

LIST OF CLOSING DOCUMENTS

\$11,970,000
City of Gainesville, Florida
Refunding Revenue Note, Series 2016A

\$6,630,000
City of Gainesville, Florida
Revenue Note, Series 2016B

Date of Closing:
April 15, 2016

-
1. Certified copy of Resolution No. 150852 (with Exhibit "A" only) adopted by the City Commission of the City of Gainesville, Florida (the "City") on April 7, 2016.
 2. Loan Agreement (2016A) dated as of April 15, 2016, between the City and TD Bank, National Association (the "Bank").
 3. Loan Agreement (2016B) dated as of April 15, 2016, between the City and the Bank.
 4. Copy of Refunding Revenue Note, Series 2016A.
 5. Copy of Revenue Note, Series 2016B.
 6. Escrow Deposit Agreement dated as of April 15, 2016, between the City and U.S. Bank National Association (the "Escrow Agent") as to the Series 2009 Note.
 7. Escrow Deposit Agreement dated as of April 15, 2016, between the City and the Escrow Agent as to the First Florida Governmental Financing Commission Loans (the "FFGFC Loans").
 8. Copy of Certificate of Public Meetings and No Conflict of Interest executed by all members of the City Commission of the City.
 9. Certificate of the City as to signatures, officials, seal, no litigation and other matters.
 10. Certificate as to Compliance with Anti-Dilution Test.
 11. City's Certificate as to Tax, Arbitrage and Other Matters.
 12. Investment Letter to City.
 13. Letter to IRS and Form 8038-G.
 14. Certificate of City concerning Delivery and Payment and Application of Funds.

15. Receipt for 2016A Note and 2016B Note.
16. Opinion of City Attorney.
17. A. Opinion of Bond Counsel.
B. No Adverse Effect Opinion.
18. Copy of Electronic Advance Notice of Sale to Division of Bond Finance.
19. Copy of Electronic Filing of Forms BF 2003, BF 2004-A and BF 2004-B with the Division of Bond Finance.
20. Bank's Disclosure Letter.
21. Bank's Investment Certificate.
22. Certificate of Authority and Incumbency of Escrow Agent.
23. Copy of Schedules.
24. Verification Report.
25. Subscription for purchase of SLGs.
26. Financial Advisor's Disclosure Statement.
27. Notice to Bond Insurer pursuant to FFGFC Loans.
28. Notice of Prepayment of FFGFC Loans.
29. Waiver of Notice Requirement.
30. Copy of Closing Memorandum.


DISTRIBUTION LIST

City of Gainesville, Florida
Holland & Knight LLP
TD Bank, National Association
U.S. Bank National Association
Public Financial Management, Inc.
Rogers Towers, P.A.

CERTIFICATE OF CLERK

I, KURT M. LANNON, Clerk of the Commission (the "Governing Body") of the City of Gainesville, Florida (the "Issuer"), do hereby certify that attached hereto is a true and correct copy of Resolution No. 150852 (with Exhibit "A" only), adopted by the Governing Body of the Issuer on April 7, 2016, at a meeting which was duly called and held and at which meeting a quorum was present and voting throughout. The Resolution remains in full force and effect as of the date hereof and has not been modified or amended as of the date hereof.

Witness my hand this 15th day of April, 2016.



Kurt M. Lannon, Clerk of the
Commission

City of Gainesville

City Hall
200 East University
Avenue
Gainesville, Florida
32601

Certified Copy

Resolution: 150852.

File Number: 150852.

Bond Resolution related to issuance of the City of Gainesville's Capital Improvement Refunding Notes, Series 2016A (CIRN 2016A) and Capital Improvement Revenue Notes, Series 2016B (CIRN 2016B) (B)

This item involves a request for the City Commission to adopt the proposed resolution authorizing the issuance of a note to provide financing for road construction projects (CIRN 2016B) and a companion refunding note (CIRN 2016A) to advance refund the outstanding Capital Improvement Revenue Note Series 2009, First Florida Governmental Financing Commission Improvement and Refunding Bonds, Series 2007, and First Florida Governmental Financing Commission Improvement and Refunding Bonds, Series 2005 and other costs necessary or incidental thereto. **STAFF PRESENTATION 5 MINUTES**

I, Kurt M. Lannon, CLERK, certify that this is a true copy of Resolution No. 150852, passed passed by the City Commission on Thursday, April 7, 2016.

Attest:



4/7/2016
Date Certified

RESOLUTION NO. 150852

PASSED April 7, 2016

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA AUTHORIZING: A LOAN IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$12,000,000 TO REFUND THE CITY'S REVENUE NOTE, SERIES 2009, REFUND THE CITY'S LOAN FROM THE FIRST FLORIDA GOVERNMENTAL FINANCING COMMISSION UNDER A LOAN AGREEMENT DATED AS OF MARCH 1, 2005, REFUND THE CITY'S LOAN FROM THE FIRST FLORIDA GOVERNMENTAL FINANCING COMMISSION UNDER A LOAN AGREEMENT DATED AS OF APRIL 1, 2007, AND TO PAY THE COSTS OF SUCH LOAN; APPROVING THE FORM OF A REFUNDING REVENUE NOTE, SERIES 2016A, A LOAN AGREEMENT AND AN ESCROW DEPOSIT AGREEMENT; A LOAN IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$7,000,000 TO FINANCE THE COSTS OF ROAD IMPROVEMENTS AND EXTENSIONS AND PAYING OTHER COSTS NECESSARY OR INCIDENTAL THERETO, APPROVING THE FORM OF A REVENUE NOTE SERIES 2016B, AND A LOAN AGREEMENT; DELEGATING TO THE MAYOR, THE MAYOR-COMMISSIONER PRO TEMPORE, THE CITY MANAGER, THE ADMINISTRATIVE SERVICES DIRECTOR OR THE FINANCE DIRECTOR TO ESTABLISH THE LOAN AMOUNTS; APPOINTING U.S. BANK NATIONAL ASSOCIATION, TO ACT AS ESCROW AGENT UNDER EACH OF THE ESCROW DEPOSIT AGREEMENTS; PROVIDING OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA (the "Issuer") that:

Section 1. Authority for this Resolution. This Resolution is adopted pursuant to 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 (collectively, the "Act").

Section 2. Definitions. Words and phrases used herein in capitalized form and not otherwise defined herein (including, without limitation, in the preamble hereto) shall have the meanings ascribed thereto in the hereinafter defined 2016A Loan Agreement and 2016B Loan Agreement, as applicable and, in addition, the following words and phrases shall have the following meanings:

"Authorized Signatories" means any one or more of the Mayor, the Mayor-Commissioner Pro Tempore, the City Manager, the Administrative Services Director or the Finance Director of the Issuer.

"Bank" means T.D. Bank, N.A.

"2016A Loan Amount" means not to exceed \$12,000,000.

"2016B Loan Amount" means not to exceed \$7,000,000.

"2016A Note" means the Issuer's Refunding Revenue Note, Series 2016A in substantially the form attached as Exhibit "A" to the 2016A Loan Agreement."

"2016B Note" means the Issuer's Revenue Note, Series 2016B in substantially the form attached as Exhibit "B" to the 2016B Loan Agreement.

"Notes" means collectively, the 2016A Note and 2016B Note.

Section 3. Authorization of Transactions. In order to obtain funds to refund (i) the City of Gainesville, Florida Revenue Note, Series 2009 (the "Refunded Series 2009 Note"), (ii) the Issuer's outstanding obligations under a Loan Agreement dated March 1, 2005 between the First Florida Governmental Financing Commission and the Issuer (the "Refunded Series 2005 Loan"), (iii) the Issuer's outstanding obligations under a Loan Agreement dated April 1, 2007 between the First Florida Governmental Financing Commission and the Issuer payable on and after June 20, 2018 (the "Refunded Series 2007 Loan", together with the Refunded Series 2009 Note and the Refunded Series 2005 Loan, the "Refunded Loans"), and (iv) to pay the costs of issuance thereof, the Issuer is authorized to obtain a loan (the "2016A Loan") and to borrow an amount up to the 2016A Loan Amount from the Bank, the Bank having been selected through a request for proposals process.

In order to obtain funds to (i) to finance road improvements and extensions and paying other costs necessary or incidental thereto, more particularly described on Exhibit "A" hereto (the "2016 Project"), and (ii) to pay the costs of issuance thereof, the Issuer is authorized to obtain a loan (the "2016B Loan" and together with the 2016A Loan, the "Loans"), and to borrow an amount up to the 2016B Loan Amount from the Bank), the Bank having been selected through a request for proposals process.

Because of prevailing and anticipated market conditions and the nature of the Loans, and taking into account the advice of Public Financial Management, Inc., the Issuer's financial advisor (the "Financial Advisor"), it is not feasible, cost effective or advantageous to enter into the Loans through a competitive sale and it is in the best interest of the Issuer to accept the terms of the Loans from the Bank in a principal amount of up to the respective 2016A Loan Amount and 2016B Loan Amount, at a negotiated sale upon the terms and conditions outlined herein and in

the respective Loan Agreements (as hereinafter defined) and as determined by the Authorized Signatories executing the respective Loan Agreements in accordance with the terms hereof.

Prior to its execution and delivery of the Loan Agreements, the Issuer shall have received from the Bank a disclosure statement containing the information required by Section 218.385(6), Florida Statutes, and a Truth-in-Bonding Statement pursuant to Section 218.385(3), Florida Statutes, and no further disclosure is or shall be required by the Issuer.

Section 4. Loan Agreements and Revenue Notes. With respect to the 2016A Loan, the issuer is authorized to execute the 2016A Loan Agreement with the Bank in substantially the form attached hereto as Exhibit "B" and to make and deliver to the Bank the 2016A Note in the form attached to the 2016A Loan Agreement.

With respect to the 2016B Loan, the Issuer is authorized to execute a 2016B Loan Agreement with the Bank in substantially the form attached as Exhibit "C" and to make and deliver to the Bank the 2016B Note in the form attached to the 2016B Loan Agreement.

The forms and terms of the 2016A Loan Agreement and the 2016A Note (collectively, the "2016A Loan Documents") and the 2016B Loan Agreement and 2016B Note (collectively the "2016B Loan Documents" and together with the 2016A Loan Documents, the "Loan Documents") attached hereto are hereby approved, and the Authorized Signatories are authorized on behalf of the Issuer to execute and deliver the same, with such changes, insertions, omissions and filling of blanks as may be approved by the Authorized Signatories, such approval to be conclusively evidenced by the execution thereof by the Authorized Signatories signing the same. The Authorized Signatories are hereby delegated the authority to execute the 2016A Note and the 2016B Note in the amounts not exceeding the 2016A Loan Amount and 2016B Loan Amount, respectively. The Clerk of the Commission or any Deputy Clerk of the Commission or any Acting Clerk of the Commission may authenticate or attest the signatures of the Authorized Signatories on the 2016A Loan Documents and 2016B Loan Documents.

Section 5. Escrow Deposit Agreements. The form and terms of the Escrow Deposit Agreement relating to the Refunded Series 2009 Note and attached hereto as Exhibit "D" (the "Series 2009 Note Escrow Deposit Agreement") and relating to the Refunded Series 2005 Loan and Refunded Series 2007 Loan, attached hereto as Exhibit "E" (the "Pooled Loans Escrow Deposit Agreement" and together with the Series 2009 Note Escrow Deposit Agreement, the "Escrow Agreements") are hereby approved by the Issuer, and the Authorized Signatories are authorized to execute and deliver the same on behalf of the Issuer, with such changes, insertions, omissions and filling of blanks as may be approved by the Authorized Signatories, such approval to be conclusively evidenced by the execution thereof by the

Authorized Signatories. The Clerk of the Commission or any Deputy Clerk of the Commission or any Acting Clerk of the Commission may authenticate or attest the signatures of the Authorized Signatories on the Escrow Agreements. U.S. Bank National Association is hereby appointed as Escrow Agent (the "Escrow Agent") under each of the Escrow Agreements, and shall undertake the duties as such under the terms of the Escrow Agreements, and to the extent applicable, this Resolution.

In connection with the refunding of the Refunded Loans the Authorized Signatories are hereby authorized to cause proceeds of the 2016A Loan and other legally available funds, and earnings thereon, to be invested in United States Treasury Securities -- State and Local Government Series ("SLGS") or other obligations permitted to be used to accomplish the defeasance of the Refunded Loans in such amounts, at such times, maturing at such times and having such rate or rates of interest as such officer shall determine is necessary or desirable; and any authorized officer of the Escrow Agent or of PFM Asset Management LLC, an affiliate of the Financial Advisor, is hereby authorized in the name and on behalf of the Issuer to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations.

The Issuer hereby authorizes (i) the redemption of the Refunded Series 2009 Note on May 1, 2019, at par and (ii) the defeasance of the Refunded Series 2005 Loan and Refunded Series 2007 Loan and the redemption thereof in accordance with their respective terms on the earliest practical redemption dates.

Section 6. Creation of Funds and Accounts. There is hereby created and established the "City of Gainesville Capital Improvement Debt Service Account -- Series 2016A" (the "2016A Debt Service Account") and the "City of Gainesville Capital Improvement Debt Service Account -- Series 2016B" (the "2016B Debt Service Account" together with the 2016A Debt Service Account, the "Debt Service Accounts").

