof, the maximum annual debt service in any Bond Year (net of any subsidies or reimbursements related to interest) resulting from the total outstanding Non-Self-Supporting Revenue Debt of the Issuer, including such additional Non-Self-Supporting Revenue Debt, does not exceed fifty percent (50%) of total Non-Ad Valorem Revenues received in the preceding Fiscal Year; and

(ii) the Non-Ad Valorem Revenues of the Issuer for the preceding Fiscal Year were at least 2.00 times average annual debt service (net of any subsidies or reimbursements related to interest) in all future Bond Years on all outstanding Non-Self-Supporting Revenue Debt and the Non-Self-Supporting Revenue Debt proposed to be issued.

For purposes of calculating the foregoing, if any Non-Self-Supporting Revenue Debt bears a rate of interest that is not fixed for the entire term of the Non-Self-Supporting Revenue Debt (excluding any provisions that adjust the interest rate upon a change in tax law or in the tax treatment of interest on the debt or upon a default), then the interest rate on such Non-Self-Supporting Revenue Debt shall be assumed to be the highest of (x) the average rate of actual interest borne by such Non-Self-Supporting Revenue Debt during the most recent complete month prior to the date of calculation, (y) for tax-exempt Non-Self-Supporting Revenue Debt, The Bond Buyer Revenue Bond Index last published in the month preceding the date of calculation plus one percent, or (z) for taxable Non-Self-Supporting Revenue Debt, the yield on a U.S. Treasury obligation with a maturity closest to but not before the maturity date of such Non-Self-Supporting Revenue Debt, as reported in Statistical Release H.15 of the Federal Reserve on the last day of the month preceding the date of issuance of such proposed Non-Self-Supporting Revenue Debt, plus three percent; provided that if the Issuer shall have entered into an interest rate swap or interest rate cap or shall have taken any other action which has the effect of fixing or capping the interest rate on such Non-Self-Supporting Revenue Debt for the entire term thereof, then such fixed or capped rate shall be used as the applicable rate for the period of such swap or cap; and provided further that if The Bond Buyer Revenue Bond Index or Statistical Release H.15 of the Federal Reserve is no longer available or no longer contains the necessary

data, such other comparable source of comparable data as selected by the Issuer shall be utilized in the foregoing calculations. For the purpose of calculating the foregoing, "Balloon Indebtedness" (as defined in the immediately succeeding sentence) shall be assumed to amortize over 20 years in substantially equal annual payments at its fixed interest rate and, if the interest rate is not fixed, at the rate calculated pursuant to the immediately preceding sentence. "Balloon Indebtedness" is any Non-Self-Supporting Revenue Debt, twenty-five percent (25%) or more of the principal amount of which comes due in any single Fiscal Year.

Section 3.03 Registration and Exchange of Note. The Note shall initially be owned by the Bank. The ownership of the Note may only be transferred, and the Issuer will transfer the ownership of the Note, in whole upon written request of the Bank to the Issuer specifying the name, address and taxpayer identification number of the transferee, and the Issuer will keep and maintain at all times a record setting forth the identification of the owner of the Note. The Note can only be transferred to an "accredited investor", as defined in Rule 501(A)(1),(2) or (3) under Regulation D of the Securities Act of 1933, as amended, or a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended.

The Person in whose name the Note shall be registered shall be deemed and regarded the absolute owner thereof for all purposes, and payment of principal and interest on such Note shall be made only to or upon the written order of such Person. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Section 3.04 Note Mutilated, Destroyed, Stolen or Lost. In case the Note shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Note, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for the Note destroyed, stolen or lost and upon the Bank furnishing the Issuer proof of ownership thereof, an affidavit of lost or stolen instrument and indemnity reasonably satisfactory to the Issuer and paying such expenses as the Issuer may reasonably incur in connection therewith.

Section 3.05 Payment of Principal and Interest; Limited Obligation. The Issuer promises that it will promptly pay the principal of and interest on and any prepayment or redemption premium or fee on the Note, at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and of the Note; provided that the Issuer may be compelled to pay the principal of and interest on and any prepayment premium or fee with respect to the Note solely from the Pledged Funds, and nothing in the Note, this Loan Agreement or the Resolution shall be construed as pledging any other funds or assets of the Issuer to such payment or as authorizing such payment to be made from any other source. The Issuer is not and shall not be liable for the payment of the principal of and interest on the Note and any prepayment premium or fee with respect to or for the performance of any pledge, obligation or agreement for payment undertaken by the Issuer hereunder, under the Note or under the Resolution from any property other than the Pledged Funds. The Bank shall not have any right to resort to legal or equitable action to require or compel the Issuer to make any payment required by the Note or this Loan Agreement from any source other than the Pledged Funds.

Section 3.06 Covenant to Budget and Appropriate. The Issuer hereby covenants and agrees, to the extent permitted by and in accordance with applicable law and budgetary

processes, to prepare, approve and appropriate in its Annual Budget for each Fiscal Year, by amendment if necessary, and to deposit to the credit of the Debt Service Account in a timely manner as needed to pay debt service on the Note, Non-Ad Valorem Revenues of the Issuer in an amount which is equal to the debt service with respect to the Note for the applicable Fiscal Year. Such covenant and agreement on the part of the Issuer to budget and appropriate sufficient amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues in amounts sufficient to make all required payments hereunder and under the Note as and when due, including any delinquent payments, shall have been budgeted, appropriated and actually paid into the Debt Service Account; provided, however, that such covenant shall not constitute a lien, either legal or equitable, on any of the Issuer's Non-Ad Valorem Revenues or other revenues, nor shall it preclude the Issuer from pledging in the future any of its Non-Ad Valorem Revenues or other revenues to other obligations so long as the granting of such pledge does not have the effect of impairing the obligation of or breaching a covenant of the Issuer under this Agreement and the Note by making unavailable sufficient Non-Ad Valorem Revenues required to timely make payments of principal and interest on the Note and any other payments required hereunder, nor shall it give the holder or owner of the Note a prior claim on the Non-Ad Valorem Revenues. Anything herein to the contrary notwithstanding, all obligations of the Issuer hereunder shall be secured only by the Non-Ad Valorem Revenues actually budgeted and appropriated and deposited into the Debt Service Account, as provided for herein. The Issuer is prohibited by law from expending moneys not appropriated or in excess of its current budgeted revenues and surpluses. The obligation of the Issuer to budget, appropriate and make payments hereunder from its Non-Ad Valorem Revenues is subject to the availability of Non-Ad Valorem Revenues after satisfying funding requirements for obligations having an express lien on or pledge of such revenues and after satisfying funding requirements for essential governmental services of the Issuer. Notwithstanding the foregoing or anything herein to the contrary, the Issuer has not covenanted to maintain any service or program now provided or maintained by the Issuer which generates Non-Ad Valorem Revenues.

Section 3.07 Pledge. The payment of the principal of, premium, if any, and interest on the Note, and all other amounts payable under this Agreement, shall be secured by an irrevocable lien on the Pledged Funds, all in the manner and to the extent provided herein and in the Resolution. The Issuer does hereby pledge such Pledged Funds to the principal of, premium, if any, and interest on the Note and for all other payments provided for herein.

Section 3.08 Debt Service Account; Project Account. The Issuer shall apply all moneys on deposit in the Debt Service Account to the timely payment of the principal of, premium, if any, and interest on the Note. Funds held in the Debt Service Account and the Project Account may be invested in investments permitted by law and meeting the requirements of the Issuer's written investment policy and that mature not later than the dates that such funds will be needed for the purposes of such accounts. Any funds on deposit in the Project Account and determined by the Issuer not to be needed to pay the Costs of the Project or the costs of the Loan and Note shall be transferred by the Issuer to the Debt Service Account.

Section 3.09 Officers and Employees of the Issuer Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Loan Agreement or the Note or for any claim based hereon or thereon or otherwise in respect thereof, shall be had against any officer, agent or employee, as such, of the Issuer, past, present or future, it being expressly understood (a) that the obligation of the Issuer under this Agreement and under the

Note is solely a corporate one, limited as provided herein, (b) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the officers, agents, or employees, as such, of the Issuer, or any of them, under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom, and (c) that any and all such personal liability of, and any and all such rights and claims against, every such officer, agent, or employee, as such, of the Issuer under or by reason of the obligations, covenants or agreements contained in this Agreement and under the Note, or implied therefrom, are waived and released as a condition of, and as a consideration for, the execution of this Agreement and the issuance of the Note on the part of the Issuer.

Section 3.10 Business Days. In any case where the due date of interest on or principal of the Note is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day; provided that credit for payments made shall not be given until the payment is actually received by the Bank.

Section 3.11 Tax Representations, Warranties and Covenants of the Issuer. It is the intention of the Issuer that the interest on the Note be and remain excluded from gross income of the holders and owners of the Note for federal income tax purposes. The Issuer hereby covenants and represents that it has taken and caused to be taken and shall make and take and cause to be made and taken all actions that may be required of it for the interest on the Note to be and remain excluded from the gross income of the registered owner and holder thereof for federal income tax purposes to the extent set forth in the Code, and that to the best of its knowledge it has not taken or permitted to be taken on its behalf, and covenants that to the best of its ability and within its control, it shall not make or take, or permit to be made or taken on its behalf, any action which, if made or taken, would adversely affect such exclusion under the provisions of the Code.

The Issuer acknowledges that the continued exclusion of interest on the Note from gross income for federal income tax purposes depends, in part, upon compliance with the arbitrage limitations imposed by Sections 103(b)(2) and 148 of the Code. The Issuer hereby acknowledges responsibility to take all reasonable actions necessary to comply with these requirements. The Issuer hereby agrees and covenants that it shall not permit at any time or times any of the proceeds of the Note or other funds of the Issuer to be intentionally used, directly or indirectly, to acquire or to replace funds which were used directly or indirectly to acquire any higher yielding investments (as defined in Section 148 of the Code), the acquisition of which would cause the Note to be an arbitrage bond for purposes of Sections 103(b)(2) and 148 of the Code. The Issuer further agrees and covenants that it shall do and perform all acts and things necessary in order to assure that the requirements of Section 103(b)(2) and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are met.

