

ESCROW DEPOSIT AGREEMENT

This is an Escrow Deposit Agreement dated as of _____, 2014, by and between **THE CITY OF GAINESVILLE, FLORIDA**, a municipal corporation of the State of Florida (the "Issuer"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association having trust powers, organized and existing under the laws of the United States of America and having its designated corporate trust office in which its duties hereunder are to be performed in Fort Lauderdale, Florida, as the escrow agent (the "Escrow Agent"):

WITNESSETH:

WHEREAS, the Issuer has previously issued its Capital Improvement Revenue Bonds, Series 2005 (the "2005 Bonds"); and

WHEREAS, the Issuer wishes to make provision for the payment of all of the 2005 Bonds maturing in the years ____, ____, ____ and ____, in an aggregate principal amount of \$_____ (the "Refunded Bonds") 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 Bonds 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 Refunding Revenue Note, Series 2014 in the aggregate 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 the principal of and interest and redemption premiums on the Refunded Bonds; 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 Bonds, 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 Bonds;

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 Bonds 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 Sinking Fund Account in the Debt Service Fund created under the Bond Resolution**] for the Refunded Bonds (as hereinafter defined).

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 Bonds in the manner herein provided; but if the Refunded Bonds 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.

"Bond Resolution" means Resolution No. 020918 adopted by the Issuer on February 24, 2003, as supplemented and amended.

"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 The Bank of New York Mellon Trust Company, N.A., [_____, Florida], 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.

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

"Paying Agent" means The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, N.A., and its successors as paying agent for the Refunded Bonds.

"Refunded Bonds" means the Issuer's Capital Improvement Revenue Bonds, Series 2005, maturing in the years ____, ____, ____ and ____, currently outstanding in the aggregate principal amount of \$_____.

"Refunding Note" means the \$_____ City of Gainesville, Florida Refunding Revenue Note, Series 2014, dated _____, 2014.

"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 and \$_____ derived from the Sinking Fund Account in the Debt Service Fund for the Refunded Bonds 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 and redemption premiums on the Refunded Bonds as the same become due or are called for redemption on October 1, 2015. The total aggregate receipts from such investments pursuant to Schedule "A" is shown on Schedule "B" attached hereto. The debt service on the Refunded Bonds 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 Bonds 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 Bonds 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. 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 Bonds; Use of Moneys in the Escrow Deposit Fund.

A. The Issuer hereby irrevocably instructs the Escrow Agent to instruct the Paying Agent to call the Refunded Bonds for redemption on October 1, 2015 in accordance with the terms of the Bond Resolution. The Escrow Agent shall instruct the Paying Agent for the Refunded Bonds to give a notice of redemption substantially in the form attached hereto as Exhibit One.

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 with respect to the callable Refunded Bonds (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 Paying Agent for the Refunded Bonds amounts sufficient to pay the principal of and interest and redemption premium on the Refunded Bonds 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 and redemption premium on the Refunded Bonds. 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 Bonds shall also 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 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 Bonds 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 Paying Agent for payment of the principal of, interest on and redemption premiums with respect to the Refunded Bonds 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 Bonds 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, interest on and redemption premiums with respect to the Refunded Bonds have been paid.

SECTION 2.07. Deficiencies. If at any time it shall appear to the Escrow Agent that the available proceeds in the Escrow Deposit Fund will not be sufficient to make any payment due to the holders of any of the Refunded Bonds, the Escrow Agent shall promptly notify the Issuer prior to such payment date and the Issuer agrees that it will, from any funds legally available for such purposes, make up the anticipated deficit so that no default in the making of any such payment will occur.

SECTION 2.08. Paying Agent and Registrar. The Issuer has received an acknowledgment from The Bank of New York Mellon Trust Company, N.A., in its capacity as paying agent and registrar for the Refunded Bonds that provision satisfactory to it has been made by the Issuer for paying all of its fees, charges and expenses and all other amounts payable by the Issuer to it under the terms of the Bond Resolution.