Section 7. Loan Agreements and Revenue Notes Not to be General Obligations or Indebtedness of the Issuer. The Loan Agreements and the Notes and the obligations of the Issuer thereunder shall not be deemed to constitute general obligations 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 and secured by a lien upon and a pledge of (a) with respect to the 2016A Loan (i) the Non-Ad Valorem Revenues (as defined in the 2016A Loan Agreement) actually budgeted and appropriated and deposited into the Debt Service Account for the 2016A Note, to pay debt service payments and all other amounts due and payable on or under the 2016A Loan Agreement and the 2016A Note and (ii) all funds on deposit in the 2016A Debt Service Account (including any investment securities on

deposit therein) and all investment earnings on any such funds (collectively, the "2016A Pledged Funds"), in the manner and to the extent herein and in the 2016A Loan Agreement provided; (b) with respect to the 2016B Loan (i) the Non-Ad Valorem Revenues (as defined in the 2016B Loan Agreement) actually budgeted and appropriated and deposited into the Debt Service Account for the 2016B Note, to pay debt service payments and all other amounts due and payable on or under the 2016B Loan Agreement and the 2016B Note and (ii) all funds on deposit in the 2016B Debt Service Account (including any investment securities on deposit therein) and the Project Account (as hereinafter described) and all investment earnings on any such funds (the "2016B Pledged Funds" and together with the 2016A Pledged Funds, the "Pledged Funds"), in the manner and to the extent herein and in the 2016B Loan Agreement provided.

No holder or owner of the Notes 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 Notes be entitled to payment of such principal and interest from any other funds of the Issuer other than the 2016A Pledged Funds with respect to the 2016A Loan and the 2016B Pledged Funds with respect to the 2016B Loan, all in the manner and to the extent herein and in the respective Loan Agreements. The Loan Agreements and the Notes and the indebtedness evidenced thereby shall not constitute a lien upon any real or personal property of the Issuer, or any part thereof, or any other tangible personal property of or in the Issuer, but shall constitute a lien only on the 2016A Pledged Funds with respect to the 2016A Loan and the 2016B Pledged Funds with respect to the 2016B Loan, all in the manner and to the extent provided herein and in the Loan Agreements.

Funds deposited into each 2016A Debt Service Account and 2016B Debt Service Account, until applied to the payment of debt service on the 2016A Note and 2016B Note, respectively, may be invested in investments authorized by law and meeting the Issuer's written investment policy, which investments shall mature no later than the date on which moneys therein shall be needed to pay such debt service.

Section 8. Pledge. The payment of the principal of, premium, if any, and interest under the 2016A Note and other payments due under the 2016A Loan Agreement shall be secured forthwith equally and ratably by an irrevocable lien on the 2016A Pledged Funds, all in the manner and to the extent provided herein and in the 2016A Loan Agreement. The Issuer does hereby irrevocably pledge such 2016A Pledged Funds to the payment of the principal of, premium, if any, and

interest on the 2016A Note and other payments due under the 2016A Loan Agreement.

With respect to the 2016B Loan, the payment of the principal of, premium, if any, and interest under the 2016B Note and other payments due under the 2016B Loan Agreement shall be secured forthwith equally and ratably by an irrevocable lien on the 2016B Pledged Funds, all in the manner and to the extent provided herein and in the 2016B Loan Agreement. The Issuer does hereby irrevocably pledge such 2016B Pledged Funds to the payment of the principal of, premium, if any, and interest on the 2016B Note and other payments due under the 2016B Loan Agreement.

Section 9. The Project Account There is hereby created and established a Project Account (the "Project Account") into which shall be deposited the proceeds of the 2016B Loan. Moneys in the Project Account shall be applied to pay the costs of the 2016 Project and the costs of the 2016B Loan, and, until applied to payment of the costs of the 2016 Project or the costs of the 2016B Loan, may be invested in investments authorized by law and meeting the Issuer's written investment policy, which investments shall mature no later than the date on which moneys therein shall be needed for costs of the 2016 Project or costs of the 2016B Loan. Any funds on deposit in the Project Account and determined by the Issuer not to be needed to pay the Costs of the 2016 Project or the cost of issuance of the 2016B Loan and 2016B Note shall be transferred by the Issuer to the 2016B Debt Service Account.

Section 10. Application of Proceeds The proceeds of the 2016A Loan shall be, as applicable, (i) deposited to the Series 2009 Note Escrow Deposit Agreement to refund the Refunded Series 2009 Note, (ii) deposited to the Pooled Loans Escrow Deposit Agreement to defease the Refunded Series 2005 Loan and the Refunded Series 2007 Loan, and (iii) applied to pay costs of issuance of the 2016A Loan, except as otherwise expressly provided hereby.

The proceeds of the 2016B Loan shall be, as applicable, (i) deposited into the Project Account to finance the costs of the 2016 Project, and (ii) applied to pay the costs of issuance of the 2016B Loan.

Section 11. Separate Accounts; Trust Funds The moneys required to be accounted for in the Debt Service Accounts may be deposited in a single bank or other account, and funds allocated to such accounts may be invested, together with other funds of the Issuer, in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of moneys on deposit therein and such investments for the various purposes of such account. The designation and establishment of the Debt Service Accounts or Project Account shall not be construed to require the establishment of any completely independent, self-balancing fund or account, but rather is intended solely to constitute an earmarking of certain moneys or revenues for certain purposes.

The Debt Service Accounts created hereunder and the Project Account and any accounts created therein constitute trust funds for the purposes herein and in any subsequent resolution provided. The Issuer may at any time and from time to time deposit moneys from any one or more of the funds and accounts established hereby with a depository permitted under applicable law. Any such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agents and employees.

Section 12. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

Section 13. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

Section 14. Authorizations. The Authorized Signatories are hereby authorized to execute and deliver on behalf of the Issuer the Loan Documents as provided hereby. All officials and employees of the Issuer, including, without limitation, the Authorized Signatories, are authorized and empowered, collectively or individually, select a verification agent and to take all other actions and steps and to execute all instruments, documents, and contracts on behalf of the Issuer as they shall deem necessary or desirable in connection with the completion of the Loan and the carrying out of the intention of this Resolution.

Section 15. Repealer. All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 16. Effective Date. This Resolution shall take effect immediately upon its adoption.

[Signature Page Follows]

Passed and duly adopted in public session of the City Commission of the City of Gainesville, Florida on the 7th day of April, 2016.

CITY COMMISSION OF THE CITY
OF GAINESVILLE, FLORIDA

By: Shel B. Buddy
Mayor

ATTESTED:

By: [Signature]
Clerk of the Commission

APPROVED AS TO FORM AND
LEGALITY:

By: Nicole M. Shalley
City Attorney

#39071625_v5
16334-46

EXHIBIT "A" TO RESOLUTION

PROJECT DESCRIPTION

The 2016 Project includes reconstruction of SE 4th Street along with other paving and repaving projects and other transportation or road improvement projects within the City.

LOAN AGREEMENT (2016A)

This LOAN AGREEMENT (the "Agreement") is made and entered into as of April 15, 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.

"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 \$11,970,000.

"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.

"Pooled Loans Escrow Deposit Agreement" means the Escrow Deposit Agreement dated as of April 15, 2016, between the Issuer and the Escrow Agent related to the refunding of the Refunded Series 2005 Loan and the Refunded Series 2007 Loan.

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

"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 Series 2009 Note" means the portion of 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 payable on and after November 1, 2019.

"Refunded Series 2009 Note Escrow Deposit Agreement" means the Escrow Deposit Agreement dated as of April 15, 2016, between the Issuer and the Escrow Agent, related to the refunding of the Refunded Series 2009 Note.

"Resolution" means Resolution No. 150852 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

By: 
Finance Director

ATTEST:

By: 
Clerk of Commission

APPROVED AS TO FORM AND LEGALITY:

By: 
City Attorney

TD BANK, NATIONAL ASSOCIATION

By: 
Banking Officer

#39057394_v10
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 Eleven Million Nine Hundred Seventy Thousand Dollars (\$11,970,000) 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. 150852 adopted by the Issuer on April 7, 2016 (the "Resolution") and in conjunction with a Loan Agreement, dated April 15, 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 2.30% 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 April 15, 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

<u>Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2016	\$50,000
2017	360,000
2018	445,000
2019	1,120,000
2020	1,140,000
2021	1,165,000
2022	1,195,000
2023	1,230,000
2024	1,245,000
2025	1,285,000
2026	925,000
2027	950,000
2028	<u>860,000</u>
TOTAL	\$11,970,000

LOAN AGREEMENT (2016B)

This LOAN AGREEMENT (the "Agreement") is made and entered into as of April 15, 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 \$6,630,000.

"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. 150852 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

By: 
Finance Director

ATTEST:

By: 
Clerk of Commission

APPROVED AS TO FORM AND LEGALITY:

By: 
City Attorney

TD BANK, NATIONAL ASSOCIATION

By: 
Banking Officer

#39057459_v10
16334-48

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 Six Million Six Hundred Thirty Thousand Dollars (\$6,630,000) 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. 150852 adopted by the Issuer on April 7, 2016 (the "Resolution") and in conjunction with a Loan Agreement dated April 15, 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 2.40% 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 April 15, 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

<u>Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2017	\$ 375,000
2018	380,000
2019	390,000
2020	400,000
2021	410,000
2022	420,000
2023	430,000
2024	440,000
2025	450,000
2026	460,000
2027	470,000
2028	485,000
2029	495,000
2030	505,000
2031	<u>520,000</u>
TOTAL	\$6,630,000

COPY

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 Eleven Million Nine Hundred Seventy Thousand Dollars (\$11,970,000) 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. 150852 adopted by the Issuer on April 7, 2016 (the "Resolution") and in conjunction with a Loan Agreement, dated April 15, 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 2.30% 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

COPY

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

COPY

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]


COPY

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 April 15, 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

COPY

SCHEDULE A

Date (November 1)	Principal Amount
2016	\$50,000
2017	360,000
2018	445,000
2019	1,120,000
2020	1,140,000
2021	1,165,000
2022	1,195,000
2023	1,230,000
2024	1,245,000
2025	1,285,000
2026	925,000
2027	950,000
2028	<u>860,000</u>
TOTAL	\$11,970,000

COPY

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 Six Million Six Hundred Thirty Thousand Dollars (\$6,630,000) 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. 150852 adopted by the Issuer on April 7, 2016 (the "Resolution") and in conjunction with a Loan Agreement dated April 15, 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 2.40% 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

COPY

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

COPY

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]


COPY

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 April 15, 2016.

CITY OF GAINESVILLE, FLORIDA

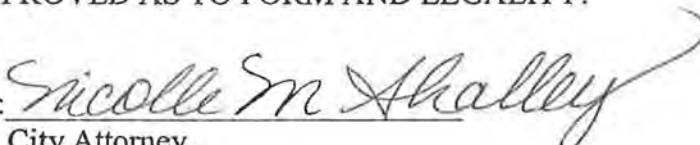
(SEAL)

By: 
Finance Director

ATTESTED AND COUNTERSIGNED:

By: 
Clerk of the Commission

APPROVED AS TO FORM AND LEGALITY:

By: 
City Attorney

COPY

SCHEDULE A

<u>Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amount</u>
2017	\$ 375,000
2018	380,000
2019	390,000
2020	400,000
2021	410,000
2022	420,000
2023	430,000
2024	440,000
2025	450,000
2026	460,000
2027	470,000
2028	485,000
2029	495,000
2030	505,000
2031	<u>520,000</u>
TOTAL	\$6,630,000

ESCROW DEPOSIT AGREEMENT

This is an Escrow Deposit Agreement dated as of April 15, 2016, by and between **THE CITY OF GAINESVILLE, FLORIDA**, a municipal corporation of the State of Florida (the "Issuer") and **U.S. BANK NATIONAL ASSOCIATION**, as the escrow agent (the "Escrow Agent"):

WITNESSETH:

WHEREAS, the Issuer and Branch Banking and Trust Company (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 the debt service on that portion of the principal amount of the outstanding 2009 Note coming due on or after November 1, 2019 (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 and upon 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 Revenue Refunding Note, Series 2016A in the principal amount of \$11,970,000 (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 Agreement with the Escrow Agent;

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 \$7,846,930.15 derived from the proceeds of the Refunding Note and \$179,069.79 derived from other legally available funds of the Issuer and \$1,596,164.00 derived from the Project Account created in the Authorizing Resolution (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 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 principal portion of the Issuer's outstanding Revenue Note, Series 2009 dated July 3, 2009, coming due on and after November 1, 2019.

"Refunding Note" means the Issuer's Refunding Revenue Note, Series 2016A, dated April 15, 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 \$7,846,930.15 from the proceeds of the Refunding Note, \$179,069.79 derived from other legally available funds of the Issuer and \$1,596,164.00 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 \$1.94 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 interest on the Refunded Note, as the same become due and the redemption price of the Refunded Note 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 by its execution of the Consent and Acknowledgement hereto, and the Issuer 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 \$1.94 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, by its execution of the Consent and Acknowledgement hereto, notwithstanding anything to the contrary in the Loan Agreement, hereby acknowledges receipt on the date

hereof 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 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 interest on the Refunded Note on the next interest payment dates and the principal and interest on the Redemption 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, as applicable. 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:

Branch Banking & Trust Company
BB&T Government Finance
223 Nash Street W
Wilson, NC 27893-3801
ABA #: 053101121
Account #: 5203964953

***Please put a description on the wire ticket to include:**
City of Gainesville, Florida
Re: City of Gainesville Revenue Notes, Series 2009

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 and the Bank 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 Refunded Note not to be excluded from gross income for Federal income tax purposes.