Specifically, without intending to limit in any way the generality of the foregoing, the Issuer covenants and agrees:

- (1) to make or cause to be made all necessary determinations and calculations of the excess of the amount earned on all non-purpose investments (as defined in Section 148(f)(6) of the Code) over the amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield on the Note, plus any

income attributable to such excess, but not including any amount exempted under Section 148(f) of the Code (the "Rebate Amount");

(2) to pay the Rebate Amount to the United States of America from legally available funds of the Issuer at the times and to the extent required pursuant to Section 148(f) of the Code;

(3) to maintain and retain all records pertaining to the Rebate Amount and required payments of the Rebate Amount for at least six years after the final maturity of the Note or such other period as shall be necessary to comply with the Code;

(4) to refrain from taking any action that would cause the Note to be classified as "private activity bond" under Section 141(a) of the Code; and

(5) to refrain from taking any action that would cause the Note to become an arbitrage bond under Section 148 of the Code.

The terms "debt service," "gross proceeds," "net proceeds," "proceeds," and "yield" have the meanings assigned to them for purposes of Section 148 of the Code.

The Issuer understands that the foregoing covenants impose continuing obligations on it to comply with the requirements of Section 103 and Part IV of Subchapter B of Subpart A of Chapter 1 of the Code so long as such requirements are applicable.

Section 3.12 Separate Accounts. The moneys required to be accounted for the foregoing funds established herein may be deposited in a single bank account, and funds allocable to any fund or account established herein may be invested in a common investment pool; provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds and accounts as herein provided.

The designation and establishment of any funds or accounts and by this Agreement shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE IV

CONDITIONS OF LENDING

The obligations of the Bank to lend hereunder are subject to the following conditions precedent:

Section 4.01 No Default. On the date hereof, the Issuer shall be in compliance with all the terms and provisions set forth in this Agreement and the Note on its part to be observed or performed, and no Event of Default or any event that, upon notice or lapse of time or both, would constitute such an Event of Default, shall have occurred and be continuing at such time.

Section 4.02 Supporting Documents. On or prior to the date hereof, the Bank shall have received the following supporting documents, all of which shall be satisfactory in form and substance to the Bank (such satisfaction to be evidenced by the purchase of the Note by the Bank):

(a) The opinion of the attorney for the Issuer and/or bond counsel to the Issuer, regarding the due authorization, execution, delivery, validity and enforceability of the Resolution authorizing this Agreement and the Note, and such other items as the Bank shall reasonably request;

(b) The opinion of Bond Counsel to the Issuer to the effect that the interest on the Note is excluded from gross income for federal income tax purposes and the Note is not an item of tax preference under Section 57 of the Code and such other items as the Bank shall reasonably request; and

(c) Such additional supporting documents as the Bank may reasonably request.

ARTICLE V

FUNDING THE LOAN

Section 5.01 The Loan. The Bank hereby agrees to lend to the Issuer the Loan Amount to provide funds for the purposes described herein upon the terms and conditions set forth in this Agreement. The Issuer agrees to repay the principal amount borrowed plus interest thereon upon the terms and conditions set forth in this Agreement and the Note.

Section 5.02 Description and Payment Terms of the Note. To evidence the obligation of the Issuer to repay the Loan, the Issuer shall make and deliver to the Bank the Note in the form attached hereto as Exhibit "B." Prepayment of principal may be made only as provided in the Note and the rate of interest on the Note, including any adjustments thereto, shall be as provided in the Note.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.01 General. An "Event of Default" shall be deemed to have occurred under this Agreement if:

(a) The Issuer shall fail to make any payment of the principal of, premium, if any, or interest on the Loan when the same shall become due and payable, whether by maturity, by acceleration at the discretion of the Bank as provided for in Section 6.02 or otherwise; or

(b) The Issuer shall default in the performance of or compliance with any term or covenant contained in this Agreement or the Note, other than a term or covenant a default in the performance of which or noncompliance with which is elsewhere specifically dealt with in this Section 6.01, which default or non-compliance shall continue and not be cured within thirty (30) days after written notice thereof to the Issuer by the Bank; or

(c) The Issuer admits in writing its inability to pay its debts generally as they become due or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself; or

(d) The Issuer is adjudged insolvent by a court of competent jurisdiction, or it is adjudged bankrupt on a petition in bankruptcy filed by the Issuer, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver or trustee of the Issuer or of the whole or any part of its property, and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof; or

(e) The Issuer shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or the State.

Notwithstanding the provisions of clause (b) above or anything to the contrary in Section 6.02 below, a default of any of the covenants contained in Section 3.11 hereof shall not be an "Event of Default" hereunder and the sole remedy of the Bank shall be an adjustment of the interest rate on the Note to the Taxable Rate (as defined in the Note) and the payment of the Additional Amount (as defined in the Note) to the extent and in the manner described in the Note.

Section 6.02 Effect of Event of Default. Immediately and without notice, upon the occurrence of any Event of Default under Section 6.01(a) hereof, the Bank may declare all obligations of the Issuer under this Agreement and the Note to be immediately due and payable without further action of any kind, and upon such declaration the Note and the interest accrued thereon shall become immediately due and payable. In addition, and regardless whether such declaration is or is not made, the Bank may also seek enforcement of and exercise all remedies available to it under any applicable law. All payments made on the Note, after an Event of Default, shall be first applied to accrued interest then to any reasonable costs or expenses, including reasonable legal fees and expenses, that the Bank may have incurred in protecting or exercising its rights under the Loan Documents and the balance thereof shall apply to the principal sum due.

ARTICLE VII

MISCELLANEOUS

Section 7.01 No Waiver; Cumulative Remedies. No failure or delay on the part of the Bank in exercising any right, power, remedy hereunder or under the Note shall operate as a waiver of the Bank's rights, powers and remedies hereunder, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof, or the exercise of any other right, power or remedy hereunder or thereunder. The remedies herein and therein provided are cumulative and not exclusive of any remedies provided by law or in equity.

Section 7.02 Amendments, Changes or Modifications to the Agreement. This Agreement shall not be amended, changed or modified except in writing signed by the Bank and the Issuer. The Issuer agrees to pay all of the Bank's costs and reasonable attorneys' fees incurred in modifying and/or amending this Agreement at the Issuer's request or behest.

Section 7.03 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement, and, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 7.04 Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any other provisions or sections hereof, and this Agreement shall be construed and enforced to the end that the transactions contemplated hereby be effected and the obligations contemplated hereby be enforced, as if such illegal or invalid clause, provision or section had not been contained herein.

Section 7.05 Term of Agreement. Except as otherwise specified in this Agreement, this Agreement and all representations, warranties, covenants and agreements contained herein or made in writing by the Issuer in connection herewith shall be in full force and effect from the date hereof and shall continue in effect until as long as the Note is outstanding.

Section 7.06 Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy, electronic telephone line facsimile transmission or other similar electronic or digital transmission method (provided customary evidence of receipt is obtained); the day after it is sent, if sent by overnight common carrier service; and five days after it is sent, if mailed, certified mail, return receipt requested, postage prepaid. In each case notice shall be sent to the Notice Address.

Section 7.07 Ratings. References herein to ratings are to rating categories as presently determined by Moody's, S&P, Fitch, and Kroll (each the "Rating Agency") and in the event of the adoption of any new or changed ratings system or a "global" rating scale by any such Rating Agency, the ratings categories shall be adjusted accordingly to new ratings which most closely approximate the ratings currently in effect.

Section 7.08 Applicable Law; Venue. This Agreement shall be construed pursuant to and governed by the substantive laws of the State. The Issuer and the Bank waive any objection either might otherwise have to venue in any judicial proceeding brought in connection herewith lying in the Alachua County, Florida.

Section 7.09 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the successors in interest and permitted assigns of the parties. The Issuer shall have no rights to assign any of its rights or obligations hereunder without the prior written consent of the Bank.

Section 7.10 No Third Party Beneficiaries. It is the intent and agreement of the parties hereto that this Agreement is solely for the benefit of the parties hereto and no person not a party hereto shall have any rights or privileges hereunder.

Section 7.11 Entire Agreement. Except as otherwise expressly provided, this Agreement and the Note embody the entire agreement and understanding between the parties

hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

Section 7.12 Further Assurances. The parties to this Agreement will execute and deliver, or cause to be executed and delivered, such additional or further documents, agreements or instruments and shall cooperate with one another in all respects for the purpose of carrying out the transactions contemplated by this Agreement.

Section 7.13 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE NOTE AND ANY DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective between them as of the date of first set forth above.

CITY OF GAINESVILLE, FLORIDA

ATTEST:

By: _____
Finance Director

By: _____
Clerk of Commission

APPROVED AS TO FORM AND LEGALITY:

By: _____
City Attorney

TD BANK, NATIONAL ASSOCIATION

By: _____
Banking Officer

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EXHIBIT "A"

PROJECT DESCRIPTION

The Project includes reconstruction of SE 4th Street along with other paving and repaving projects and other transportation or road improvement projects within the City.

EXHIBIT "B"

FORM OF NOTE

REVENUE NOTE, SERIES 2016B

The CITY OF GAINESVILLE, FLORIDA (the "City"), a municipal corporation duly created and existing under the laws of the State of Florida, for value received, promises to pay, but solely from the sources hereinafter provided, to the order of TD BANK, NATIONAL ASSOCIATION or registered assigns (together with any other registered owner of this Note, hereinafter, the "Bank"), the principal sum of _____ Dollars (\$ _____) or such lesser amount as shall be outstanding hereunder, together with interest on the principal balance outstanding at the Interest Rate (defined below), calculated based upon a year of 360 days consisting of twelve 30-day months, such amounts to be payable as provided herein. This Note is issued pursuant to Resolution No. ____ adopted by the Issuer on April 7, 2016 (the "Resolution") and in conjunction with a Loan Agreement, dated _____ 1, 2016, between the Issuer and the Bank (the "Loan Agreement") and is subject to all the terms and conditions of the Loan Agreement. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto, or referenced, in the Loan Agreement.

Principal of and interest on this Revenue Note, Series 2016B (the "Note") are payable in immediately available funds constituting lawful money of the United States of America at the Principal Office or such place as the Bank may designate in writing to the Issuer.

The Issuer shall pay the Bank interest on the outstanding principal balance of this Note in arrears, on November 1, 2016, and on the 1st day of each May and November thereafter, to and including the Final Maturity Date (hereinafter defined). The principal amount of this Note shall be payable in annual installments in the amounts set forth on Schedule A hereto, payable on November 1 of each year, commencing November 1, 2017, with the final installment payable November 1, 2031 (the "Final Maturity Date"). If any date for the payment of principal or interest is not a Business Day, such payment shall be due on the next succeeding Business Day.

All payments by the Issuer pursuant to this Note shall apply first to accrued interest, then to other charges due the Bank, and the balance thereof shall apply to the principal sum due. If any payment of principal or interest due hereunder is not paid within fifteen (15) days after the date due hereunder, the Issuer shall pay the Bank upon demand a late payment fee equal to six percent (6%) of the amount not paid when due.