ARTICLE III

CONCERNING THE ESCROW AGENT

SECTION 3.01. Appointment of Escrow Agent. The Issuer hereby appoints The Bank of New York Mellon Trust Company, N.A., 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 Bonds. So long as the Escrow Agent applies any cash on hand, the Government Obligations, and the interest earnings therefrom to pay the Refunded Bonds 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 Bonds 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 Bonds, 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 Bonds 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 if the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding 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 also 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 holders of not less than five percent (5%) in aggregate principal amount of the Refunded Bonds then outstanding.

(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 Bonds.

(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 holder of any Refunded Bond then outstanding, 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 Bonds 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 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.

(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.

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 \$_____ plus expenses, and reasonable, customary and ordinary expenses, charges, attorneys' fees 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 the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders 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 holders of the Refunded Bonds, 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 Bonds, 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 Bonds 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 Bonds 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, applicable redemption premiums and interest when due of the Refunded Bonds 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 and redemption premiums on the Refunded Bonds 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 and redemption premiums on the Refunded Bonds. 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, 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 Bonds 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, if the Refunded Bonds are then rated by Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Ratings Service ("S&P") or Fitch Ratings ("Fitch"), to Moody's, S&P and Fitch, as applicable, at the following addresses, respectively:

Moody's Investors Service, Inc.
7 World Trade Centre
25 Greenwich Street
New York, New York 10007
Attn: Municipal Rating Desk/Refunded Bonds

Standard & Poor's Ratings Service
55 Water Street, 42nd Floor
New York, New York 10041

Fitch Ratings
One State Street Plaza
New York, New York 10004

and to the insurer of the Refunded Bonds at:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attn: Surveillance

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 Bonds 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.

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: The Bank of New York Mellon Trust Company, N.A.

Attention: _____

IN WITNESS WHEREOF, the Issuer and the Escrow Agent have duly executed this Agreement as of the ____ day of _____, 2014.

CITY OF GAINESVILLE, FLORIDA

By: _____
Finance Director

Approved as to form and legality:

By: _____
City Attorney

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Escrow Agent**

By: _____
Authorized Officer

#26961972_v3
16334-46

EXHIBIT ONE
NOTICE OF REDEMPTION

City of Gainesville, Florida
Capital Improvement Revenue Bonds,
Series 2005

Dated November 30, 2005

Notice is hereby given to the holders of the outstanding City of Gainesville, Florida Capital Improvement Revenue Bonds, Series 2005, dated November 30, 2005, originally issued on November 30, 2005, that all of said Bonds maturing in the years ____, ____, ____ and ____, have been called for redemption prior to maturity on October 1, 2015 in accordance with their terms at a redemption price of 100% of the principal amount thereof (and without premium), together with accrued interest thereon to October 1, 2015.

The Bonds to be redeemed are more particularly described as follows:

<u>Maturity Date,</u> October 1 of the <u>following years:</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP No.</u> *
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The redemption price of and accrued interest on such Bonds shall be due and payable on October 1, 2015, and from and after October 1, 2015, interest on such Bonds shall cease to accrue and be payable. In accordance with the provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003, the Paying Agent may be required to withhold 28% of the payment upon redemption to certain bondholders who have failed to furnish the Paying Agent with a completed Internal Revenue Service Form W-9, entitled "Payer's Request for Taxpayer Identification Number." Therefore, Bondholders should furnish a correctly completed Form W-9 when presenting the Refunded Bonds for redemption to avoid any such withholding or penalties.

The holders of such Bonds will receive payment of the redemption price and accrued interest to which they are entitled upon presentation and surrender thereof at the principal office of The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, N.A.

Dated this ____ day of _____, 20__.

CITY OF GAINESVILLE, FLORIDA

* CUSIP numbers are included solely for the convenience of owners of the Bonds. Neither the City of Gainesville, Florida nor the Paying Agent shall have any responsibility with respect to the selection or use of any CUSIP number, nor is any representation made as to the correctness or accuracy of any CUSIP Number, either as printed on the Bonds or as contained in this Notice of Redemption