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 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; Third Party Beneficiary. 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. The Bank is hereby expressly deemed to be a third party beneficiary of this Agreement

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 15th day of April, 2016.

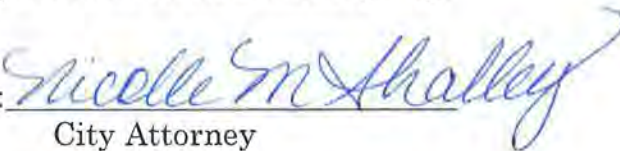
CITY OF GAINESVILLE, FLORIDA

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

Consent and Acknowledgement

Branch Banking and Trust Company, as the sole holder of the Refunded Note, hereby acknowledges, consents and agrees to the provisions of Sections 2.02 and 2.04 of this Agreement to the same extent as if it were a party to this Agreement.

**BRANCH BANKING AND TRUST
COMPANY, as Bank**

By: _____
Senior Vice President

IN WITNESS WHEREOF, the Issuer, the Escrow Agent and the Bank have duly executed this Agreement as of the 15th day of April, 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

Consent and Acknowledgement

Branch Banking and Trust Company, as the sole holder of the Refunded Note, hereby acknowledges, consents and agrees to the provisions of Sections 2.02 and 2.04 of this Agreement to the same extent as if it were a party to this Agreement.

**BRANCH BANKING AND TRUST
COMPANY, as Bank**

By: _____
Senior Vice President

IN WITNESS WHEREOF, the Issuer, the Escrow Agent and the Bank have duly executed this Agreement as of the 15th day of April, 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

Consent and Acknowledgement

Branch Banking and Trust Company, as the sole holder of the Refunded Note, hereby acknowledges, consents and agrees to the provisions of Sections 2.02 and 2.04 of this Agreement to the same extent as if it were a party to this Agreement.

**BRANCH BANKING AND TRUST
COMPANY, as Bank**

By:  _____
Senior Vice President

SCHEDULE A

GOVERNMENT OBLIGATIONS

ESCROW DESCRIPTIONS DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_1

Refunding Component

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Series 2009 (2009), SF_ESC, Apr 15, 2016:						
SLGS	Certificate	05/01/2016	05/01/2016	179,069		
Series 2009 (2009), EXC_ESC, Apr 15, 2016:						
SLGS	Certificate	05/01/2016	05/01/2016	35,814		
SLGS	Certificate	11/01/2016	11/01/2016	209,106	0.350%	0.350%
SLGS	Note	05/01/2017	11/01/2016	209,941	0.520%	0.520%
SLGS	Note	11/01/2017	11/01/2016	210,486	0.630%	0.630%
SLGS	Note	05/01/2018	11/01/2016	211,150	0.710%	0.710%
SLGS	Note	11/01/2018	11/01/2016	211,899	0.780%	0.780%
SLGS	Note	05/01/2019	11/01/2016	507,768	0.850%	0.850%
				1,596,164		
Global Proceeds Escrow, Apr 15, 2016:						
SLGS	Note	05/01/2019	11/01/2016	7,846,929	0.850%	0.850%
				9,622,162		

SLGS Summary

SLGS Rates File	08APR16
Total Certificates of Indebtedness	423,989.00
Total Notes	9,198,173.00
Total original SLGS	9,622,162.00

SCHEDULE B

RECEIPTS FROM INVESTMENTS

ESCROW SUFFICIENCY

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_1

Refunding Component

Series 2009 (2009)

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
04/15/2016		1.94	1.94	1.94
05/01/2016	214,883.75	214,883.00	-0.75	1.19
11/01/2016	214,883.75	251,165.72	36,281.97	36,283.16
05/01/2017	214,883.75	248,233.33	33,349.58	69,632.74
11/01/2017	214,883.75	248,232.48	33,348.73	102,981.47
05/01/2018	214,883.75	248,233.45	33,349.70	136,331.17
11/01/2018	214,883.75	248,232.87	33,349.12	169,680.29
05/01/2019	8,559,883.75	8,390,204.46	-169,679.29	1.00
	9,849,186.25	9,849,187.25	1.00	

SCHEDULE C
DEBT SERVICE ON REFUNDED NOTE

ESCROW REQUIREMENTS

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_1
—
Refunding Component
Revenue Note, Series 2009 (2009)

Period Ending	Interest	Principal Redeemed	Total
05/01/2016	214,883.75		214,883.75
11/01/2016	214,883.75		214,883.75
05/01/2017	214,883.75		214,883.75
11/01/2017	214,883.75		214,883.75
05/01/2018	214,883.75		214,883.75
11/01/2018	214,883.75		214,883.75
05/01/2019	214,883.75	8,345,000.00	8,559,883.75
	1,504,186.25	8,345,000.00	9,849,186.25

ESCROW DEPOSIT AGREEMENT

This is an Escrow Deposit Agreement dated as of April 15, 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 \$5,640,000 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 \$1,540,000 pursuant to a Loan Agreement dated as of April 1, 2007 between FFGFC and the Issuer (the "Refunded 2007 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 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 \$11,970,000 (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 herein described, the principal of and interest 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 and interest on 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 \$4,078,214.61 derived from the proceeds of the Refunding Note and \$252,524.06 of other legally available funds of the Issuer.

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-1" and Schedule "A-2" 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-1" and Schedule "A-2" 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 (2005 Loan)" means the fund so designated and established under Section 2.01(a) of this Agreement.

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

"FFGFC" means First Florida Governmental Financing 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 Schedules "A-1" and "A-2" 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, payable on and after June 20, 2018, 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 \$11,970,000 Refunding Revenue Note, Series 2016A, dated April 15, 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 \$3,121,653.65 from the proceeds of the Refunding Note, together with \$242,936.56 of other legally available funds of the Issuer 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 \$956,560.96 from the proceeds of the Refunding Note, together with \$9,587.50 of other legally available funds of the Issuer 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-1" hereto, except \$2.21 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-1," 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 is called for redemption on May 18, 2016. The total aggregate receipts from such investments in the Escrow Deposit Fund (2005 Loan) pursuant to Schedule "A-1" 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-2" hereto,

except \$2.46 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-2," 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 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-2" 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-1" 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-2" 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-1" hereto solely from the moneys deposited in the Escrow Deposit Fund (2005 Loan) as hereinabove described and to hold the initial cash balance of \$2.21 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-1" 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-2" hereto solely from the moneys deposited in the Escrow Deposit Fund (2007 Loan) as hereinabove described and to hold the initial cash balance of \$2.46 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-2" 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 has provided irrevocable notice of its intent to prepay the Refunded 2005 Loan on May 18, 2016 in accordance with the terms of the Series 2005 Loan Agreement. The Escrow Agent shall instruct the Paying Agent for the First Florida Governmental Financing Commission Revenue Bonds, Series 2005 (the "2005 Bonds") to give a notice of redemption of the 2005 Bonds in accordance with the terms of the Series 2005 Loan Agreement.

(b) The Issuer has provided irrevocable notice of its intent to prepay the Refunded 2007 Loan 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 First Florida Governmental Financing Commission Improvement and Refunding Revenue Bonds, Series 2007 (the "2007 Bonds") to give a notice of redemption of the 2007 Bonds 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-1" 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 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 2005 Bonds amounts sufficient to pay the principal of and interest on the Refunded 2005 Loan on the 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 on the Refunded 2005 Loan upon its redemption. Except as otherwise provided herein, all cash balances, if any, 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. Notwithstanding anything to the contrary in the Series 2005 Loan Agreement, amounts on deposit herein shall be deemed paid by U.S. Bank National Association,

in its capacity as Trustee on the scheduled payment dates under the Series 2005 Loan Agreement, provided, however, such amounts shall not be applied by the Escrow Agent until the redemption payment date of the Bonds (as defined in the Series 2005 Loan Agreement).

(d) As any principal of and interest on the Government Obligations set forth in Schedule "A-2" 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 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 2007 Bonds amounts sufficient to pay the principal of and interest on the Refunded 2007 Loan on the next 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, if any, 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. Notwithstanding anything to the contrary in the Series 2007 Loan Agreement, amounts on deposit herein shall be deemed paid by U.S. Bank National Association, in its capacity as Trustee on the scheduled payment dates, provided, however, such amounts shall not be applied by the Escrow Agent until the interest payment dates and redemption payment date of the Bonds (as defined in 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 and interest on 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 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 2005 Bonds,

the 2007 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, 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:

<u>The Issuer:</u>	City of Gainesville, Florida
	200 East University Avenue, 4 th 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 15th day of April, 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

#39778989_v7
16334-48

IN WITNESS WHEREOF, the Issuer and the Escrow Agent have duly executed this Agreement as of the 15th day of April, 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

#39778989_v7
16334-48

SCHEDULE A-1
GOVERNMENT OBLIGATIONS
(2005 LOAN)

ESCROW DESCRIPTIONS DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_2

Refunding Component

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Series 2005 (2005), SF_ESC, Apr 15, 2016: SLGS	Certificate	05/18/2016	05/18/2016	242,936	0.180%	0.180%
Global Proceeds Escrow, Apr 15, 2016: SLGS	Certificate	05/18/2016	05/18/2016	3,121,652	0.180%	0.180%
				3,364,588		

SLGS Summary

SLGS Rates File	08APR16
Total Certificates of Indebtedness	3,364,588.00

SCHEDULE A-2
GOVERNMENT OBLIGATIONS
(2007 LOAN)

ESCROW DESCRIPTIONS DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_3

Refunding Component

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Series 2007 (2007), SF_ESC, Apr 15, 2016:						
SLGS	Certificate	07/01/2016	07/01/2016	9,587	0.200%	0.200%
Global Proceeds Escrow, Apr 15, 2016:						
SLGS	Certificate	07/01/2016	07/01/2016	8,476	0.200%	0.200%
SLGS	Certificate	01/01/2017	01/01/2017	16,517	0.420%	0.420%
SLGS	Note	07/01/2017	07/01/2016	931,566	0.560%	0.560%
				956,559		
				966,146		

SLGS Summary

SLGS Rates File	08APR16
Total Certificates of Indebtedness	34,580.00
Total Notes	931,566.00
Total original SLGS	966,146.00

SCHEDULE B-1
RECEIPTS FROM INVESTMENTS
(2005 LOAN)

ESCROW SUFFICIENCY

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_2

Refunding Component

Series 2005 (2005)

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
04/15/2016		2.21	2.21	2.21
05/18/2016	3,365,136.77	3,365,135.56	-1.21	1.00
	3,365,136.77	3,365,137.77	1.00	

SCHEDULE B-2
RECEIPTS FROM INVESTMENTS
(2007 LOAN)

ESCROW SUFFICIENCY

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_3

Refunding Component

Series 2007 (2007)

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
04/15/2016		2.46	2.46	2.46
07/01/2016	19,175.00	19,174.17	-0.83	1.63
01/01/2017	19,175.00	19,174.99	-0.01	1.62
07/01/2017	934,175.00	934,174.38	-0.62	1.00
	972,525.00	972,526.00	1.00	

SCHEDULE C-1

DEBT SERVICE ON REFUNDED 2005 NOTE

ESCROW REQUIREMENTS

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_2

Refunding Component

Improvement Revenue Bonds, Series 2005 (2005 FF)

Period Ending	Interest	Principal Redeemed	Total
05/18/2016	50,136.77	3,315,000.00	3,365,136.77
	50,136.77	3,315,000.00	3,365,136.77

SCHEDULE C-2

DEBT SERVICE ON 2007 REFUNDED NOTE

ESCROW REQUIREMENTS

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_3

Refunding Component

Revenue Bonds, Series 2007 (2007 FF)

Period Ending	Interest	Principal Redeemed	Total
07/01/2016	19,175.00		19,175.00
01/01/2017	19,175.00		19,175.00
07/01/2017	19,175.00	915,000.00	934,175.00
	57,525.00	915,000.00	972,525.00

CERTIFICATE AS TO PUBLIC MEETINGS
AND NO CONFLICT OF INTEREST

COUNTY OF ALACHUA

STATE OF FLORIDA

Each of the undersigned members of the City Commission (the "Governing Body") of the City of Gainesville, Florida (the "Issuer"), recognizing that TD Bank, National Association (the "Bank") will have purchased the Issuer's Refunding Revenue Note, Series 2016A and the Issuer's Revenue Note, Series 2016B (collectively, the "Notes") issued under a Loan Agreement between the Issuer and the Bank in reliance upon this certificate, HEREBY CERTIFIES that:

(1) He or she has not, meeting together with any other member or members of the Governing Body other than at public meetings of the Governing Body, reached any conclusion as to the actions taken by the Governing Body with regard to the Notes, the security therefor or the application of the proceeds therefrom, or any other material matters in regard to the Notes;

(2) He or she does not have or hold any employment with or any contractual relationship with the Bank that would constitute a prohibited conflict of interest under Part III, Chapter 112, Florida Statutes.

IN WITNESS WHEREOF, we have hereunto affixed our official signatures as of the 5th day of April, 2016.