The "Interest Rate," as used herein, shall mean ____% per annum unless adjusted as provided herein.

In the event of a Determination of Taxability, the Interest Rate shall be adjusted to cause the after-tax yield on this Note to the Bank after such Determination of Taxability to equal what the yield would have been to the Bank in the absence of such Determination of Taxability (the "Taxable Rate"), effective retroactively to the date on which such Determination of Taxability was effective. In addition, immediately upon a Determination of Taxability, the Issuer agrees to pay to the Bank the Additional Amount. "Additional Amount" means (i) the difference between (a) interest on this Note for the period commencing on the date on which the interest on this Note

ceases to be excludable from gross income for federal income tax purposes and ending on the earlier of the date this Note ceases to be outstanding or such adjustment is no longer applicable to this Note (the "Taxable Period") at a rate per annum equal to the Taxable Rate, and (b) the aggregate amount of interest paid on this Note for the Taxable Period under the provisions of this Note without considering the Determination of Taxability, plus (ii) any penalties and interest paid or payable by the Bank to the Internal Revenue Service by reason of such Determination of Taxability. As used herein, "Determination of Taxability" means a final decree or judgment of any federal court or a final action of the Internal Revenue Service or of the United States Treasury Department determining that as a result of an action or inaction of the Issuer, any interest payable on this Note is includable in the gross income of the Bank for federal income tax purposes. No such decree or action shall be considered final for the purposes of this paragraph unless the Issuer has been given written notice thereof and, if it is so desired by the Issuer and is legally permissible, the Issuer has been afforded the opportunity to contest the same, at its own expense, either directly or in the name of the Bank and until the conclusion of any appellate review, if sought.

Notwithstanding the foregoing, in no event shall the Interest Rate in any year exceed the maximum rate permitted by law.

The Bank shall promptly notify the Issuer in writing of any adjustment to the Interest Rate. The Bank shall certify to the Issuer in writing the additional amount, if any, due to the Bank as a result of an adjustment in the Interest Rate pursuant hereto and shall provide to the Issuer a written calculation of any change in the Interest Rate claimed hereunder.

The Note shall be prepayable at any time, in whole or in part, upon three (3) Business Days' prior written notice of the Issuer to the Bank, such prepayment to be at the greater of either (i) 101% of the principal amount to be prepaid plus accrued interest thereon to the date of prepayment and (ii) a Yield Maintenance Fee (as defined immediately below).

"Yield Maintenance Fee" means the current cost of funds, specifically the "bond equivalent yield" for United States Treasury securities (bills on a discounted basis shall be converted to a "bond equivalent yield") with a maturity date closest to the "Remaining Term" (as defined below), shall be subtracted from the Interest Rate or Default Rate, if applicable. If the result is zero or a negative number, there shall be no Yield Maintenance Fee due and payable. If the result is a positive number, then the resulting percentage shall be multiplied by the scheduled outstanding principal balance for each remaining monthly period of the "Remaining Term." Each resulting amount shall be divided by 360 and multiplied by the number of days in the monthly period. Said amounts shall be reduced to present values calculated by using the above-referenced current costs of funds divided by twelve (12). The resulting sum of present values shall be the Yield Maintenance Fee.

"Remaining Term" as used herein shall mean the remaining term of this Note from the date of prepayment.

Upon the occurrence of an Event of Default under Section 6.01(a) of the Loan Agreement, the Bank may declare the entire debt then remaining unpaid hereunder immediately due and payable; and in any such default and acceleration, the Issuer shall also be obligated to pay (but only from the Pledged Funds) as part of the indebtedness evidenced by this Note, all

costs of collection and enforcement hereof, including such fees as may be incurred on appeal or incurred in any proceeding under bankruptcy laws as they now or hereafter exist, including specifically but without limitation, claims, disputes and proceedings seeking adequate protection or relief from the automatic stay. The right of acceleration shall not be available as a remedy for any Event of Default except under Section 6.01(i) of the Loan Agreement. Upon the occurrence of an Event of Default the Interest Rate shall be adjusted to the Default Rate. Default Rate shall mean the lesser of (i) the sum of the Wall Street Journal Prime Rate (defined immediately below) at the time of the event of default, plus 8% per annum and (ii) the maximum rate permitted by applicable law.

"Wall Street Journal Prime Rate" means, the Prime Rate published in the Market Data section of the *Wall Street Journal* (or other similar section) from time to time.

The Issuer to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

This Note is payable solely from the Pledged Funds to the extent provided in the Loan Agreement and subject to the pledge of the Pledged Funds as more specifically provided in the Resolution and the Loan Agreement. Notwithstanding any other provision of this Note, the Issuer is not and shall not be liable for the payment of the principal of and interest on this Note or otherwise monetarily liable in connection herewith from any property other than as provided in the Loan Agreement and the Resolution.

NOTWITHSTANDING ANYTHING HEREIN OR IN THE LOAN AGREEMENT OR THE RESOLUTION TO THE CONTRARY, THIS NOTE AND THE INTEREST HEREON DOES NOT AND SHALL NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE ISSUER BUT SHALL BE PAYABLE SOLELY FROM THE MONEYS AND SOURCES DESIGNATED THEREFOR PURSUANT TO THE LOAN AGREEMENT AND THE RESOLUTION. NEITHER THE FAITH AND CREDIT NOR ANY AD VALOREM TAXING POWER OF THE ISSUER IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS NOTE OR OTHER COSTS INCIDENTAL HERETO.

All terms, conditions and provisions of the Loan Agreement are by this reference thereto incorporated herein as a part of this Note.

This Note may be exchanged or transferred but only as provided in the Loan Agreement.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Issuer has caused this Note to be executed in its name as of the date hereinafter set forth.

The date of this Note is _____, 2016.

CITY OF GAINESVILLE, FLORIDA

(SEAL)

By: _____
Finance Director

ATTESTED AND COUNTERSIGNED:

By: _____
Clerk of the Commission

APPROVED AS TO FORM AND LEGALITY:

By: _____
City Attorney

SCHEDULE A

Date
(November 1)

Principal Amount

TOTAL

EXHIBIT "D" TO RESOLUTION
FORM OF SERIES 2009 ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

This is an Escrow Deposit Agreement dated as of _____, 2016, by and among **THE CITY OF GAINESVILLE, FLORIDA**, a municipal corporation of the State of Florida (the "Issuer"), **U.S. BANK NATIONAL ASSOCIATION**, as the escrow agent (the "Escrow Agent") and **BRANCH BANKING AND TRUST COMPANY**, as sole holder of the hereinafter described Revenue Note, Series 2009, together with its successors and assigns (the "Bank"):

WITNESSETH:

WHEREAS, the Issuer and the Bank entered into a Loan Agreement dated July 3, 2009 (the "Loan Agreement") and the Issuer issued thereunder its Revenue Note, Series 2009 (the "2009 Note") in the original principal amount of \$13,000,000; and

WHEREAS, the Issuer wishes to make provision for the payment of all of the outstanding 2009 Note (the "Refunded Note") by irrevocably depositing in escrow moneys in an amount which together with investment earnings thereon, will be sufficient to pay the principal of and interest on the Refunded Note as the same become due or are called for redemption as herein provided; and

WHEREAS, in order to deposit such amount of money in trust, the Issuer has authorized and issued its Revenue Refunding Note, Series 2016A in the principal amount of \$_____ (the "Refunding Note"), and has made available certain proceeds of such Refunding Note [and other moneys hereinafter described]; and

WHEREAS, a portion of the proceeds derived from the sale of the Refunding Note will be applied, directly or indirectly as herein required, to the purchase of certain noncallable direct obligations of the United States of America ("Government Obligations"), the principal of which, together with investment earnings thereon, will be sufficient to pay when due, or upon redemption as hereinafter described, the principal of and interest on the Refunded Note; and

WHEREAS, in order to provide for the proper and timely application of the moneys deposited in said escrow to the payment of the Refunded Note, it is necessary to enter into this Escrow Deposit Agreement with the Escrow Agent and the Bank;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein set forth and in order to secure the payment of the principal of and interest on the Refunded Note according to their tenor and effect, the Issuer does hereby deliver to and give, grant, mortgage, assign and pledge to the Escrow Agent, and to its successors and its assigns forever, all and singular the property hereinafter described:

I.

All right, title and interest of the Issuer in and to \$_____ derived from the proceeds of the Refunding Note and \$_____ derived from the Debt Service Account created under the Authorizing Resolution for the Refunded Note (as hereinafter defined) and \$_____ derived from the Project Account created in the Authorizing Resolution.

II.

All right, title and interest of the Issuer in and to the Government Obligations purchased from the moneys described in Clause I above and more particularly described in Schedule "A" hereto.

III.

All right, title and interest of the Issuer in and to all cash balances held from time to time hereunder and all income and earnings derived from or accruing to the Government Obligations described in Clause II above and more particularly described in Schedule "A" attached hereto and made a part hereof, and all proceeds of any of the foregoing.

IV.

All property which is by the express provisions of this Agreement required to be subject to the pledge hereof and any additional property of every kind and nature that may, from time to time hereafter, by delivery or by writing of any kind, be conveyed, pledged, assigned, or transferred as and for additional security hereunder or to be subject to the pledge hereof, by the Issuer or by anyone in its behalf, and the Escrow Agent is hereby authorized to receive the same at any time as additional security hereunder.

TO HAVE AND TO HOLD, all the same, including all additional property which by the terms hereof has or may become subject to the encumbrances of this Agreement given, granted, pledged and assigned or agreed so to be, with all privileges and appurtenances hereby to the Escrow Agent, and its successors and assigns, forever;

IN ESCROW NEVERTHELESS, upon the terms herein set forth, for the equal and proportionate benefit, security and protection, as herein described, of the holders or owners from time to time of the Refunded Note in the manner herein provided; but if the Refunded Note shall be fully and promptly paid when due or redeemed in accordance with the terms thereof, then this Agreement shall be and become null and void and of no further force and effect, otherwise the same shall remain in full force and effect, and subject to the covenants and conditions hereinafter set forth.

ARTICLE I
DEFINITIONS

SECTION 1.01. Definitions. In addition to words and terms elsewhere defined in this Agreement, as used herein, unless some other meaning is plainly intended, the following terms and phrases shall have the following meanings:

"Agreement" means this Escrow Deposit Agreement between the Issuer and the Escrow Agent.

"Authorizing Resolution" means Resolution No. 080995 adopted by the Issuer on July 2, 2009.

"Bank" means Branch Banking and Trust Company, together with its successors and assigns.