Ed Braddy, Mayor

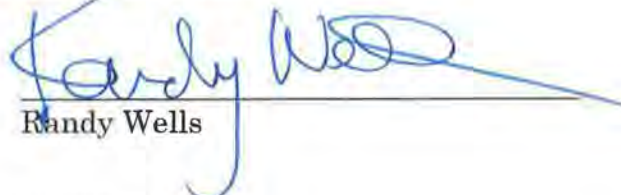

Harvey Budd


Craig Carter


Todd Chase


Charles Goston


Helen Warren


Randy Wells

CERTIFICATE AS TO SIGNATURES, OFFICIALS,
SEAL, NO DEFAULT AND OTHER MATTERS

We, the undersigned Finance Director (the "Finance Director") and Clerk of the Commission (the "Clerk") of the City of Gainesville, Florida (the "City"), DO HEREBY CERTIFY as follows:

1. We are the qualified and acting Finance Director and Clerk, respectively, of the City.

2. The following is a correct listing of the names of the members of the City Commission (the "Governing Body") of the City and the date of expiration of their respective terms of office:

<u>Name</u>	<u>Expiration of Term</u>
Ed Braddy, Mayor	May 2016
Harvey Budd	May 2018
Craig Carter	May 2017
Todd Chase	May 2017
Charles Goston	May 2018
Helen Warren	May 2017
Randy Wells	May 2016

3. All of the above members of the Governing Body have duly filed their oaths of office, and such of them as are required by law to file bonds or undertakings have duly filed such bonds or undertakings in the amount and manner required by law.

4. Nicolle M. Shalley, Esquire, is the duly appointed City Attorney for the City and accordingly is entitled to sign opinions and other documents pertaining to the Governing Body, the City, the Loan Agreement (2016A) dated as of April 15, 2016 (the "2016A Loan Agreement") and the Loan Agreement (2016B) dated as of April 15, 2016 (together with the 2016A Loan Agreement, the "Loan Agreements"), each between the City and TD Bank National Association (the "Bank"), the Refunding Revenue Note, Series 2016A (the "2016A Note") and the Revenue Note, Series 2016B (together with the 2016A Note, the "Notes"), each dated April 15, 2016, each from the City to the Bank, the Escrow Deposit Agreement pertaining to

the City's Revenue Note, Series 2009 dated as of April 15, 2016 (the "2009 Escrow Deposit Agreement") between the City and U.S. Bank National Association (the "Escrow Agent") and the Escrow Deposit Agreement pertaining to certain Loan Agreements between First Florida Governmental Financing Commission and the City dated as of April 15, 2016 between the City and the Escrow Agent (together with the 2009 Escrow Deposit Agreement, the "Escrow Deposit Agreements"). The law firm of Holland & Knight LLP, Lakeland, Florida, is bond counsel for the City, and accordingly is entitled to sign opinions as bond counsel. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement.

5. The Finance Director has signed the Loan Agreements, the Escrow Deposit Agreements and the Notes by her manual signature, and the signature appearing on said Notes and the manual signature at the end of this Certificate are each the true and lawful signature of the Finance Director.

6. The seal of the City was duly impressed upon the Notes, and such seal and the signature of the Finance Director were attested by the manual signature of the Clerk. Such manual seal and the signature of the Clerk appearing on the Notes and the manual signature of the Clerk at the end of this certificate constitute the true and lawful seal of the City and the signature of the Clerk, respectively.

7. Resolution No. 150852 duly adopted by the Governing Body on April 7, 2016 (the "Resolution"), as certified by the Clerk as of the date hereof, has not been modified, amended, revoked or repealed in any way after its date of adoption, and is now in full force and effect.

8. The Notes, the Loan Agreements and the Escrow Deposit Agreements, as executed and delivered, are in substantially the respective forms approved by the Governing Body in the Resolution.

9. The City has authorized by all necessary action the adoption and due performance of the Resolution and the execution, delivery and performance by the City of the Loan Agreements, the Escrow Deposit Agreements and Notes, and all authorizations, consents, approvals and reviews of governmental bodies or regulatory authorities now required for the City's execution, delivery and due performance of the Notes, the Loan Agreements and the Escrow Deposit Agreements, and any and all such other agreements and documents as may be required to be executed, delivered and received by the City to carry out, give effect to and consummate the transactions contemplated by the Resolution have been obtained or effected.

10. The City has not, since December 31, 1975, been in default in the payment of principal of, premium, if any, or interest on, or otherwise been in default with respect to, any bonds, notes or other obligations which it has issued, assumed

or guaranteed as to payment of principal, premium, if any, or interest, which would be considered material by a reasonable investor.

11. For the purposes of Section 215.84, Florida Statutes, the City acknowledges that the Notes are not rated by a nationally recognized rating service and that The Bond Buyer "20 Bond Index" published immediately preceding the first day of the calendar month in which the City issued the Notes was 3.38%. The average net interest cost rate on the 2016A Note, 2.30%, and the 2016B Note, 2.40%, are each less than a rate 300 basis points in excess of such "20 Bond Index" rate.

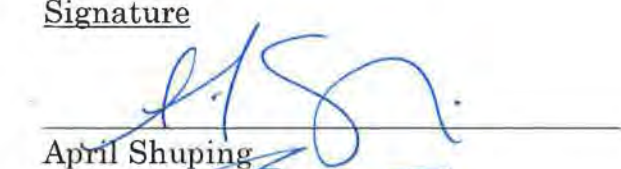
12. When issued and delivered to, and paid for by, the Bank, the Notes, and when executed and delivered to the Bank, the Loan Agreements and the Escrow Deposit Agreements, will have been duly and validly authorized, executed, issued and delivered and will constitute the legal, valid and binding obligations of the City enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency or other laws affecting creditors' rights and remedies and to general principles of equity.

13. To the best of our knowledge, except as has been disclosed to the Bank, there is no action, suit, inquiry or proceeding pending or threatened in any court or before any public board or administrative body seeking to restrain or enjoin the sale, issuance, execution, delivery or performance of the Notes or the execution, delivery or performance of the Loan Agreements and the Escrow Deposit Agreements; in any way contesting or affecting any authority for the issuance of the Notes or the validity, or enforceability of the Notes, the Loan Agreements, the Escrow Deposit Agreements or the Resolution or the transactions contemplated by the Resolution, the Notes, the Loan Agreements, the Escrow Deposit Agreements or any other agreements or documents contemplated by the Resolution; in any way contesting the existence or powers of the City; seeking to limit, restrain, enjoin or otherwise restrict the collection of Pledged Funds (as defined in the Loan Agreements) to pay the principal of, premium, if any, and interest, on the Notes.

IN WITNESS WHEREOF, we have hereunto set our hands and the official seal of the City, and have indicated our respective official titles, all as of the 15th day of April, 2016.

Signature

Official Title



April Shuping

Finance Director



Kurt M. Lannon

Clerk of the Commission

(Official Seal)

#39067849_v6
16334-48

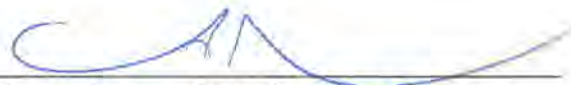
CERTIFICATE AS TO COMPLIANCE WITH ANTI-DILUTION TEST

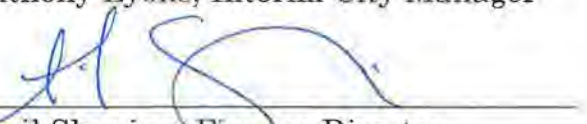
We, the undersigned City Manager and Finance Director of the City of Gainesville, Florida (the "City"), DO HEREBY CERTIFY that:

1. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement dated as of February 1, 2014, between the City and TD Bank, National Association.

2. After the issuance of the Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B, each dated April 15, 2016 (collectively, the "Notes") and the defeasance of the City's Revenue Note, Series 2009 issued on July 3, 2009, the defeasance of the City's obligations under a Loan Agreement dated as of April 1, 2007, between the First Florida Governmental Financing Commission ("FFGFC") payable on and after June 20, 2018, and the defeasance of the City's obligations under a loan agreement dated as of March 5, 2005, between the City and FFGFC, 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 City, including the Notes, does not exceed fifty percent (50%) of total Non-Ad Valorem Revenues received by the City in the Fiscal Year preceding the date hereof and the Non-Ad Valorem Revenues of the City for such 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 Notes.

IN WITNESS WHEREOF, we have hereunto set our hands as of the 15th day of April, 2016.

By: 
Anthony Lyons, Interim City Manager

By: 
April Shuping, Finance Director

CERTIFICATE RELATING TO TAX, ARBITRAGE
AND OTHER MATTERS OF
CITY OF GAINESVILLE, FLORIDA
CONCERNING ITS
\$11,970,000
REFUNDING REVENUE NOTE, SERIES 2016A
AND
\$6,630,000
REVENUE NOTE, SERIES 2016B

The undersigned, Finance Director of the City of Gainesville, Florida (the "City"), who has been charged with the responsibility of issuing the Notes described below, DOES HEREBY CERTIFY on behalf of the City as follows:

1. THE NOTES.

1.1. The City is issuing and delivering, simultaneously with the execution of this Certificate, its \$11,970,000 Refunding Revenue Note, Series 2016A (the "2016A Note") and \$6,630,000 Revenue Note, Series 2016B (the "2016B Note", and, together with the 2016A Note, the "Notes"). The Notes are being issued under and pursuant to the Constitution and laws of the State of Florida, including Article VIII, Section 1 of the Constitution of the State of Florida; Chapter 125, Florida Statutes; and the Charter of the City; and other applicable provisions of law (collectively, the "Act"), and pursuant to Resolution No. 150852 adopted by the City Commission of the City (the "Commission") on April 7, 2016 (the "Resolution"). All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement (2016A) dated as of April 15, 2016 (the "2016A Loan Agreement"), between the City and TD Bank, National Association (the "Bank") or the Loan Agreement (2016B) dated as of April 15, 2016 (the "2016B Loan Agreement" and, together with the 2016A Loan Agreement, the "Loan Agreements"), between the City and the Bank.

1.2. The Notes and the interest thereon are payable from (i) the Non-Ad Valorem Revenues budgeted and appropriated and deposited into the Debt Service Account established by the Resolution to pay debt service on the Notes, and (ii) all funds on deposit in the Debt Service Account created by the Resolution (including all investment securities on deposit therein), and all investment earnings on any of such funds.

2. THE GOVERNMENT PURPOSE OF THE ISSUE.

2.1. The Notes are being issued to (i) current refund the outstanding amount of the City's loan that was made from proceeds of the First Florida

Governmental Financing Commission (the "Commission") Revenue Bonds, Series 2005, maturing on July 1 in the years 2016 through and including 2025 (the "Current Refunded Bonds"), (ii) to advance refund the City's loan made from the Commission's Revenue Bonds, Series 2007, maturing on July 1 in the years 2018 through and including 2027 (the "2007 Advance Refunded Bonds"), (iii) to advance refund the City's Revenue Note, Series 2009 maturing on November 1 in the years 2019 through 2028 (the "2009 Advance Refunded Note" and collectively with the 2007 Advance Refunded Bonds, the "Advance Refunded Bonds"), (iv) to fund various road improvements within the City (the "2016 Project") and (v) to pay certain costs and expenses incurred in connection with the issuance of the Notes. The 2009 Advance Refunded Note, the 2007 Advance Refunded Note and the Current Refunded Bonds are referred to collectively herein as the "Refunded Loans."

2.2. (a) The proceeds of the Current Refunded Bonds were used as follows: (i) \$5,601,685.60 to finance the acquisition, construction, reconstruction, improvement and equipping of various capital projects, including the acquisition of properties for and construction of stormwater infrastructure, police and transportation facilities, refurbishment and renovation of municipal facilities including a police facility, and acquisition of property for and undertaking of capital projects for redevelopment (the "2005 Project"); (ii) \$30,580.34 to finance a bond insurance premium, and (iii) \$72,601.63 to pay costs of issuance. As of the date of issuance of the Current Refunded Bonds, the City reasonably expected that at least 85% of the spendable proceeds of the Current Refunded Bonds allocable to its loan would be expended within 3 years of the date that the Refunded Bonds were issued. In addition, not more than 50% of the proceeds of the Current Refunded Bonds allocable to the City's loan were invested in obligations having a substantially guaranteed yield for a period of 4 years or more. The Current Refunded Bonds will be redeemed on May 18, 2016.

(b) The proceeds of the 2007 Advance Refunded Bonds were used as follows: (i) \$1,500,000 to finance various capital projects including the acquisition of properties for and construction/reconstruction of roadway and other transportation projects (the "2007 Project"), (ii) \$5,533.47 to finance a bond insurance premium and (iii) \$21,032.73 to finance costs of issuance. As of the date of issuance of the 2007 Advance Refunded Bonds, the City reasonably expected that at least 85% of the spendable proceeds of the 2007 Advance Refunded Bonds allocable to its loan would be expended within 3 years of the date that the 2007 Advance Refunded Bonds were issued. In addition, not more than 50% of the proceeds of the 2007 Advance Refunded Bonds allocable to its loan were invested in obligations having a substantially guaranteed yield for a period of 4 years or more. The 2007 Advance Refunded Bonds will be redeemed on July 1, 2017.

(c) The proceeds of the 2009 Advance Refunded Note were used as follows: (i) \$12,959,450 were used to finance various capital projects (the "2009 Project" and together with the 2005 Project and the 2007 Project, the "Refunded Projects") and (ii) \$40,550 were used to finance costs of issuance. As of

the date of issuance of the 2009 Advance Refunded Note, the City reasonably expected that at least 85% of the spendable proceeds of the 2009 Advance Refunded Note would be expended within 3 years of the date that the 2009 Advance Refunded Note were issued. In addition, not more than 50% of the proceeds of the 2009 Advance Refunded Note were invested in obligations having a substantially guaranteed yield for a period of 4 years or more. \$1,597,164 of the proceeds of the 2009 Advance Refunded Note have not been expended. The 2009 Advance Refunded Note will be redeemed on May 1, 2019.

2.3 (a) The Issuer reasonably expects that at least 85% of the "Net Sale Proceeds" of the 2016B Note will be used to acquire the 2016 Project within the three-year period beginning on the date hereof. For purposes of this Certificate, the term "Net Sale Proceeds" means the proceeds actually or constructively received by the Issuer from the sale of the 2016B Note allocable to the 2016 Project (including amounts used to pay underwriters' discount). In addition, not more than 50% of the proceeds of the 2016B Note will be invested in obligations having a substantially guaranteed yield for a period of 4 years or more.

(b) The Issuer has entered into, or reasonably expects that within six months of the date hereof it will have entered into, a substantial binding commitment to one or more third parties to expend at least 5% of the Net Sale Proceeds of the 2016B Note on the 2016 Project.

(c) The Issuer reasonably expects to proceed with due diligence toward the completion of the acquisition of the 2016 Project and the expenditure of the Net Sale Proceeds of the 2016B Note in connection with the 2016 Project. It is expected that all proceeds of the 2016B Note will be expended to pay costs of the 2016 Project on or before three years after the date hereof.

2.6 The proceeds of the 2016B Note of \$6,596,164.00 deposited to the 2016 Project Account and interest earnings thereon are reasonably expected to be allocated to expenditures of the 2016 Project no later than October 1, 2018 as reflected on Exhibit "A" hereto.

2.7 Except as provided in this paragraph, all of the proceeds of the 2016B Note shall be applied to expenditures paid after the issue date of the 2016B Note.

3. YIELD.

3.1. For purposes of this Certificate, yield means the discount rate that, as of the date of issue of the Notes, produces a present value of all the unconditionally payable payments of principal and interest on the Notes and fees for qualified guarantees which is equal to the issue price of the Notes. The issue price of the Notes is determined in the manner provided by Sections 1273 and 1274 of the Internal Revenue Code of 1986, as amended (the "Code") and Treasury

Regulation § 1.148-1(b). The yield on the Notes is determined without taking into account issuance costs.

3.2. The purchase price of the Notes is \$18,600,000 which is the price paid by the purchaser. The purchaser has represented that it purchased the Notes as an investment and not for resale.

For purposes hereof, yield is, and shall be, calculated on the basis of a 360-day year consisting of twelve 30 day months and with interest compounded semiannually. The yield on the Notes (calculated in this manner and as shown on the Schedules prepared by the Financial Advisor to the Issuer) is not less than 2.3394%.

4. SOURCE OF FUNDS

4.1. The cost of redeeming the Refunded Bonds will be financed by the proceeds received from the issuance of the Notes as follows:

<u>Sources</u>	<u>Amount</u>
Note Proceeds	\$18,600,000.00
Excess 2009 Proceeds	1,596,164.00
Contribution	<u>431,593.85</u>
TOTAL:	\$20,627,757.85

5. USE OF FUNDS.

5.1. The proceeds received from the sale of the Notes are expected to be needed and fully expended as follows:

<u>Use of Sources</u>	<u>Amount</u>
Redemption of the Refunded Loans	
Cash Deposit	\$ 6.61
SLG Purchases	13,952,896.00
2016 Project	6,596,164.00
Costs of Issuance	<u>78,691.24</u>
TOTAL:	\$20,627,757.85

5.2 (a) Proceeds of the Notes held by U.S. Bank National Association, as escrow agent (the "Escrow Agent") under the Pooled Loans Escrow Deposit Agreement between the City and the Escrow Agent for the benefit of the Current Refunded Bonds and the 2007 Advance Refunded Bonds and under the Refunded Series 2009 Note Escrow Deposit Agreement for the benefit of the 2009 Advance Refunded Note shall be applied to pay debt service on such indebtedness.

Any amounts used for the payment of costs of issuance of the Notes are expected to be expended within 180 days after the date of issuance of the Notes. In the best judgment of the Issuer, and based on its prior experiences, all such costs are reasonable.

(b) The proceeds of the Notes held by the Escrow Agent that will be used to redeem the Current Refunded Bonds will be invested at a yield of 0.1776%. The proceeds of the Notes held by the Escrow Agent that will be used to redeem the 2007 Advance Refunding Bonds will be invested at a yield of .5583%. The proceeds of the Notes held by the Escrow Agent that will be used to redeem the 2009 Advance Refunded Notes will be invested at a yield of .8408%. The Excess 2009 Proceeds of \$1,596,164 will be allocated to the earliest expenditures in the escrow and are being invested at a yield of .7555%.

6. DEBT SERVICE ACCOUNT.

6.1. The City shall deposit into the Debt Service Account established under the respective Loan Agreements Non-Ad Valorem Revenues actually budgeted and appropriated to pay debt service on respective Note.

Amounts deposited into each Debt Service Account will be used to pay the principal of and interest on the respective Note. It is expected that the amounts deposited in each Debt Service Account will be used primarily to achieve a proper matching of revenues with debt service requirements within each Bond Year for the respective Note. It is expected that the amounts deposited in the Debt Service Account will be adequate to make all required payments of principal and interest on the respective Note. At least once each year, the amounts in each Debt Service Account will be used to pay debt service on the respective Note and will be fully depleted except for reasonable carry-over amounts which will not exceed the greater of one-twelfth of the debt service on the respective Note for the immediately preceding Bond Year, or earnings on such accounts for the immediately preceding Bond Year.

6.2. The City has elected to treat the receipt and disbursement of funds pursuant to the Loan Agreements on a first-in and first-out method of accounting.

6.3. The City expects that all of the funds described above will be invested in the manner described and set forth in the Investment Letter from Holland & Knight LLP to the City, dated as of the date hereof and included as part of the closing transcript for the Notes (the "Investment Letter").

6.4. The City reasonably expects to comply with the instructions set forth in the Investment Letter and to take such other actions as may be necessary to comply with the arbitrage limitations applicable to the Notes.

7. MISCELLANEOUS.

7.1. The City does not expect to receive proceeds from the sale or disposition of the facilities financed by the Notes in amounts which, together with any accumulated proceeds or earnings thereon or other amounts derived from issuance of the Notes, will be sufficient to enable the City to retire the Notes at a date which is significantly earlier than the last maturity of principal of the Notes.

7.2. The City has not, in this transaction, sold more principal amount of the Notes than otherwise would have been sold, sold more in principal amount of the Notes than otherwise would have been necessary, or sold the Notes sooner or allowed it to remain outstanding longer than otherwise would have been necessary, in order to exploit the difference between a tax-exempt and taxable interest rate, to gain a material financial advantage.

7.3. The City has not created, nor does the City expect to create, any debt service fund or redemption fund, reserve fund or replacement fund or similar fund or account for the payment of principal or interest on the Notes, other than the Debt Service Account.

7.4. The City has not experienced revenue flows that would enable it to reasonably expect to redeem or purchase the Notes prior to its maturity.

7.5. There are no other obligations of the City which (i) are being sold at substantially the same time as the Notes (i.e., within 15 days), (ii) are sold pursuant to the same plan of financing together with the Notes, and (iii) will be paid out of substantially the same source of funds (or will have substantially the same claim to be paid out of the same source) as the Notes.

7.6. (a) (i) The City represents that the Notes will not meet the private business use test of Section 141 of the Code and Section 1.141-3 of the Income Tax Regulations promulgated by the Department of the Treasury (the "Income Tax Regulations"). Except as provided in paragraph 7.6(a)(iv) or paragraph 7.6(b) below, the private business use test is met if more than 10 percent of the property financed or refinanced with Proceeds of the Notes is used in the trade or business of a private person (i.e., an entity other than a governmental unit). Any activity carried on by a person other than a natural person is treated as a trade or business. Thus, a lease, sub-lease or other contractual arrangement with a private person with respect to a project could result in the private business test being met.

(ii) In determining whether the Notes meet the private business use test, it is necessary to look to both the indirect and direct uses of Proceeds. For example, a facility is treated as being used for a private business use if it is leased to a governmental unit and then subleased to a private person, provided that the private person's use is in a trade or business. In addition, Proceeds are treated as used in the trade or business of a private person if a private

person, as a result of a single transaction or series of related transactions, uses property acquired with the Proceeds of the Notes.

(iii) A private person is treated as a private business user of the project as a result of ownership; actual or beneficial use of property pursuant to a lease or a management or incentive pay contract; or certain other arrangements such as take or pay or other output-type contract.

(iv) Pursuant to Section 141 of the Code, if the use of any portion of a facility financed with Proceeds of a bond issue is not related or is disproportionate to the governmental use financed by the issue, 5 percent would be substituted for the 10 percent amount in paragraph 7.6(a)(i) above.

(b) Any contract with a private person to manage or operate any property financed or refinanced by the Notes, or any facility comprising a part of such property, will comply with Rev. Proc. 97-13.

7.7. It is not reasonably expected that the payment of more than 10% of the debt service on the Notes under the terms of the Resolution or Loan Agreements or pursuant to any underlying arrangement will be secured or paid by any interest in property used or to be used for a private business, or by any interest in payments in respect of property used or to be used for a private business, or be derived from payments in respect of property or borrowed money used or to be used for a private business.

7.8. It is not reasonably expected that the payment of more than 5% of the debt service on the Notes under the terms of the Resolution or Loan Agreements or pursuant to any underlying arrangement will be secured or paid by any interest in property used or to be used for a private business use, or by any interest in payment in respect of property used or to be used for a private business use, or will be derived from payments in respect of property or borrowed money used, or to be used for a private business use.

7.9. No portion of the proceeds from the sale of the Notes will be used directly or indirectly to make or finance loans.

7.10. (i) The payment of principal or interest with respect to the Notes is not guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof); (ii) 5% or more of the proceeds of the Notes will not be (A) used in making loans the payment of principal and interest with respect to which are to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), or (B) invested (directly or indirectly) in federally insured deposits or accounts as defined in Section 149(b)(4)(B) of the Code; and (iii) the payment of principal or interest on the Notes is not otherwise indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

The foregoing provisions of this Section 7.10 shall not apply to (a) proceeds of the Notes being invested for an initial temporary period until such proceeds are needed for the purpose for which such issue was issued; (b) investments of a bona fide debt service fund; (c) investments of a reserve which meet the requirements of Section 148(d) of the Code with respect to reasonably required reserve or replacement funds; (d) investments in obligations issued by the United States Treasury; or (e) investments that are held in a refunding escrow (i.e., a fund containing proceeds of a refunding bond issue established to provide for the payment of principal or interest on one or more prior bond issues); or (f) other investments permitted under regulations promulgated pursuant to Section 149(b)(3)(B) of the Code.

7.11. The weighted average maturity of the Notes (7.9783 years) does not exceed one hundred and twenty percent (120%) of the weighted average reasonably expected remaining economic life of the Refunded Projects and the 2016 Project (38.53 years), with the average reasonably expected economic life of each component of the Refunded Projects and the 2016 Project being measured from the later of (a) the date of issuance of the bonds that financed such component, or (b) the date each component is placed in service. See Exhibit "B" attached hereto.

7.12. The City has not entered, and will not enter into, a "hedge" with respect to the Notes that it will identify as such on its books and records. A "hedge" is defined as a contract that is entered into to modify the issuer's risk with respect to interest rate changes.

7.13. The City has covenanted to rebate, and will comply with the covenants it has made regarding rebating, certain sums to the United States as provided in accordance with Section 148(f) of the Code and the regulations promulgated thereunder.


7.14. This Certificate is being executed and delivered pursuant to Sections 1.148-1 through 1.148-11 of the Income Tax Regulations to establish the reasonable expectations of the City with regard to the Notes.

7.15. To the best of the knowledge, information and belief of the undersigned, on the basis of the facts, estimates and circumstances in existence on the date hereof, the expectations of the City described herein are reasonable, and there are no other facts, estimates or circumstances that would materially change any of the foregoing expectations.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, I have hereto set my hand this 15th day of April,
2016.