"Escrow" or **"pledged property"** shall mean the property, rights and interest of the Issuer which are subject to the lien of this Agreement.

"Escrow Agent" means U.S. Bank National Association, a national banking association having trust powers, organized and existing under and by virtue of the laws of the United States of America and being duly qualified to accept and administer the Escrow hereby created, and its successors in such capacity.

"Escrow Deposit Fund" means the fund so designated and established under Section 2.01 of this Agreement.

"Fiscal Year" means that period of time commencing on October 1 and continuing to and including the next succeeding September 30, or such other annual period as may be prescribed by law.

"Government Obligations" means the noncallable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America constituting part of the Escrow and described in Schedule "A" attached hereto. The term "Government Obligations" does not include money market funds investing in direct obligations of the United States of America or any other type of money market funds.

"Issuer" means the City of Gainesville, Florida.

"Loan Agreement" means the Loan Agreement dated July 3, 2009 between the Issuer and the Bank.

"Mayor" means the Mayor or Mayor-Commissioner Pro Tempore of the City Commission of the Issuer.

"Refunded Note" means the Issuer's outstanding Revenue Note, Series 2009 dated July 3, 2009.

"Refunding Note" means the Issuer's Refunding Revenue Note, Series 2016A, dated _____, 2016.

"Written Request" with respect to the Issuer means a request in writing signed by the Mayor, the City Manager, the Administrative Services Director, the Finance Director or any other officer or official of the Issuer duly authorized by the Issuer to execute such request and satisfactory to the Escrow Agent.

SECTION 1.02. Uses of Phrases. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa. The word "person" shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

ARTICLE II

ESTABLISHMENT OF FUNDS; FLOW OF FUNDS

SECTION 2.01. Creation of Escrow Deposit Fund.

(a) There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund designated the "Escrow Deposit Fund" to be held in the custody of the Escrow Agent separate and apart from other funds of the Issuer or of the Escrow Agent.

(b) Concurrently with the execution of this Agreement, the Issuer hereby deposits or has caused to be deposited with the Escrow Agent, and the Escrow Agent acknowledges receipt of, immediately available moneys in the amount of \$_____ from the proceeds of the Refunding Note, \$_____ derived from the Debt Service Account created in the Authorizing Resolution and \$_____ derived from the Project Account created in the Authorizing Resolution to be deposited in the Escrow Deposit Fund.

(c) The funds deposited in the Escrow Deposit Fund pursuant to subsection (b) above shall be immediately invested by the Escrow Agent in the noncallable Government Obligations described in Schedule "A" hereto, except \$_____ of the funds shall be initially held uninvested as a cash balance. The Issuer hereby represents and warrants that the Government Obligations described in Schedule "A," together with earnings to be received thereon, and the initial cash balance, will provide sufficient funds to pay the principal of and interest on the Refunded Note as the same become due or are called for redemption on May 1, 2019. The total aggregate receipts from such investments pursuant to Schedule "A"

is shown on Schedule "B" attached hereto. The debt service on the Refunded Note is shown on Schedule "C" hereto.

SECTION 2.02. Irrevocable Escrow Created. Except as provided in Section 4.01 hereof with respect to certain amendments, the deposit of moneys and Government Obligations in the Escrow Deposit Fund as described in Schedule "A" shall constitute an irrevocable escrow fund deposit of said moneys and Government Obligations for the benefit of the registered owners of the Refunded Note and such registered owners shall have an express lien on all moneys and the principal of and interest on all such Government Obligations and all cash balances therein, until used and applied according to this Escrow Deposit Agreement. Such moneys and investments, and the matured principal of the Government Obligations and the interest thereon shall be held in escrow by the Escrow Agent in the Escrow Deposit Fund created hereunder for the benefit of the registered owners of the Refunded Note as herein provided, and shall be kept separate and distinct from all other funds of the Issuer and the Escrow Agent and used only for the purposes and in the manner provided in this Escrow Deposit Agreement.

The Bank and the Issuer hereby agree, that notwithstanding anything to the contrary in the Loan Agreement, upon deposit of funds in such Escrow Deposit Fund, the Refunded Note shall no longer be deemed to be outstanding under the provisions of the Loan Agreement and shall cease to be entitled to any lien, benefit or security under the Loan Agreement, except to receive the payment of the redemption price on or after the designated date of redemption from money deposited with or held hereunder for such redemption of the Refunded Note.

SECTION 2.03. Purchase of Government Obligations. The Escrow Agent is hereby directed to immediately purchase the Government Obligations listed on Schedule "A" hereto solely from the moneys deposited in the Escrow Deposit Fund as hereinabove described and to hold the initial cash balance of \$_____ uninvested in the Escrow Deposit Fund. Except as otherwise provided herein, cash balances received from the Government Obligations as described in Schedule "A" as shown on Schedule "B" shall be held uninvested until applied in accordance with the terms hereof.

SECTION 2.04. Redemption of Refunded Note; Use of Moneys in the Escrow Deposit Fund.

A. The Issuer hereby irrevocably calls the Refunded Note for redemption on May 1, 2019 (the "Redemption Date") and by this Agreement gives notice of such redemption, in accordance with the terms of the Loan Agreement. The Bank, notwithstanding anything to the contrary in the Loan Agreement, hereby acknowledges receipt of such notice of the redemption of the Refunded Note on the Redemption Date.

B. As any principal of and interest on the Government Obligations set forth in Schedule "A" shall mature and is received as shown on Schedule "B," the Escrow Agent shall no later than the principal and interest payment dates and the redemption date (unless any such date shall not be a business day, in which case, the next succeeding date which is a business day), transfer from the Escrow Deposit Fund to the Bank amounts sufficient to pay the principal of and interest on the Refunded Note on the next principal and interest payment date and redemption payment date, as shown on Schedule "C." Such amounts shall be applied by the Paying Agent to pay the principal of and interest on the Refunded Note. Except as otherwise provided herein, all cash balances remaining from time to time in the Escrow Deposit Fund, as described in Schedule "B," shall be held uninvested until needed for the purposes hereof.

C. Any moneys remaining after payment in full of the Refunded Note shall also be transferred to the Issuer as contemplated in Section 2.06 below.

D. Payments to the Bank shall be made as follows, unless different directions are provided in writing to the Escrow Agreement at least 15 days prior to the next scheduled payment date.

[Bank Payment Directions]

SECTION 2.05. Investment of Moneys remaining in Escrow Deposit Fund. The Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Government Obligations held hereunder or to sell, transfer or otherwise dispose of the Government Obligations acquired hereunder except as provided in this Agreement. At the Written Request of the Issuer, the Escrow Agent may invest and reinvest any moneys remaining from time to time in the Escrow Deposit Fund until such time that they are needed in direct obligations of the United States of America maturing at such time and bearing interest at such rates as, in the opinion of Holland & Knight LLP or other nationally recognized bond counsel, based upon an independent verification by a nationally recognized independent certified public accounting firm, will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Refunding Note cause the interest on such Refunding Note or the Refunded Note not to be excluded from gross income for federal income tax purposes. The Escrow Agent will not make any investments or reinvestments not expressly contemplated herein and in the Schedules hereto without such an opinion and verification. Any interest income resulting from reinvestment of moneys pursuant to this Section 2.05 shall be transferred to the Issuer, at the Written Request of the Issuer, and used by the Issuer for any lawful purpose, unless the opinion referred to above shall dictate otherwise.

SECTION 2.06. Transfer of Funds after all Payments Required by this Agreement are made. After all of the transfers by the Escrow Agent to the Bank for payment of the principal of and interest on the Refunded Note have been

made, all remaining moneys and Government Obligations, together with any income and interest thereon, in the Escrow Deposit Fund shall be transferred to the Issuer by the Escrow Agent and used by the Issuer for any lawful purpose which, in the opinion of Holland & Knight LLP or other nationally recognized bond counsel, will not cause the interest on the Refunded Note or the Refunding Note not to be excluded from gross income for federal income tax purposes; provided, however, that no such transfer (except transfers made in accordance with Sections 2.04C, 2.05 and 4.01 hereof) to the Issuer shall be made until all of the principal of and interest on the Refunded Note have been paid.

ARTICLE III CONCERNING THE ESCROW AGENT

SECTION 3.01. Appointment of Escrow Agent. The Issuer hereby appoints U.S. Bank National Association as Escrow Agent under this Agreement.

SECTION 3.02. Acceptance by Escrow Agent. By execution of this Agreement, the Escrow Agent accepts the duties and obligations as Escrow Agent hereunder. The Escrow Agent further represents that it has all requisite power, and has taken all corporate actions necessary to execute this Escrow Agreement. The Issuer shall pay the Escrow Agent's fees and expenses for services rendered hereunder from funds of the Issuer other than those held hereunder. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in the Escrow Deposit Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 3.03. Liability of Escrow Agent. The Escrow Agent shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct. The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to the terms and provisions of this Agreement.

The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of moneys and of the principal amount of the Government Obligations, and the earnings thereon to pay the Refunded Note. So long as the Escrow Agent applies any cash on hand, the Government Obligations, and the interest earnings therefrom to pay the Refunded Note as provided herein, and complies fully with the terms of this Agreement, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Note caused by such calculations.

In the event of the Escrow Agent's failure to account for any of the Government Obligations, or moneys received by it hereunder, said Government Obligations, or moneys shall be and remain the property of the Issuer in escrow for the holders of the Refunded Note, as herein provided.

SECTION 3.04. Permitted Acts. The Escrow Agent and its affiliates may become the owner of or may deal in any obligations of the Issuer described herein as fully and with the same rights as if it were not the Escrow Agent.

SECTION 3.05. Resignation of Escrow Agent. The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the escrow hereby created by giving not less than sixty (60) days' advance written notice to the Issuer and the Bank, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the Issuer, reasonably satisfactory to the Bank, or otherwise as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent, and the transfer to such successor Escrow Agent of the funds and accounts held by the Escrow Agent hereunder.

SECTION 3.06. Removal of Escrow Agent.

(a) The Escrow Agent may be removed at any time by the Bank, if the Bank shall file a request for removal in writing with the Issuer, but the Escrow Agent shall remain in office until the appointment and taking office of a successor Escrow Agent in accordance with the provisions of this Agreement. A copy of such request shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may be removed at any time for any violation of this Agreement by a court of competent jurisdiction upon the application of the Issuer or the Bank. The notifying party shall also notify the Issuer or the Bank, as appropriate of such application.

(c) The Escrow Agent shall be deemed to have been removed if it is dissolved, becomes incapable of exercising the powers necessary to carry out its obligations hereunder or is taken over by any governmental action.