CITY OF GAINESVILLE, FLORIDA

By: 
Finance Director

#39069439_v7
16334-48

EXHIBIT "A"

2016B Spenddown Schedule

Drawdown Schedule	2016 (quarters)		2017 (quarters)				2018 (quarters)			
	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	
Depot Avenue	156,158.79	-	-	-	-	-	-	-	-	156,158.79
SW 35th Pl Sidewalk	185.98	-	-	-	-	-	-	-	-	185.98
8th Ave Resurfacing	70,346.42	-	-	-	-	-	-	-	-	70,346.42
Main St Streetscape Project	39,310.45	-	-	-	-	-	-	-	-	39,310.45
Depot Ave	-	100,000.00	100,000.00	600,000.00	530,162.36	-	-	-	-	1,330,162.36
SE 4th Street Project	100,000.00	100,000.00	300,000.00	500,000.00	1,000,000.00	1,000,000.00	800,000.00	393,847.68	1,939.82	4,195,787.50
SW 40th Blvd Project	-	-	100,000.00	400,000.00	400,000.00	100,000.00	-	-	-	1,000,000.00
	366,001.64	200,000.00	500,000.00	1,500,000.00	1,930,162.36	1,100,000.00	800,000.00	393,847.68	1,939.82	6,791,951.50

Cash Balance	Interest Earned	Spenddown
6,596,164.00		
6,596,164.00	32,980.82	366,001.64
6,263,143.18	32,980.82	200,000.00
6,096,124.00	31,315.72	500,000.00
5,627,439.72	30,480.62	1,500,000.00
4,157,920.34	28,137.20	1,930,162.36
2,255,895.17	20,789.60	1,100,000.00
1,176,684.78	11,279.48	800,000.00
387,964.25	5,883.42	393,847.68
(0.00)	1,939.82	1,939.82
(0.00)	(0.00)	

Qtr 3 - 2016
Qtr 4 - 2016
Qtr 1 - 2017
Qtr 2 - 2017
Qtr 3 - 2017
Qtr 4 - 2017
Qtr 1 - 2018
Qtr 2 - 2018
Qtr 3 - 2018

2.00% Estimated Earnings Rate, Annualized

EXHIBIT "B"

Useful Life

	Amount	Total EUL	Remaining Life	Date placed in service	
FFGFC 2005					
<u>Project Listing</u>					
Downtown Plaza Improvements	199,092.38	20	20	9/30/2016	3,981,847.67
Eastside TIF Projects	166,019.53	20	20	In Progress	3,320,390.61
SW 2nd Ave. Project	437,165.33	50	50	In Progress	21,858,266.57
Sweetwater Branch Project	116,000.00	20	19	9/30/2015	2,204,000.00
GPD Replacement PC's & Laptops	289,396.80	3	1	12/15/2013	289,396.80
GPD Headquarters Annex (FLECF)	1,566,046.79	40	38	7/31/2014	59,509,778.19
Roof Replacement-Fire Station 2	49,742.65	20	13	9/30/2009	646,654.45
Roof Replacement-GPD	87,000.00	20	0	Building Demolished	-
Roof Replacement-Tench Building	11,534.07	20	11	7/29/2007	126,874.72
Thomas Center B Project	266,208.56	40	34	9/30/2010	9,051,090.92
Thomas Center A Project	173,988.57	40	34	9/30/2010	5,915,611.32
Downtown Plaza Restroom Project	20,664.51	40	30	8/7/2006	619,935.38
Fire Station Restrooms Project	34,357.35	40	30	9/30/2006	1,030,720.49
FEMA - HMGP Grant Match	36,064.97				-
FFGFC 2007					
<u>Project Listing</u>					
SW 2nd Avenue - 2nd St to 13th St	915,000.00	50	45	9/30/2011	41,175,000.00
Visual Warning System - Parking Garage	21,350.00	5	0	5/24/2009	0
CIRN 2009					
<u>Project Listing</u>					
City Hall Energy Conservation	203,052.22	10	4	9/26/2010	812,208.90
Old Library Bldg Energy Cons.	233,072.75	10	4	9/26/2010	932,291.00
Thomas Center Duct Work	160,000.00	10	4	9/26/2010	640,000.00
Thomas Center A/C Chillers	160,000.00	10	4	9/26/2010	640,000.00
Elevator Replacement-OLB/TCA/TCB	9,290.88	5	5	1/3/2016	46,454.40
Depot Avenue	527,971.97	50	50	In Progress	26,398,598.72
SW 23rd Terr/SW 35th Place	217,958.20	50	44	9/30/2010	9,590,160.87
SW 6th St & 2nd Ave Roundabout	153,781.43	50	45	9/30/2011	6,920,164.22
SW 35th Pl Sidewalk	293,359.37	50	49	9/30/2015	14,374,609.27
8th Ave Resurfacing	201,802.66	50	50	In Progress	10,090,133.12
NW 5th Avenue	158,984.58	25	23	9/30/2014	3,656,645.25
Main St Streetscape Project	833,933.79	25	24	9/30/2015	20,014,411.01
Depot Ave-County Incentive Grant Match	943,892.25	50	50	In Progress	47,194,612.48
Traffic Management System	1,583,927.21	40	45	8/21/2011	71,276,724.29
PW Mast Arm Maintenance	25,600.00	25	25	2011	640,000.00
Historic Depot Ave Building Restoration	542,296.74	20	17	5/12/2013	9,219,044.62
Traffic Signal-NW 8th Ave & 18 Ter	446,268.54	25	20	9/30/2011	8,925,370.88
Main Street Streetscape Project	171,530.69	25	24	9/30/2015	4,116,736.51
Materials Relocation Project	621,019.22	30	28	9/30/2014	17,388,538.14
Cone Park Lighting	64,000.00	10	7	9/22/2013	448,000.00
CEM Contract - Landfill Slope Stabilization	574,196.48	20	12	2008	6,890,357.76
2016B Note					
Depot Avenue	156,158.19		20		3,123,163.80
SW 35th	185.98	50	49	9/30/2015	9,113.02
8th Ave	70,346.42	50	50		3,517,321.00
Main Street	39,310.45	25	24	9/30/2015	943,450.80
Depot Ave.	1,330,162.36	50	50		66,508,118.00
SE 4th St	4,195,787.50	50	50		209,789,375.00
SW 40th	1,000,000.00	50	50		50,000,000.00
	19,307,521.41				743,835,170.17
Weighted Average Remaining Useful Life					38.53

Holland & Knight

2115 Harden Boulevard | Lakeland, FL 33803 | T 863.682.1161 | F 863.688.1186
Holland & Knight LLP | www.hklaw.com

April 15, 2016

City of Gainesville, Florida
200 E. University Avenue
Gainesville, Florida 32601

Re: \$11,970,000 City of Gainesville, Florida Refunding Revenue Note, Series 2016A (the "2016A Note") and \$6,630,000 City of Gainesville, Florida Revenue Note, Series 2016B (the "2016B Note" together with the 2016A Note, the "Notes")

Ladies and Gentlemen:

This letter implements the Certificate Relating to Tax, Arbitrage and Other Matters (the "Tax Certificate") executed by you on the date of issuance of the Notes which is incorporated herein by reference. The Notes are being issued under and pursuant to the Constitution and laws of the State of Florida, including Article VIII, Section 1 of the Constitution of the State of Florida; Chapter 166, Florida Statutes; and the Charter of the City; and other applicable provisions of law (collectively, the "Act"), and pursuant to a Resolution adopted by the City Commission of the City of Gainesville (the "City") on April 7, 2016 (the "Resolution"). All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement (2016A) dated as of April 15, 2016 (the "2016A Loan Agreement"), between the City and TD Bank, National Association (the "Bank") and the Loan Agreement (2016B) dated as of April 15, 2016, between the City and the Bank (the "2016B Loan Agreement" and, together with the 2016A Loan Agreement, the "Loan Agreements"). The instructions herein are based in part upon your statements in the Tax Certificate as to your reasonable expectations, so that investment of funds allocable to the Notes will comply with the arbitrage and other limitations under Sections 103(b)(2), 148 and 149 of the Internal Revenue Code of 1986, as amended (the "Code"). All capitalized terms used herein, and not otherwise defined herein, shall have the same meaning as provided in the Loan Agreement or the Tax Certificate.

The federal income tax law contains "arbitrage bond" provisions designed to regulate the issuance of tax-exempt bonds motivated by the possibility of obtaining an arbitrage profit through investment of bond proceeds in taxable securities generating a higher yield than the borrowing cost of the tax-exempt bonds. These provisions and the accompanying implementing regulations are quite complex, partly because they attempt to deal with a wide variety of sophisticated financial devices for exploiting the interest rate differential between tax-exempt and taxable securities.

Money is, of course, fungible, and a tax-exempt borrowing could be used indirectly to facilitate investment at an arbitrage profit even though the proceeds of the tax-exempt borrowing

might themselves be expended, if that borrowing and that expenditure permitted the retention or accumulation of other uncommitted funds that were invested in taxable securities. Accordingly, the arbitrage bond provisions reach not only the direct investment of bond proceeds, but also situations in which either bond proceeds are indirectly invested at an arbitrage profit or replace other funds that are invested at an arbitrage profit. Thus, it is necessary that reasonable inferences be drawn by you from the discussion and applicable rules set forth herein.

The Loan Agreements establish the following accounts: the Debt Service Account and the 2016B Loan Agreement establishes the Project Account.

1. Proceeds of the Notes. You have indicated that any proceeds of the Notes that will be used to pay costs of issuance will be expended within 180 days from the date of this letter. Proceeds of the 2016A Note that will be used to current refund the City's loan that was made from proceeds of the First Florida Governmental Financing Commission (the "Commission") Revenue Bonds, Series 2005, may be invested without regard to yield limitations. Proceeds of the 2016A Note that will be used to advance refund the City's loan made from the Commission's Revenue Bonds, Series 2007, maturing on July 1 in the years 2018 through and including 2027 and the proceeds of the 2016A Note that will be used to advance refund the City's Revenue Note, Series 2009 maturing on November 1 in the years 2019 through 2028 may not be invested at a yield in excess of the yield on the Notes.

Proceeds of the 2016B Note that will be used to acquire the 2016 Project, whether from the sale proceeds of the 2016B Note or from investment earnings thereon, may be invested at an unlimited yield until (i) the 2016 Project has been completed, or (ii) April 15, 2019, (three (3) years from the date of delivery of the Notes), whichever shall first occur.

2. The Debt Service Account. You have certified in the Tax Certificate that the principal and interest on the Notes will be payable solely and only from the Debt Service Account in each of the respective Loan Agreements and that at least once a year the moneys deposited in each respective Debt Service Account will be fully depleted (assuming a first-in, first-out method of accounting), except for a reasonable carry-over amount which will not exceed the greater of one twelfth (1/12th) of the debt service on the respective Notes for the immediately preceding Bond Year or the earnings on such funds for the immediately preceding Bond Year.

Any additional funds deposited into each respective Debt Service Account that are expected, at the time of deposit, to be used to purchase or redeem the respective Note but are also expected, at that time, to remain in the respective Debt Service Account for a collective period exceeding thirteen months, may be invested for 30 days from the date of deposit at an unlimited yield and thereafter may not be invested at a yield exceeding the yield on the Notes as provided in paragraph 3 below and except as otherwise provided in paragraphs 5, 6, and 7 below.

3. Yield. The yield of the Notes is the discount rate that, as of their date of issue, produces a present value of all the unconditionally payable payments of principal and interest and the fees for qualified guarantees, if any, paid and to be paid with respect to the Notes equal to the issue price of the Notes. The issue price of the Notes is determined in the manner provided by Sections 1273 and 1274 of the Code and Section 1.148-1(b) of the Income Tax Regulations (the "Regulations").

In computing yield on nonpurpose obligations (such as investments acquired with moneys on deposit in the accounts created by the Loan Agreement) acquired with Gross Proceeds (as defined in paragraph 9 hereof) of the Notes, yield is to be calculated by means of an actuarial method of yield computation whereby "yield" means the yield which, when used in computing the present worth of all payments of principal and interest to be paid on the obligation, produces an amount equal to the purchase price. In addition, yield is to be computed using as the purchase price for a nonpurpose obligation its fair market value at the time it was acquired (or when it becomes allocated to the Notes, if later).

Both the yield on the Notes and the yield on investments should be computed by the use of semiannual interest compounding and a 360-day year, consisting of twelve 30-day months.

4. Market Price and Prohibited Investments. For purposes of determining yield on an investment, the purchase price of the investment used in determining its yield must be determined by use of one of the following valuation methods on the valuation date:

- a. a plain par investment (as defined in Section 1.148-1(b) of the Regulations) may be valued at its outstanding stated principal amount, plus any accrued interest on that date;
- b. a fixed rate investment, which is any investment whose yield is fixed and determinable on its issue date, may be valued at its present value; and
- c. any investment, other than a yield-restricted investment, may be valued at its fair market value.

Yield restricted investments must be valued at present value. The present value of an investment is computed under the economic accrual method, using the same compounding interval and financial conventions used to compute the yield on the issue. The present value of an investment on a valuation date is equal to the present value of all unconditionally payable receipts to be received from and payments to be paid for the investment after that date, using the yield on the investment as the discount rate. In determining the yield on an investment actually acquired with bond proceeds, the purchase price of the investment may not exceed the fair market value of the investment.

The value of a Nonpurpose Investment (as defined in paragraph 5 below) that is not acquired directly with the proceeds of a bond issue but is subsequently allocated to the proceeds of a bond issue other than by operation of the transferred proceeds rules (such as an existing investment that is deposited into the Debt Service Account) must be valued on the date it is first allocated to the bond issue at its fair market value.

In general, the fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the investment becomes binding (i.e., the trade date rather than the settlement date). The fair market value of a U.S. Treasury obligation that is purchased directly from the United States Treasury is its purchase price. Subject to certain "safe harbor" exceptions for certificates of deposit and guaranteed investment contracts, if an investment is not of a type traded on an established market, it is rebuttably presumed that the acquisition or disposition price of the investment is not equal to its fair market value.

For yield-restricted investments, you should consider, if needed, the acquisition of United States Treasury Certificates of Indebtedness, Notes and Note—State and Local Government Series ("SLGS"), which yield does not materially exceed the yield on the Notes. These United States Treasury Obligations are available at the Federal Reserve Bank. The Bureau of Public Debt of the Department of Treasury offers for sale three categories of SLGS: (i) Time Deposit securities, (ii) Demand Deposit securities, and (iii) Special Zero Interest securities.

Attached to this letter is a description of the procedures that should be followed if "certificates of deposit" or "guaranteed investment contracts" are to be purchased with Gross Proceeds of the Notes (as defined in Section 9).

5. Nonpurpose Investments and Tax-Exempt Investments. For purposes of this letter, the term "Nonpurpose Investment" means any "investment property" as defined in Section 148(b)(2) of the Code (which definition generally excludes any "tax exempt bond"), in which the Gross Proceeds of the Notes are invested and which is not acquired to carry out the governmental purpose of the Notes. Notwithstanding any other provisions of this letter, investments allocable to the Notes (whether made from proceeds of the Notes, earnings, revenues or funds held to pay debt service on, or as security for, the Notes), may be invested in obligations, the interest on which is excluded from gross income for federal income tax purposes by Section 103(a) of the Code, without regard to the yield of such obligations, or the Rebate Requirement described in paragraph 8 hereof so long as such obligations are not specified private activity bonds as defined in Section 57(a)(5)(C) of the Code. Specified private activity bonds are those tax-exempt obligations, the interest on which is includable in a bondholder's alternative minimum taxable income. You should note that for purposes of the Rebate Requirement and for yield restriction purposes, that investments in (i) a regulated investment company (to the extent that at least 95% of the income to the holder of the interest is interest that is excludable from gross income under

Section 103 of the Code) or (ii) Demand Deposit SLGS, may, in effect, be made without regard to the yield of such investments (assuming such investments will not be investments in "specified private activity bonds").

6. Investment of Minor Portion. Moneys allocable to the Notes that are otherwise subject to yield restriction as described in the previous paragraphs may nevertheless be invested at an unlimited yield to the extent that the aggregate sum of funds invested at an unlimited yield which are allocable to the Notes (exclusive of amounts that, pursuant to other paragraphs of this letter, may be invested at an unlimited yield), does not exceed \$100,000.

7. Yield Reduction Payments. Under Section 1.148-5(c) of the Regulations, in determining the yield on certain investments, an issuer may pay an amount to the United States which is applied to reduce the yield on that investment. In the event that an investment of funds has a yield in excess of the permitted yield described above, you may, under certain circumstances, make a yield reduction payment in the time and manner described in the Regulations in order to meet the yield limitation.

8. Universal Cap. Nonpurpose Investments (as defined in paragraph 5 above) of the Gross Proceeds (as defined in paragraph 9 below) of the Notes are allocated and remain allocated to the Notes only to the extent that their value does not exceed the value of the outstanding Notes. The value of the outstanding Notes is referred to as the Universal Cap. Not taken into account for purposes of the Universal Cap are amounts held in a bona fide debt service fund (typically, a fund or account like the portion of the Debt Service Account from which the City will pay debt service on the Notes). The value of the Universal Cap and the value of the Nonpurpose Investments are to be computed as of the second anniversary of the date of issuance of the Notes, and as of the first day of each subsequent Bond Year.

Between required dates of computation of the Universal Cap, if some proceeds cease to be allocated to the Notes (because, for instance, they are expended), other proceeds that would have been allocated to the Notes but for the Universal Cap (for instance, amounts held in the portion of the Debt Service Account from which the City will pay debt service on the Notes not expected to be expended within one year of receipt) would then become allocated to the Notes. These allocations must be done not less frequently than annually, commencing as of the second anniversary of the date of issuance of the Notes.

If Nonpurpose Investment allocated to proceeds of the Notes had a value in excess of the Universal Cap, an amount of those investments necessary to eliminate the excess would cease to be allocated to the Notes. First, Nonpurpose Investments allocable to replacement proceeds of the Notes (that is, revenues deposited in the portion of the Debt Service Account from which the City will pay debt service on the Notes) would cease to be allocated to the Notes; then Nonpurpose Investments allocated to transferred proceeds of the Notes (if any) would cease to be allocated to the Notes; and lastly, Nonpurpose Investments acquired with sale or investment proceeds of the Notes would cease to be allocated to the Notes. However, the

Nonpurpose Investments that cease to be allocated to the Notes because of the Universal Cap are eligible for allocation to another issue.

9. Rebate Requirement. In addition to the requirements set forth above regarding investment limitations, the Code imposes the Rebate Requirement. Pursuant to the Rebate Requirement, and except as otherwise provided in the Regulations, an amount equal to the sum of (i) the excess of the aggregate amount earned on all Nonpurpose Investments in which Gross Proceeds (defined below) are invested over the amount that would have been earned if such investments had a yield equal to the yield on the Notes, plus (ii) any income attributable to the excess described in (i) (the "Rebate Amount"), must be paid to the United States. You have covenanted in the Loan Agreement to comply with the Rebate Requirement. The Code and Regulations provide three exceptions from the Rebate Requirement that could apply if all of the proceeds of an issue of bonds (including investment earnings thereon) were to be expended within certain time periods. The spending exceptions may be met if (i) the Gross Proceeds of the issue (other than Gross Proceeds in a debt service fund or reserve fund) are expended within 6 months of the date of issue (the "6-month exception"); or (ii) the Gross Proceeds of the issue allocated to expenditures for a particular governmental purpose are expended as follows: at least 15% within 6 months, at least 60% within 12 months and 100% within 18 months (the "18-month exception"); or (iii) the available construction proceeds of a construction issue are expended as follows: at least 10% within 6 months, at least 45 percent with one year, at least 75% within 18 months and 100% within 2 years (the "Two Year Construction Exception").

"Gross Proceeds" of the Notes include all proceeds received by you from the sale of the Notes and earnings thereon, any amounts to be used to pay debt service on the Notes (including amounts deposited in the Debt Service Account) to the extent expected to be used to pay debt service on the Notes, and such other funds or investments of which you may be advised from time to time, and amounts received as a result of investing any of the foregoing.

A "Bond Year" is a one-year period (or shorter period from the date of issue) that ends at the close of business on the day in the calendar year selected by you as the last day of a Bond Year. With respect to the Notes, such last day of each Bond Year shall be April 1.

To determine the Rebate Amount as of the end of each Bond Year, the procedures described below should be followed:

(1) With respect to all proceeds from investment of the Notes and any other amounts allocable to the Notes and such other investments of which you may be advised by Bond Counsel, you shall record the following information: (i) the purchase date of each investment, (ii) the purchase price thereof, (iii) any accrued interest paid, (iv) the face amount of each investment, (v) the coupon rate, (vi) the periodicity of interest payments, (vii) the disposition price, (viii) any accrued interest received, and (ix) the disposition date. To the extent any investment is allocated to the Notes, it shall be treated as if it were acquired at its fair market value at that time.

(2) No later than 60 days following (i) the last day of the fifth Bond Year and (ii) the date on which the Notes have been discharged (each such date in (i) and (ii) referred to herein as a "determination date" and the last determination date being referred to herein as the "final determination date"), you shall determine the Rebate Amount as of such determination date.

(3) For purposes of computing the Rebate Amount on the Notes, receipts on Nonpurpose Investments include amounts actually received with respect to a Nonpurpose Investment; amounts constructively received with respect to a Nonpurpose Investment; for a Nonpurpose Investment that ceases to be allocated to the Notes before its disposition or redemption date or that ceases to be subject to the Rebate Requirement on a date earlier than its disposition or redemption date, the fair market value of that Nonpurpose Investment on such date; and the fair market value of an investment allocated to the Notes on the final computation date.

(4) For purposes of computing the Rebate Amount on the Notes, the term "payments" means any amounts actually or constructively paid to acquire a Nonpurpose Investment; for a Nonpurpose Investment that is first allocated to the Notes on a date after it is actually acquired or that becomes subject to the Rebate Requirement on a date after it is actually acquired, the value of that Nonpurpose Investment on that date; for a Nonpurpose Investment that was allocated to an issue at the end of the preceding computation period, the value of that Nonpurpose Investment at the beginning of the computation period; on the last day of each Bond Year during which there are amounts allocated to Gross Proceeds of the Notes that are subject to the Rebate Requirement, and on the final maturity date, a computation credit of \$1,650; and any yield reduction payments under Treas. Reg. section 1.148-5(c).

(5) For purposes of computing the Rebate Amount, the City shall be allowed a Computation Credit on the last day of each Bond Year during which there are amounts allocable to Gross Proceeds of the Notes that are subject to the Rebate Requirement, and on the final determination date. The Computation Credit shall be treated as a payment on each such date. The amount of the Computation Credit is \$1,650.

(6) For purposes of computing the Rebate Amount on the Notes, the future value of a nonpurpose receipt or payment shall be determined in accordance with Section 1.148-3(c) of the Regulations. Accordingly, the pertinent future value of each receipt received and payment paid on or before the last day of the fifth Bond Year is the future value as of that date of such receipt or payment. The pertinent future value of each receipt received and payment paid during each succeeding five-year period is the future value as of the last day of that succeeding five-year period.

For this purpose, the future value of a nonpurpose receipt or payment is determined by using the yield on the Notes as the compounding rate. Under some

circumstances, the yield on the Notes must be recomputed as of a determination date or installment computation date.

(7) The sum of amounts earned in a bona fide debt service fund for the Notes to the extent entitled to be invested without regard to yield restriction, and amounts earned on such amounts, if allocated to such funds, shall not be taken into account for purposes of determining the Rebate Amount.

The Rebate Amount shall be paid to the United States in installments. The first payment shall be made not later than sixty (60) days after the end of the fifth Bond Year; each subsequent payment must be made not later than sixty (60) days after the next succeeding fifth Bond Year. Each payment must be in an amount not less than ninety percent (90%) of the Rebate Amount as of the close of the last Bond Year prior to payment. The full Rebate Amount must be paid to the United States within sixty (60) days after the final determination date. All payments shall be made to the Internal Revenue Service Center, Ogden, Utah, 84201, and must be accompanied by Form 8038-T.

As mentioned above, there are certain rules that may permit all or a portion of the Gross Proceeds of the Notes to be excluded from the Rebate Requirement. The Two-Year Construction Exception, the 18-month exception, and the 6-month exception, described below, may apply to the Notes.

If the spending requirements for the portion, if any, of the Notes that constitute a Construction Issue (as hereinafter defined) are met, then the Available Construction Proceeds of such Construction Issue are not treated as Gross Proceeds subject to the Rebate Requirement described above (the "Two-Year Construction Exception"). The term "Available Construction Proceeds" means the issue price of the Notes, plus earnings on the issue price, less the portion of the issue price deposited in the Reserve Account and the portion used to pay costs of issuance of the Notes.

A tax-exempt bond issue will constitute a Construction Issue if at least 75 percent of the Available Construction Proceeds of the bonds are to be used for "construction" expenditures with respect to property owned by a governmental unit or by an organization exempt from tax pursuant to Section 501(c)(3) of the Code. The term "construction" includes reconstruction and rehabilitation. As a general rule, "construction expenditure" is defined in Section 1.148-7(g) of the Regulations, to be those that are properly chargeable to, or may be capitalized as part of, the basis of real property or constructed personal property, except expenditures for the acquisition of real property.

The Notes may be eligible for the 18-month or 6-month exception to rebate. With respect to the 18-month exception, the proceeds derived from the sale of the Notes together with earnings thereon for 18 months, but exclusive of amounts in the Composite Reserve Account, must be allocated to expenditures as follows: (i) at least 15% within 6 months from the

date hereof; (ii) at least 60% within 12 months from the date hereof; and (iii) 100% within 18 months except for a reasonable retainage which must be allocated to expenditures within 30 months from the date hereof. In the case of the 6-month exception, the proceeds derived from the sale of the Notes together with earnings thereon for 6 months, must be allocated to expenditures within 6 months.

The Notes will not meet any of the exceptions to arbitrage rebate, the Notes will be subject to Rebate.

10. Subsequent Hedges. After the date of this letter, the City may decide to enter into an interest rate swap, an interest rate cap or some other contract (collectively, a "Hedge") to modify its risk of interest rate changes with respect to the Notes. Under certain circumstances, the net payments paid or received with respect to a Hedge will affect the Yield on bonds such as the Notes.

The Regulations set forth a comprehensive and complicated set of rules and procedures that must be met before the net payments paid or received pursuant to a Hedge may be taken into account in determining the Yield on bonds such as the Notes. The Regulations also provide that the Commissioner of the Internal Revenue Service, in certain circumstances, may treat a Hedge as a "Qualified Hedge," which would affect the Yield on bonds such as the Notes, or as a "Non-qualified Hedge," which would not affect the Yield on bonds such as the Notes. Accordingly, the City should contact Holland & Knight LLP should it decide to enter into a Hedge with respect to the Notes.

We have attempted to describe in this letter only the basic arbitrage limitations that you are likely to encounter in managing funds under the Loan Agreement. Holland & Knight should be consulted if circumstances not expressly addressed in this letter arise. You should also consult Holland & Knight before acquiring SLGS or in making Yield Reduction Payments so that the circumstances requiring yield restriction can be verified and that the exact yield can be determined. Please note that the information contained herein has been compiled as of the date hereof and is subject to change with changes in law.