SECTION 3.07. Successor Escrow Agent.

(a) When the position of the Escrow Agent becomes or is about to become vacant, the Issuer shall appoint a successor Escrow Agent reasonably satisfactory to the Bank to fill such vacancy.

(b) The Escrow Agent and Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Refunded Note.

(c) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section within sixty (60) days after the earlier of (i) the date of resignation of the Escrow Agent or (ii) the date the vacancy occurs, the Issuer shall, or the Bank, or any Escrow Agent retiring or being removed from office may, apply to any court of competent jurisdiction to appoint a successor

Escrow Agent. Upon the deposit by the retiring or removed Escrow Agent of all funds and securities held by it under the provisions hereof into the registry of such court, such retiring or removed Escrow Agent shall be relieved of all future duties hereunder.

SECTION 3.08. Receipt of Proceedings. Receipt of true and correct copies of the proceedings of the Issuer authorizing the issuance of the Refunded Note and the proceedings of the Issuer authorizing the issuance of the Refunding Note are hereby acknowledged by the Escrow Agent, and reference herein to or citation herein of any provision of said documents shall be deemed to incorporate the same as a part thereof in the same manner and with the same effect as if they were fully set forth herein but only to the extent that such incorporation shall be necessary to the performance by the Escrow Agent of its duties and obligations set forth herein. No such incorporation shall be deemed or construed to place upon the Escrow Agent any duties or obligations not otherwise expressly set forth herein.

SECTION 3.09. Responsibilities of Escrow Agent. (a) The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the acceptance of the funds and securities deposited in the Escrow Deposit Fund, the purchase of the Government Obligations in accordance with the terms hereof, the establishment of the Escrow Deposit Fund, the retention of the Government Obligations or the proceeds thereof or any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the Issuer and the Bank for its negligent or willful acts, omissions or errors which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement and no implied covenants or obligations shall be read into this Agreement against the Escrow Agent.

(b) Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer and Bank. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding in good faith upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the Issuer or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in

respect of any action taken or suffered by it hereunder in good faith and in accordance herewith. Any payment obligation of the Escrow Agent hereunder shall be paid from, and is limited to funds available, established and maintained hereunder and the Escrow Agent shall not be required to expend its own funds for the performance of its duties under this Agreement. The Escrow Agent may act through its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any such person so appointed with due care.

In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer agrees to and shall pay to the Escrow Agent a one-time up-front fee of \$750.00 plus expenses, and reasonable, customary and ordinary expenses, charges, attorneys' fees, costs and expenses and other disbursements incurred by it in connection with publication of notices of redemption and substitutions of Government Obligations hereunder. The Escrow Agent shall have no lien whatsoever upon any of the Government Obligations or cash in the Escrow Deposit Fund for the payment of such proper fees and expenses. The Issuer hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to the extent permitted by law, but only from legally available non-ad valorem funds, to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements), which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by the Issuer or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Deposit Fund established hereunder, the acceptance of the funds and securities deposited hereunder, the purchase of the Government Obligations, the retention of the Government Obligations or the proceeds thereof, any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement and performance by the Escrow Agent of any other action required or permitted to be undertaken by it under this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

ARTICLE IV MISCELLANEOUS

SECTION 4.01. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the Bank and it shall not be repealed, revoked, altered or amended without the written consent of the Bank, the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent

may, without the consent of, or notice to the Bank, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of the Bank and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the Bank, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of Holland & Knight LLP or other nationally recognized attorneys on the subject of municipal bonds and the exclusion of the interest thereon from gross income for federal income tax purposes with respect to compliance with this section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Note, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

Notwithstanding the foregoing or any other provision of this Agreement, at the Written Request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to and shall, in simultaneous transactions, sell, transfer, otherwise dispose of or request the redemption of the Government Obligations held hereunder and to substitute therefor noncallable direct obligations of, or obligations the principal of and interest on which is fully guaranteed by the United States of America, subject to the condition that such moneys or securities held by the Escrow Agent shall be sufficient to timely pay the principal of and interest on the Refunded Note in accordance with the schedules attached hereto. The Issuer hereby covenants and agrees that it will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause the Refunding Note or the Refunded Note to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder in effect on the date of such request and applicable to obligations issued on the issue date of the Refunding Note. The Escrow Agent shall purchase such substituted securities with the proceeds derived from the maturity, sale, transfer, disposition or redemption of the Government Obligations held hereunder or from other moneys available in accordance with the written directions of the Issuer. The transactions may be effected only if there shall have been obtained: (1) an independent verification by a nationally recognized independent certified public accounting firm acceptable to the Escrow Agent concerning the adequacy of such substituted securities with respect to principal and the interest thereon and any other moneys or securities held for such purpose to meet the principal and interest when due of

the Refunded Note as contemplated by the schedules hereto; and (2) an opinion from Holland & Knight LLP or other nationally recognized bond counsel to the Issuer and the Escrow Agent to the effect that the disposition and substitution or purchase of such securities will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Refunding Note, cause the interest on such Bonds not to be excluded from gross income for Federal income tax purposes.

If Schedules "D-1" and "D-2" have been attached hereto at the time of execution hereof, the noncallable Government Obligations described in Schedule "A" hereto (the "Substituted Securities") have been provided to the Issuer by the supplier thereof (the "Supplier") under a contract pursuant to which (i) the Supplier may at any time substitute the Government Obligations listed in Schedule "D-1" (the "Original Securities"), for the Substituted Securities without cost or expense to either party and (ii) the Supplier is entitled to amounts received on the Substituted Securities in excess of the amounts that would have been received on the Original Securities, to the extent not needed to pay principal of and interest on the Refunded Note at the time and the manner contemplated by the terms of this Escrow Agreement. Under such circumstances, the Escrow Agent shall deliver to the Supplier amounts received on the Substituted Securities that, as certified by the Issuer to the Escrow Agent are in excess of the amounts that would have been received on the Original Securities, to the extent not needed to pay principal of and interest on the Refunded Note. In addition, if the Escrow Agent receives delivery from the Supplier of the Original Securities in substitution for the Substituted Securities, the Escrow Agent shall promptly deliver to the Supplier the Substituted Securities in exchange for the Original Securities without regard to the market value thereof at the time of substitution, provided that no payment of any principal of or interest on the Original Securities or the Substituted Securities has been made to the Escrow Agent. Immediately upon such substitution, Schedules "D-1" and "D-2" shall be substituted for Schedule "A" and "B," respectively, for all purposes hereof.

If securities are substituted pursuant to this Section 4.01, other than in the manner contemplated in the preceding paragraph, any surplus moneys resulting from the sale, transfer, other disposition or redemption of the Government Obligations held hereunder and the substitutions therefor of noncallable direct obligations of, or obligations the principal of and interest on which are fully guaranteed by, the United States of America, shall be released from the Escrow and shall be transferred to the Issuer and may be used by the Issuer for any lawful purpose which, in the opinion of Holland & Knight LLP or other nationally recognized bond counsel, will not cause the interest on the Refunded Note or the Refunding Note not to be excluded from gross income for federal income tax purposes.

Upon any amendment of this Agreement that does not require the Bank's consent pursuant to Section 4.01 hereof, the Issuer shall provide a written copy of such amendment to the Bank in accordance with Section 4.07 herein.

SECTION 4.02. Severability. If any one or more of the covenants or agreements provided in this Agreement should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed to be separate and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 4.03. Agreement Binding. All the covenants, promises and agreements in this Agreement contained by or on behalf of the Issuer or by or on behalf of the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, and shall be for the benefit of the holders of the Refunded Note and the Refunding Note, whether so expressed or not.

SECTION 4.04. Termination. This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made.

SECTION 4.05. Governing Law. This Agreement shall be governed by the applicable laws of the State of Florida without regard to conflict of law principles.

SECTION 4.06. Execution by Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded for all purposes as an original, and all of which, together, shall constitute and be but one and the same instrument.

SECTION 4.07. Notices. All notices and communications required to be delivered pursuant to this Agreement shall be given in writing, or by telegram, telex, or cable or first class mail, postage prepaid, addressed to the following parties, at the following addresses:

The Issuer:

City of Gainesville, Florida
200 East University Avenue, 4th Floor
Gainesville, Florida 32601
Attention: City Manager

and

City of Gainesville, Florida
200 East University Avenue, 4th Floor
Gainesville, Florida 32601
Attention: City Attorney

The Escrow Agent: U.S. Bank National Association
225 E. Robinson Street, Suite 250
Orlando, Florida 32801
Attention: Corporate Trust Division

The Bank: Branch Banking and Trust Company
5130 Parkway Plaza Boulevard, Building No. 9
Charlotte, North Carolina 28217
Attn: Account Administration/Municipal

The Escrow Agent shall have the right to accept and act upon directions given pursuant to this Agreement and delivered using Electronic Means; provided, however, that the Issuer shall provide to the Escrow Agent an incumbency certificate listing authorized officers with the authority to provide such directions and containing specimen signatures of such authorized officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Escrow Agent directions using Electronic Means and the Escrow Agent in its discretion elects to act upon such directions, the Escrow Agent's understanding of such directions shall be deemed controlling. The Issuer understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such directions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an authorized officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such authorized officer. The Issuer shall be responsible for ensuring that only authorized officers transmit such directions to the Escrow Agent and that all authorized officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such directions notwithstanding that such directions conflict or are inconsistent with a subsequent written direction. The Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized directions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions to the Escrow Agent and that there may be more secure methods of transmitting directions than Electronic Means; and (iii) that the security procedures (if any) to be followed in connection with its transmission of directions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances. "Electronic Means" shall mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Issuer, the Escrow Agent and the Bank have duly executed this Agreement as of the ____ day of _____, 2016.

CITY OF GAINESVILLE, FLORIDA

By: _____
Finance Director

ATTEST:

By: _____
Clerk of the Commission

Approved as to form and legality:

By: _____
City Attorney

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Agent

By: _____
Authorized Officer

BRANCH BANKING AND TRUST
COMPANY, as Bank

By: _____
Senior Vice President

#38954949_v6

SCHEDULE A
GOVERNMENT OBLIGATIONS

SCHEDULE B
RECEIPTS FROM INVESTMENTS

SCHEDULE C
DEBT SERVICE ON REFUNDED NOTE

**EXHIBIT "E" TO RESOLUTION
FORM OF POOLED LOANS ESCROW DEPOSIT AGREEMENT**

ESCROW DEPOSIT AGREEMENT

This is an Escrow Deposit Agreement dated as of _____, 2016, by and between **GAINESVILLE, FLORIDA**, a municipal corporation of the State of Florida (the "Issuer"), and **U.S. BANK NATIONAL ASSOCIATION**, as escrow agent (the "Escrow Agent"):

WITNESSETH:

WHEREAS, the Issuer has previously borrowed \$_____ pursuant to a Loan Agreement dated as of March 1, 2005 between First Florida Governmental Financing Commission ("FFGFC") and the Issuer (the "Refunded 2005 Loan") and has borrowed \$_____ pursuant to a Loan Agreement dated as of April 1, 2007 between FFGFC and the Issuer (the "Refunded 2005 Loan"); and

WHEREAS, there is outstanding \$3,315,000 in principal amount of the Refunded 2005 Loan and \$915,000 in principal amount of the Refunded 2007 Loan (collectively, the "Refunded Loans") and the Issuer wishes to make provision for the payment of the Refunded Loans by irrevocably depositing in escrow moneys in an amount which, together with investment earnings thereon, will be sufficient to pay the principal of and interest and redemption premiums on the Refunded Loans as the same become due or are called for earlier redemption as herein provided; and

WHEREAS, in order to deposit such amount of money in trust, and for certain other purposes, the Issuer has authorized and issued its Refunding Revenue Note, Series 2016A, in a principal amount of \$_____ (the "Refunding Note"), and has made available certain proceeds of such Refunding Note; and

WHEREAS, a portion of the proceeds derived from the sale of the Refunding Note will be applied, directly or indirectly as herein required, to the purchase of certain noncallable direct obligations of the United States of America ("Government Obligations"), the principal of which, together with investment earnings thereon, will be sufficient to pay when due, or upon redemption, as herein described, the principal of and interest and redemption premiums on the Refunded Loans; and

WHEREAS, in order to provide for the proper and timely application of the moneys deposited in said escrow to the payment of the Refunded Loans, it is necessary to enter into this Escrow Deposit Agreement with the Escrow Agent on behalf of the holders from time to time of the Refunded Loans;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein set forth and in order to secure the payment of the principal of, interest on and redemption premium with respect to all of the Refunded Loans according to their tenor and effect, the Issuer does hereby deliver to and give, grant, mortgage, assign and pledge to the Escrow Agent, and to its

successors and its assigns forever, all and singular the property hereinafter described:

I.

All right, title and interest of the Issuer in and to \$_____ derived from the proceeds of the Refunding Note.

II.

All right, title and interest of the Issuer in and to the Government Obligations purchased from the moneys described in Clause I above and more particularly described in Schedule "A" hereto.

III.

All right, title and interest of the Issuer in and to all cash balances held from time to time hereunder and all income and earnings derived from or accruing to the Government Obligations described in Clause II above and more particularly described in Schedule "A" attached hereto and made a part hereof, and all proceeds of any of the foregoing.

IV.

All property which is by the express provisions of this Agreement required to be subject to the pledge hereof and any additional property of every kind and nature that may, from time to time hereafter, by delivery or by writing of any kind, be conveyed, pledged, assigned, or transferred as and for additional security hereunder or to be subject to the pledge hereof, by the Issuer or by anyone on its behalf, and the Escrow Agent is hereby authorized to receive the same at any time as additional security hereunder.

TO HAVE AND TO HOLD, all the same, including all additional property which by the terms hereof has or may become subject to the encumbrances of this Agreement given, granted, pledged and assigned or agreed so to be, with all privileges and appurtenances hereby to the Escrow Agent, and its successors and assigns, forever;

IN ESCROW NEVERTHELESS, upon the terms herein set forth, for the equal and proportionate benefit, security and protection, as herein described, of the holders or owners from time to time of the Refunded Loans in the manner herein provided; but if the Refunded Loans shall be fully and promptly paid when due or redeemed in accordance with the terms thereof, then this Agreement shall be and become null and void and of no further force and effect, otherwise the same shall remain in full force and effect, and subject to the covenants and conditions hereinafter set forth.

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. In addition to words and terms elsewhere defined in this Agreement, as used herein, unless some other meaning is plainly intended, the following terms and phrases shall have the following meanings:

"**Agreement**" means this Escrow Deposit Agreement between the Issuer and the Escrow Agent.

"**Escrow**" or "**pledged property**" shall mean the property, rights and interest of the Issuer which are subject to the lien of this Agreement.

"**Escrow Agent**" means U.S. Bank National Association, a national banking association having trust powers, organized and existing under and by virtue of the laws of the United States of America and being duly qualified to accept and administer the Escrow hereby created, and its successors in such capacity.

"**Escrow Deposit Fund (2007 Loan)**" means the fund so designated and established under Section 2.01(a) of this Agreement.

"**Escrow Deposit Fund (2005 Loan)**" means the fund so designated and established under Section 2.01(b) of this Agreement.

"**FFGFC**" means First Florida Governmental Finance Commission together with its successors and assigns.

"**Fiscal Year**" means that period of time commencing on October 1 and continuing to and including the next succeeding September 30, or such other annual period as may be prescribed by law.

"**Government Obligations**" means the noncallable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America constituting part of the Escrow and described in Schedule "A" attached hereto. The term "Government Obligations" does not include money market funds investing in direct obligations of the United States of America or any other type of money market funds.

"**Issuer**" means the City of Gainesville, Florida.

"**Mayor**" means the Mayor or the Mayor-Commissioner Pro Tempore of the City Commission of the Issuer.

"**Paying Agent**" means U.S. Bank National Association, and its successors, as Trustee and paying agent under the Series 2005 Indenture and Series 2007 Indenture.

"Refunded 2005 Loan" means the principal outstanding under a Loan Agreement dated as of March 1, 2005 between the FFGFC and the Issuer, being refunded with the Refunding Note.

"Refunded 2007 Loan" means the principal outstanding under a Loan Agreement dated as of April 1, 2007 between the FFGFC and the Issuer, being refunded with the Refunding Note.

"Refunded Loans" means collectively, the Refunded 2005 Loan and the Refunded 2007 Loan.

"Refunding Note" means the Issuer's \$_____ Refunding Revenue Note, Series 2016A, dated _____, 2016.

"Series 2005 Indenture" means the Indenture as defined in the Series 2005 Loan Agreement.

"Series 2007 Indenture" means the Indenture as defined in the Series 2007 Loan Agreement.

"Series 2005 Loan Agreement" means the loan agreement, dated March 1, 2005, between the Issuer and FFGFC related to the Refunded 2005 Loan.

"Series 2007 Loan Agreement" means the loan agreement, dated April 1, 2007, between the Issuer and FFGFC related to the Refunded 2007 Loan.

"Trustee" shall have the meaning given in the Series 2005 Loan Agreement and the Series 2007 Loan Agreement.

"Written Request" with respect to the Issuer means a request in writing signed by the Mayor, the City Manager, the Administrative Services Director, the Finance Director or any other officer or official of the Issuer duly authorized by the Issuer to execute such request and satisfactory to the Escrow Agent.

SECTION 1.02. Uses of Phrases. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa. The word "person" shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

ARTICLE II

ESTABLISHMENT OF FUNDS; FLOW OF FUNDS

SECTION 2.01. Creation of Escrow Deposit Fund.

(a) There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund designated the "Escrow Deposit Fund (2005 Loan)" to be held in the custody of the Escrow Agent separate and apart from other funds of the Issuer or of the Escrow Agent to provide for payment of the Refunded 2005 Loan on its scheduled payment dates or earlier redemption.

(b) There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund designated the "Escrow Deposit Fund (2007 Loan)" to be held in the custody of the Escrow Agent separate and apart from other funds of the Issuer or of the Escrow Agent to provide for payment of the Refunded 2007 Loan on its scheduled payment dates or earlier redemption.

(c) Concurrently with the execution of this Agreement, the Issuer hereby deposits or has caused to be deposited with the Escrow Agent, and the Escrow Agent acknowledges receipt of, immediately available moneys in the amount of \$_____ from the proceeds of the Refunding Note to be deposited in the Escrow Deposit Fund (2005 Loan).

(d) Concurrently with the execution of this Agreement, the Issuer hereby deposits or has caused to be deposited with the Escrow Agent, and the Escrow Agent acknowledges receipt of, immediately available moneys in the amount of \$_____ from the proceeds of the Refunding Note to be deposited in the Escrow Deposit Fund (2007 Loan).

(e) The funds deposited in the Escrow Deposit Fund (2005 Loan) pursuant to subsection (c) above shall be immediately invested by the Escrow Agent in the noncallable Government Obligations described in Schedule "A" hereto, except \$_____ of the funds shall be initially held uninvested as a cash balance. The Issuer hereby represents and warrants that the Government Obligations described in Schedule "A," together with earnings to be received thereon, and the initial cash balance, will provide sufficient funds to pay the principal of and interest on the Refunded 2005 Loan as the same become due or are called for redemption on _____, 2015. The total aggregate receipts from such investments in the Escrow Deposit Fund (2005 Loan) pursuant to Schedule "A" is shown on Schedule "B-1" attached hereto. The debt service on the Refunded 2005 Loan is shown on Schedule "C-1" hereto.

(f) The funds deposited in the Escrow Deposit Fund (2007 Loan) pursuant to subsection (d) above shall be immediately invested by the Escrow Agent in the noncallable Government Obligations described in Schedule "A" hereto, except \$_____ of the funds shall be initially held uninvested as a cash balance. The Issuer

hereby represents and warrants that the Government Obligations described in Schedule "A," together with earnings to be received thereon, and the initial cash balance, will provide sufficient funds to pay the principal of and interest and redemption premiums on the Refunded 2007 Loan as the same become due or are called for redemption on July 1, 2017. The total aggregate receipts from such investments in the Escrow Deposit Fund (2007 Loan) pursuant to Schedule "A" is shown on Schedule "B-2" attached hereto. The debt service on the Refunded 2007 Loan is shown on Schedule "C-2" hereto.

SECTION 2.02. Irrevocable Escrow Created.

(a) Except as provided in Section 4.01 hereof with respect to certain amendments, the deposit of moneys and Government Obligations in the Escrow Deposit Fund (2005 Loan) as described in Schedule "A" shall constitute an irrevocable escrow fund deposit of said moneys for the benefit of FFGFC to secure the Refunded 2005 Loan and FFGFC shall have an express lien on all cash balances therein until used and applied according to this Escrow Deposit Agreement. Such moneys shall be held in escrow by the Escrow Agent in the Escrow Deposit Fund (2005 Loan) created hereunder for the benefit of FFGFC as herein provided, and shall be kept separate and distinct from all other funds of the Issuer and the Escrow Agent and used only for the purposes and in the manner provided in this Escrow Deposit Agreement.

(b) Except as provided in Section 4.01 hereof with respect to certain amendments, the deposit of moneys and Government Obligations in the Escrow Deposit Fund (2007 Loan) as described in Schedule "A" shall constitute an irrevocable escrow fund deposit of said moneys for the benefit of FFGFC to secure the Refunded 2007 Loan and FFGFC shall have an express lien on all cash balances therein until used and applied according to this Escrow Deposit Agreement. Such moneys shall be held in escrow by the Escrow Agent in the Escrow Deposit Fund (2007 Loan) created hereunder for the benefit of FFGFC as herein provided, and shall be kept separate and distinct from all other funds of the Issuer and the Escrow Agent and used only for the purposes and in the manner provided in this Escrow Deposit Agreement.

SECTION 2.03. Purchase of Government Obligations.

(a) The Escrow Agent is hereby directed to immediately purchase the Government Obligations listed on Schedule "A" hereto solely from the moneys deposited in the Escrow Deposit Fund (2005 Loan) as hereinabove described and to hold the initial cash balance of \$_____ uninvested in the Escrow Deposit Fund (2005 Loan). Except as otherwise provided in Section 2.05 below, cash balances received from the Government Obligations in the Escrow Deposit Fund (2005 Loan) as described in Schedule "A" as shown on Schedule "B-1" shall be held uninvested until applied in accordance with the terms hereof.

(b) The Escrow Agent is hereby directed to immediately purchase the Government Obligations listed on Schedule "A" hereto solely from the moneys deposited in the Escrow Deposit Fund (2007 Loan) as hereinabove described and to hold the initial cash balance of \$_____ uninvested in the Escrow Deposit Fund (2007 Loan). Except as otherwise provided in Section 2.05 below, cash balances received from the Government Obligations in the Escrow Deposit Fund (2007 Loan) as described in Schedule "A" as shown on Schedule "B-2" shall be held uninvested until applied in accordance with the terms hereof.

SECTION 2.04. Redemption of Refunded Loans; Use of Moneys in the Escrow Deposit Funds.

(a) The Issuer hereby irrevocably instructs the Escrow Agent to instruct the Paying Agent to call the Refunded 2005 Loan for prepayment on _____, 2016 in accordance with the terms of the Series 2005 Loan Agreement. The Escrow Agent shall instruct the Paying Agent for the Refunded 2005 Loan to give a notice of redemption in accordance with the terms of the Series 2005 Loan Agreement.

(b) The Issuer hereby irrevocably instructs the Escrow Agent to instruct the Paying Agent to call the Refunded 2007 Loan for prepayment on July 1, 2017 in accordance with the terms of the Series 2007 Loan Agreement. The Escrow Agent shall instruct the Paying Agent for the Refunded 2007 Loan to give a notice of redemption in accordance with the terms of the Series 2007 Loan Agreement.

(c) As any principal of and interest on the Government Obligations set forth in Schedule "A" in the Escrow Deposit Fund (2005 Loan) shall mature and is received as shown on Schedule "B-1," the Escrow Agent shall no later than the principal and interest payment dates and the redemption date with respect to the Refunded 2005 Loan (unless any such date shall not be a business day, in which case, the next succeeding date which is a business day), transfer from the Escrow Deposit Fund (2005 Loan) to the Paying Agent for the Refunded 2005 Loan amounts sufficient to pay the principal of and interest on the Refunded 2005 Loan on the next principal and interest payment date and redemption payment date, as shown on Schedule "C-1." Such amounts shall be applied by the Paying Agent to pay the principal of and interest and redemption premium on the Refunded 2005 Loan. Except as otherwise provided herein, all cash balances remaining from time to time in the Escrow Deposit Fund (2005 Loan), as described in Schedule "B-1," shall be held uninvested until needed for the purposes hereof. The Escrow Agent shall instruct the Paying Agent, and U.S. Bank National Association agrees in its capacity as Trustee, in accordance with the terms of the Series 2005 Loan Agreement, to redeem a like amount of Bonds (as defined in the Series 2005 Loan Agreement) which corresponds in terms of amount and scheduled maturity date to such prepayment in accordance with Article VI of the Series 2005 Loan Agreement.

(d) As any principal of and interest on the Government Obligations set forth in Schedule "A" in the Escrow Deposit Fund (2007 Loan) shall mature and is received as shown on Schedule "B-2," the Escrow Agent shall no later than the principal and interest payment dates and the redemption date with respect to the Refunded 2007 Loan (unless any such date shall not be a business day, in which case, the next succeeding date which is a business day), transfer from the Escrow Deposit Fund (2007 Loan) to the Paying Agent for the Refunded 2007 Loan amounts sufficient to pay the principal of and interest on the Refunded 2007 Loan on the next principal and interest payment date and redemption payment date, as shown on Schedule "C-2." Such amounts shall be applied by the Paying Agent to pay the principal of and interest on the Refunded 2007 Loan. Except as otherwise provided herein, all cash balances remaining from time to time in the Escrow Deposit Fund (2007 Loan), as described in Schedule "B-2," shall be held uninvested until needed for the purposes hereof. The Escrow Agent shall instruct the Paying Agent, and U.S. Bank National Association agrees in its capacity as Trustee, in accordance with the terms of the Series 2007 Loan Agreement, to redeem a like amount of Bonds (as defined in the Series 2007 Loan Agreement) which corresponds in terms of amount and scheduled maturity date to such prepayment in accordance with Article VI of the Series 2007 Loan Agreement.

(e) Any moneys remaining in the Escrow Deposit Fund (2005 Loan) after payment in full of the Refunded 2005 Loan shall be transferred to the Issuer as contemplated in Section 2.06 below and any moneys remaining in the Escrow Deposit Fund (2007 Loan) after payment in full of the Refunded 2007 Loan shall be transferred to the Issuer as contemplated in Section 2.06 below.

SECTION 2.05. Investment of Moneys remaining in Escrow Deposit Fund. The Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Government Obligations held hereunder or to sell, transfer or otherwise dispose of the Government Obligations acquired hereunder except as provided in this Agreement. At the Written Request of the Issuer, the Escrow Agent may invest and reinvest any moneys remaining from time to time in the Escrow Deposit Fund (2005 Loan) and/or the Escrow Deposit Fund (2007 Loan) until such time that they are needed in direct obligations of the United States of America maturing at such time and bearing interest at such rates as, in the opinion of Holland & Knight LLP or other nationally recognized bond counsel, based upon an independent verification by a nationally recognized independent certified public accounting firm, will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Refunding Note cause the interest on such Refunding Note not to be excluded from gross income for federal income tax purposes. The Escrow Agent will not make any investments or reinvestments not expressly contemplated herein and in the Schedules hereto without such an opinion and verification. Any interest income resulting from reinvestment of moneys pursuant to this Section 2.05 shall be transferred to the Issuer, at the Written Request of the

Issuer, and used by the Issuer for any lawful purpose, unless the opinion referred to above shall dictate otherwise.

SECTION 2.06. Transfer of Funds after all Payments Required by this Agreement are made. After all of the transfers by the Escrow Agent to the respective Paying Agent for payment of the principal of, interest on and redemption premiums with respect to the Refunded Loans have been made, all remaining moneys and Government Obligations, together with any income and interest thereon, in the Escrow Deposit Fund (2005 Loan) and/or the Escrow Deposit Fund (2007 Loan), as the case may be, shall be transferred to the Issuer by the Escrow Agent and used by the Issuer for any lawful purpose which, in the opinion of Holland & Knight LLP or other nationally recognized bond counsel, will not cause the interest on the Refunding Note not to be excluded from gross income for federal income tax purposes; provided, however, that no such transfer (except transfers made in accordance with Sections 2.04(d), 2.05 and 4.01 hereof) to the Issuer shall be made from the Escrow Deposit Fund (2005 Loan) until all of the principal of, redemption premiums, if any, and interest on the Refunded 2005 Loan have been paid and from the Escrow Deposit Fund (2007 Loan) until all of the principal of, redemption premiums, if any, and interest on the Refunded 2007 Loan have been paid.

ARTICLE III

CONCERNING THE ESCROW AGENT

SECTION 3.01. Appointment of Escrow Agent. The Issuer hereby appoints U.S. Bank National Association as Escrow Agent under this Agreement.

SECTION 3.02. Acceptance by Escrow Agent. By execution of this Agreement, the Escrow Agent accepts the duties and obligations as Escrow Agent hereunder. The Escrow Agent further represents that it has all requisite power, and has taken all corporate actions necessary to execute this Escrow Agreement. The Issuer shall pay the Escrow Agent's fees and expenses for services rendered hereunder from funds of the Issuer other than those held hereunder. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in the Escrow Deposit Fund (2005 Loan) or the Escrow Deposit Fund (2007 Loan) for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 3.03. Liability of Escrow Agent. The Escrow Agent shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct. The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to the terms and provisions of this Agreement.

The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of moneys and of the principal amount of the

Government Obligations, and the earnings thereon to pay the Refunded Loans. So long as the Escrow Agent applies any cash on hand, the Government Obligations, and the interest earnings therefrom to pay the Refunded Loans as provided herein, and complies fully with the terms of this Agreement, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded 2005 Loan and/or the Refunded 2007 Loan caused by such calculations.

In the event of the Escrow Agent's failure to account for any of the Government Obligations, or moneys received by it hereunder, said Government Obligations or moneys shall be and remain the property of the Issuer in escrow for the holders of the Refunded 2005 Loan and/or the Refunded 2007 Loan, as herein provided.

SECTION 3.04. Permitted Acts. The Escrow Agent and its affiliates may become the owner of or may deal in any obligations of the Issuer described herein as fully and with the same rights as if it were not the Escrow Agent.

SECTION 3.05. Resignation of Escrow Agent. The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the escrow hereby created by giving not less than sixty (60) days' advance written notice to the Issuer but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of the Refunded Loans or by the Issuer or otherwise as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent, and the transfer to such successor Escrow Agent of the funds and accounts held by the Escrow Agent hereunder.

SECTION 3.06. Removal of Escrow Agent.

(a) The Escrow Agent may be removed at any time by FFGFC, if FFGFC shall file a request for removal in writing with the Issuer, but the Escrow Agent shall remain in office until the appointment and taking office of a successor Escrow Agent in accordance with the provisions of this Agreement. A copy of such request shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may be removed at any time for any violation of this Agreement by a court of competent jurisdiction upon the application of the Issuer.

(c) The Escrow Agent shall be deemed to have been removed if it is dissolved, becomes incapable of exercising the powers necessary to carry out its obligations hereunder or is taken over by any governmental action.

SECTION 3.07. Successor Escrow Agent.

(a) When the position of the Escrow Agent becomes or is about to become vacant, the Issuer shall appoint a successor Escrow Agent to fill such vacancy.

(b) The Escrow Agent and Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Refunded Loans.

(c) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section within sixty (60) days after the earlier of (i) the date of resignation of the Escrow Agent or (ii) the date the vacancy occurs, the Issuer shall, or any Escrow Agent retiring or being removed from office may, apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Upon the deposit by the retiring or removed Escrow Agent of all funds and securities held by it under the provisions hereof into the registry of such court, such retiring or removed Escrow Agent shall be relieved of all future duties hereunder.

SECTION 3.08. Receipt of Proceedings. Receipt of true and correct copies of the proceedings of the Issuer authorizing the issuance of the Refunded 2005 Loan and the Refunded 2007 Loan and the proceedings of the Issuer authorizing the issuance of the Refunding Note are hereby acknowledged by the Escrow Agent, and reference herein to or citation herein of any provision of said documents shall be deemed to incorporate the same as a part thereof in the same manner and with the same effect as if they were fully set forth herein but only to the extent that such incorporation shall be necessary to the performance by the Escrow Agent of its duties and obligations set forth herein. No such incorporation shall be deemed or construed to place upon the Escrow Agent any duties or obligations not otherwise expressly set forth herein.

SECTION 3.09. Responsibilities of Escrow Agent. (a) The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the acceptance of the funds and securities deposited in the Escrow Deposit Fund (2005 Loan) and the Escrow Deposit Fund (2007 Loan), the purchase of the Government Obligations in accordance with the terms hereof, the establishment of the Escrow Deposit Fund (2005 Loan) and the Escrow Deposit Fund (2007 Loan), the retention of the Government Obligations or the proceeds thereof or any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the Issuer for its negligent or willful acts, omissions or errors which violate or fail to comply with

the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement and no implied covenants or obligations shall be read into this Agreement against the Escrow Agent.

(b) Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding in good faith upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the Issuer or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance herewith. Any payment obligation of the Escrow Agent hereunder shall be paid from, and is limited to funds available, established and maintained hereunder and the Escrow Agent shall not be required to expend its own funds for the performance of its duties under this Agreement. The Escrow Agent may act through its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any such person so appointed with due care.

In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer agrees to and shall pay to the Escrow Agent a one-time up-front fee of \$1,500.00 plus expenses, and reasonable, customary and ordinary expenses, charges, attorneys' fees, costs and expenses and other disbursements incurred by it in connection with publication of notices of redemption and substitutions of Government Obligations hereunder. The Escrow Agent shall have no lien whatsoever upon any of the Government Obligations in the Escrow Deposit Fund for the payment of such proper fees and expenses. The Issuer hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to the extent permitted by law, but only from legally available non-ad valorem funds, to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements), which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by the Issuer or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Deposit Fund established hereunder, the acceptance of the funds and securities deposited hereunder, the

purchase of the Government Obligations, the retention of the Government Obligations or the proceeds thereof, any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement and performance by the Escrow Agent of any other action required or permitted to be undertaken by it under this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

ARTICLE IV

MISCELLANEOUS

SECTION 4.01. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and FFGFC in its capacity as lender with respect to the Refunded 2005 Loan and the Refunded 2007 Loan and it shall not be repealed, revoked, altered or amended without the written consent FFGFC, the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, FFGFC, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of FFGFC and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of FFGFC, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of Holland & Knight LLP or other nationally recognized attorneys on the subject of municipal bonds and the exclusion of the interest thereon from gross income for federal income tax purposes with respect to compliance with this section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded 2005 Loan and/or the Refunded 2007 Loan, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

Notwithstanding the foregoing or any other provision of this Agreement, at the Written Request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to and shall,

in simultaneous transactions, sell, transfer, otherwise dispose of or request the redemption of the Government Obligations held hereunder and to substitute therefor noncallable direct obligations of, or obligations the principal of and interest on which is fully guaranteed by the United States of America, subject to the condition that such moneys or securities held by the Escrow Agent shall be sufficient to timely pay the principal of, interest on and redemption premium, if any, with respect to the Refunded 2005 Loan and/or the Refunded 2007 Loan, as the case may be, in accordance with the schedules attached hereto. The Issuer hereby covenants and agrees that it will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause the Refunding Note to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder in effect on the date of such request and applicable to obligations issued on the issue date of the Refunding Note. The Escrow Agent shall purchase such substituted securities with the proceeds derived from the maturity, sale, transfer, disposition or redemption of the Government Obligations held hereunder or from other moneys available in accordance with the written directions of the Issuer. The transactions may be effected only if there shall have been obtained: (1) an independent verification by a nationally recognized independent certified public accounting firm acceptable to the Escrow Agent concerning the adequacy of such substituted securities with respect to principal and the interest thereon and any other moneys or securities held for such purpose to meet the principal and interest on when due of the Refunded 2005 Loan and/or the Refunded 2007 Loan as contemplated by the schedules hereto; and (2) an opinion from Holland & Knight LLP or other nationally recognized bond counsel to the Issuer and the Escrow Agent to the effect that the disposition and substitution or purchase of such securities will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Refunding Note, cause the interest on such Refunding Note not to be excluded from gross income for Federal income tax purposes.

If Schedule "D" has been attached hereto at the time of execution hereof, the noncallable Government Obligations described in Schedule "A" hereto (the "Substituted Securities") have been provided to the Issuer by the supplier thereof (the "Supplier") under a contract pursuant to which (i) the Supplier may at any time substitute the Government Obligations listed in Schedule "D" (the "Original Securities"), for the Substituted Securities without cost or expense to either party and (ii) the Supplier is entitled to amounts received on the Substituted Securities in excess of the amounts that would have been received on the Original Securities, to the extent not needed to pay principal of and interest on the Refunded 2005 Loan and/or the Refunded 2007 Loan at the time and the manner contemplated by the terms of this Escrow Agreement. Under such circumstances, the Escrow Agent shall deliver to the Supplier amounts received on the Substituted Securities that, as certified by the Issuer to the Escrow Agent are in excess of the amounts that would have been received on the Original Securities, to the extent not needed to pay principal of and interest on the Refunded 2005 Loan and/or Refunded 2007 Loan. In addition, if the Escrow Agent receives delivery from the

Supplier of the Original Securities in substitution for the Substituted Securities, the Escrow Agent shall promptly deliver to the Supplier the Substituted Securities in exchange for the Original Securities without regard to the market value thereof at the time of substitution, provided that no payment of any principal of or interest on the Original Securities or the Substituted Securities has been made to the Escrow Agent. Immediately upon such substitution, Schedule "D" shall be substituted for Schedule "A" for all purposes hereof.

If securities are substituted pursuant to this Section 4.01 other than in the manner contemplated in the preceding paragraph, any surplus moneys resulting from the sale, transfer, other disposition or redemption of the Government Obligations held hereunder and the substitutions therefor of noncallable direct obligations of, or obligations the principal of and interest on which are fully guaranteed by, the United States of America, shall be released from the Escrow and shall be transferred to the Issuer and may be used by the Issuer for any lawful purpose which, in the opinion of Holland & Knight LLP or other nationally recognized bond counsel, will not cause the interest on the Refunded 2005 Loan, the Refunded 2007 Loan or the Refunding Note not to be excluded from gross income for federal income tax purposes.

Prior to any repeal, revocation, alteration or amendment of this Agreement, the Issuer shall provide written notice of such proposed repeal, revocation, alteration or amendment, to FFGFC in accordance with the notice provisions set forth in the Series 2005 Loan Agreement and/ or Series 2007 Loan Agreement, as applicable.

SECTION 4.02. Severability. If any one or more of the covenants or agreements provided in this Agreement should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed to be separate and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 4.03. Agreement Binding. All the covenants, promises and agreements in this Agreement contained by or on behalf of the Issuer or by or on behalf of the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, and shall be for the benefit of FFGFC as lender with respect to the Refunded 2005 Loan and Refunded 2007 Loan, whether so expressed or not.

SECTION 4.04. Termination. This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made.

SECTION 4.05. Governing Law. This Agreement shall be governed by the applicable laws of the State of Florida without respect to conflict of law principles.

SECTION 4.06. Execution by Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded for all purposes as an original, and all of which, together, shall constitute and be but one and the same instrument.

SECTION 4.07. Notices. All notices and communications required to be delivered pursuant to this Agreement shall be given in writing, or by telegram, telex, or cable or first class mail, postage prepaid, addressed to the following parties, at the following addresses:

The Issuer: City of Gainesville, Florida
200 East University Avenue, 4th Floor
Gainesville, Florida 32601
Attention: City Manager

and

City of Gainesville, Florida
200 East University Avenue, 4th Floor
Gainesville, Florida 32601
Attention: City Attorney

The Escrow Agent: U.S. Bank National Association
225 E. Robinson Street, Suite 250
Orlando, Florida 32801
Attention: Corporate Trust Division

The Escrow Agent shall have the right to accept and act upon directions given pursuant to this Agreement and delivered using Electronic Means; provided, however, that the Issuer shall provide to the Escrow Agent an incumbency certificate listing authorized officers with the authority to provide such directions and containing specimen signatures of such authorized officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Escrow Agent directions using Electronic Means and the Escrow Agent in its discretion elects to act upon such directions, the Escrow Agent's understanding of such directions shall be deemed controlling. The Issuer understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such directions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an authorized officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such authorized officer. The Issuer shall be responsible for ensuring that only authorized officers transmit such directions to the Escrow Agent and that all authorized officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such directions notwithstanding

that such directions conflict or are inconsistent with a subsequent written direction. The Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized directions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions to the Escrow Agent and that there may be more secure methods of transmitting directions than Electronic Means; and (iii) that the security procedures (if any) to be followed in connection with its transmission of directions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances. "Electronic Means" shall mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder.

IN WITNESS WHEREOF, the Issuer and the Escrow Agent have duly executed this Agreement as of the ____ day of _____, 2016.

CITY OF GAINESVILLE, FLORIDA

By: _____
Finance Director

ATTEST:

By: _____
Clerk of the Commission

Approved as to form and legality:

By: _____
City Attorney

U.S. BANK NATIONAL ASSOCIATION,
as Escrow Agent and for purposes of Section
2.04 hereof, as Trustee

By: _____
Authorized Officer

38039-38

SCHEDULE A

SCHEDULE B-1

SCHEDULE B-2

SCHEDULE C-1

SCHEDULE C-2