Sincerely yours,

HOLLAND & KNIGHT LLP

Holland & Knight LLP

ATTACHMENT

PROCEDURES TO BE FOLLOWED ON PURCHASE OR SALE OF NON-PURPOSE INVESTMENTS

A. In General

Section 1.148-5(d)(6) of the Regulations provides the general rule that fair market value of a Non-purpose Investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide arm's-length transaction. Fair market value is determined on the date on which a contract to purchase or sell the Non-purpose Investment becomes binding. Except as otherwise provided, a Non-purpose Investment that is not of a type traded on an established securities market, within the meaning of Section 1273 of the Code, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

This section of the Regulations provides safe harbors (i) for establishing the fair market value of Certificates of Deposits, and (ii) for establishing the fair market value of Guaranteed Investment Contracts.

B. Certificate of Deposits

Section 1.148-5(d)(6) of the Regulations applies to a Certificate of Deposit that has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal. The purchase price of such a Certificate of Deposit is treated as its fair market value on the purchase date if the yield on the Certificate of Deposit is not less than:

(i) the yield on reasonably comparable direct obligations of the United States; and

(ii) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable Certificates of Deposit offered to the public.

C. Guaranteed Investment Contracts

The purchase price of a Guaranteed Investment Contract will be treated as the fair market value of the Non-purpose Investment on the purchase date if all of the following requirements are satisfied:

(i) The borrower makes a bona fide solicitation for the purchase of the Guaranteed Investment Contract. A bona fide solicitation is a solicitation that satisfies all of the following requirements:

(a) The bid specifications are in writing and are timely forwarded to potential providers.

(b) The bid specifications include all material terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the Guaranteed Investment Contract.

(c) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the borrower or any other person (whether or not in connection with the bond issue), and that the bid is not being submitted solely as a courtesy to the borrower or any other person for purposes of satisfying the requirements of Section 1.148-5(d)(6) of the Regulations.

(d) The terms of the bid specifications are commercially reasonable. A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment.

(e) The terms of the solicitation take into account the borrower's reasonably expected deposit and drawdown schedule for the amounts to be invested.

(f) All potential providers have an equal opportunity to bid. For example, no potential provider is given the opportunity to review other bids (*i.e.*, a last look) before providing a bid.

(g) At least three (3) reasonably competitive providers are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(ii) The bids received by the borrower meet all of the following requirements:

(a) The borrower receives at least three (3) bids from providers that the borrower solicited under a bona fide solicitation meeting the requirements of Section 1.148-5(d)(6) of the Regulations and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until fifteen (15) days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(b) At least one (1) of the three (3) bids is from a reasonably competitive provider as described above.

(c) If the borrower uses an agent to conduct the bidding process, the agent did not bid to provide the Guaranteed Investment Contract.

(iii) The winning bid is the highest yielding bona fide bid (determined net of any broker's fees).-

(iv) The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay) if any to third parties in connection with supplying the Guaranteed Investment Contract.

(v) The borrower retains the following records with the bond documents until three (3) years after the last outstanding bond is redeemed:

(a) A copy of the contract.

(b) The receipt or other record of the amount actually paid by the borrower for the Guaranteed Investment Contract, including a record of any administrative costs paid by the borrower, and the certification described above.

(c) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(d) The bid solicitation form and, if the terms of the Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

D. Qualified Administrative Costs

Qualified administrative costs may be taken into account with respect to investments of Gross Proceeds. Thus, qualified administrative costs increase the payments for, or decrease the payments from, nonpurpose investments, such as Guaranteed Investment Contracts. "Qualified administrative costs" are reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage or selling commissions, but not legal and accounting fees, recordkeeping, custody, and similar costs. General overhead costs and similar indirect costs of the issuer such as employee salaries and office expenses and costs associated with computing the rebate amount are not qualified administrative costs. In general, administrative costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or a reasonably comparable investment if acquired with a source of funds other than Gross Proceeds of tax-exempt bonds. For an investment contract or for a Yield restricted defeasance escrow, a broker's commission or similar fee paid by or on behalf of either an issuer or the provider is treated as a qualified administrative cost to the extent that (i) the fee does not exceed the lesser of \$39,000 and 0.2 percent of the "computational base" (but not less than \$4,000) where "computational base" means (A) for a guaranteed investment contract, the Gross Proceeds that the issuer reasonably expects as of the date the contract is acquired, to be deposited in the guaranteed investment contract over the term of the contract and (B) for Yield restricted defeasance escrows, the amount of Gross Proceeds initially invested in those investments; and (ii) for any issue, the fees paid in connection with the investment of Gross Proceeds of the Notes with respect to brokers' commissions or similar fees, do not exceed \$110,000 in the aggregate. In the case of a calendar year after 2004, each of the dollar amounts set forth above shall be increased by an amount equal to such dollar amount multiplied by the cost of living adjustment for such calendar year as set forth in Section 1.148-5(e)(2)(iii)(B)(3)-(6) of the Income Tax Regulations. A broker's commission or similar fee in excess of the amounts described in the preceding two sentences may be treated as a qualified administrative cost based upon the advice of Bond Counsel. In the case of publicly offered regulated investment companies and a

commingled fund in which the issuer and related parties do not own more than 10 percent of the beneficial interest, all reasonable administrative costs including indirect costs are taken into account. This 10 percent requirement for commingled funds is satisfied if (i) based on average amounts on deposit, the requirement was satisfied for the prior semiannual period, and (ii) the fund does not accept deposits that would cause it to fail to meet the 10 percent requirement.

E. Certificates

Attached are certificates that should be used if Certificates of Deposit or Guaranteed Investment Contracts are purchased.

EXHIBIT 1

**FORM OF PROVIDER CERTIFICATION FOR
A CERTIFICATE OF DEPOSIT**

I, [Name], [Position], of [Entity Providing the Certificate of Deposit] (the "Provider") HEREBY CERTIFY that the yield on the Certificate of Deposit entered into on [DATE] for the [PARTY] is not less than the highest yield that the Provider publishes or posts for comparable Certificates of Deposit offered to the public and that the yield on the Certificate of Deposit is not less than the yield available on reasonably-comparable direct obligations offered by the United States Treasury.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____.

By _____
Title: _____

EXHIBIT 2

FORM OF PROVIDER CERTIFICATION FOR A GUARANTEED INVESTMENT CONTRACT

I, [Name], [Position], of [Entity Providing Investment Contract] (the "Provider")
HEREBY CERTIFY in connection with the Guaranteed Investment Contract between [PARTY]
and the Provider dated as of _____, ____ (the "Agreement") that:

(a) the yield on the Agreement is at least equal to the yield offered by the
Provider on the date the Provider offered to enter into the Agreement on reasonably comparable
investment contracts offered to other persons, if any, funded from a source of funds other than
gross proceeds of an issue of tax-exempt bonds;

(b) neither the Provider nor any related party has a material interest in the tax-
exempt bonds being issued by the [] (the "Issuer") in connection with
the purchase of the Agreement other than as provider of the Agreement;

(c) the Provider has not been afforded the opportunity to review bids to the
Issuer from other providers before making its bid to the Issuer;

(d) the Provider did not consult with any other potential provider about its bid;

(e) the Provider's bid was determined without regard to any other formal or
informal agreement, other than the Request to Provide an Investment Agreement, that the
Provider has with the Issuer or any other person (whether or not in connection with the bonds
being issued by the Issuer);

(f) the Provider's bid was not submitted solely as a courtesy to the Issuer or to
any other person for purposes of satisfying the bidding requirements of Section 1.148-
5(d)(6)(iii)(B)(1) or (2) of the U.S. Treasury Regulations relating to the yield and valuation of
investments in connection with tax-exempt bonds;

(g) apart from the Request to Provide an Investment Agreement, we did not
receive any information from [] that induced us to bid a lower yield than we would otherwise
have bid;

(h) the Provider has established an industry reputation as a competitive
provider of agreements such as the Agreement;

(i) the amount of administrative costs that are reasonably expected to be paid
by the Provider to third parties in connection with the Agreement is \$[] plus the normal and

customary fees of counsel to the Company. For purposes of this certification, administrative costs include all brokerage or selling commissions paid by the Provider to third parties in connection with the Agreement, legal or accounting fees, investment advisory fees, recordkeeping, safekeeping, custody and other similar costs or expenses; and

(j) in the Provider's experience, the relationship between the broker's fee to be paid to [] and the amount to be invested under the Agreement is comparable to the relationship between the broker's fee the Provider has paid in other similar transactions and the amount invested in each of those transactions.

We understand that this Certificate will be relied upon in reaching the conclusion that the yield on the Notes can be computed on the basis of the price paid for the Agreement, and that the Note is not an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of

_____.

By _____
Title: _____

EXHIBIT 3

FORM OF BORROWER CERTIFICATION FOR A GUARANTEED INVESTMENT CONTRACT INVOLVING THREE BIDS

I, [Name], [Position] of [PARTY] (the "Borrower"), HEREBY CERTIFY in connection with the Guaranteed Investment Contract between the borrower and [Entity Providing Investment Contract] (the "Provider") dated as of _____, ____ (the "Guaranteed Investment Contract") that (i) at least three bids on the Guaranteed Investment Contract were received from persons other than those with a material financial advantage in the [name of bond issue], (ii) the yield on the Guaranteed Investment Contract purchased is at least equal to the yield offered under the highest bid received from an uninterested party, (iii) the price of the Guaranteed Investment Contract takes into account as a significant factor the borrowers expected drawdown for the funds to be invested (other than float funds or reasonably required reserve or replacement funds), and (iv) all of the requirements of Section 1.148-5(d)(6) of the Regulations have been satisfied.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____.

[PARTY]

By _____
Title: _____

#39069564_v7
16334-48

Holland & Knight

2115 Harden Boulevard | Lakeland, FL 33803 | T 863.682.1161 | F 863.688.1186
Holland & Knight LLP | www.hklaw.com

Michael L. Wiener
863 499 5362
mike.wiener@hklaw.com

April 15, 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Internal Revenue Service Center
Ogden, Utah 84201

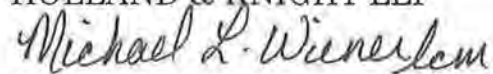
Re: Form 8038-G for City of Gainesville, Florida Refunding Revenue
Note, Series 2016A and City of Gainesville, Florida Revenue
Note, Series 2016B

Ladies and Gentlemen:

Enclosed herewith for filing with you is an original copy of Form 8038-G pertaining to the above-referenced bond issues. The City of Gainesville, Florida is filing the enclosed Form 8038-G in accordance with the provisions of Section 149(e) of the Internal Revenue Code of 1986, as amended. If you have any questions, please contact the undersigned.

Sincerely yours,

HOLLAND & KNIGHT LLP

A handwritten signature in cursive script that reads "Michael L. Wiener lcm".

Michael L. Wiener

MLW/lcm
#39069290_v2
16334-48

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ☐

1 Issuer's name City of Gainesville, Florida		2 Issuer's employer identification number (EIN) 596000325
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) 200 East University Avenue	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Gainesville, Florida 32601		7 Date of issue April 15, 2016
8 Name of issue Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B		9 CUSIP number N/A
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) April Shuping, Finance Director		10b Telephone number of officer or other employee shown on 10a 352-393-8782

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11		
12 Health and hospital	12		
13 Transportation	13	18,600,000	00
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ►	18		
19 If obligations are TANs or RANs, check only box 19a		► <input type="checkbox"/>	
If obligations are BANs, check only box 19b		► <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box		► <input type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	11/01/2031	\$ 18,600,000	\$ 18,600,000	7.9783 years	2.3394 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest	22	0	00
23	Issue price of entire issue (enter amount from line 21, column (b))	23	18,600,000	00
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	78,691	24
25	Proceeds used for credit enhancement	25	0	00
26	Proceeds allocated to reasonably required reserve or replacement fund	26	0	00
27	Proceeds used to currently refund prior issues	27	3,121,653	65
28	Proceeds used to advance refund prior issues	28	8,803,491	11
29	Total (add lines 24 through 28)	29	12,003,836	00
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	6,596,164	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the bonds to be currently refunded	5.0197 years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded	7.0572 and 8.3184 years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	5/1/2019
34	Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	3/10/2005; 4/17/2007; 7/3/2009

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

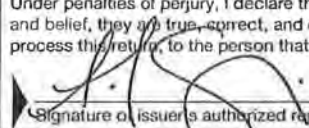
Form **8038-G** (Rev. 9-2011)

Part VI Miscellaneous

- 35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) 35
- 36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) 36a
- b Enter the final maturity date of the GIC ▶ _____
- c Enter the name of the GIC provider ▶ _____
- 37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units 37
- 38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ☐ and enter the following information:
- b Enter the date of the master pool obligation ▶ _____
- c Enter the EIN of the issuer of the master pool obligation ▶ _____
- d Enter the name of the issuer of the master pool obligation ▶ _____
- 39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ☐ ▶ ☐
- 40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ☐ ▶ ☐
- 41a If the issuer has identified a hedge, check here ☐ and enter the following information:
- b Name of hedge provider ▶ _____
- c Type of hedge ▶ _____
- d Term of hedge ▶ _____
- 42 If the issuer has superintegrated the hedge, check box ☐ ▶ ☐
- 43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ☐ ▶ ☐
- 44 If the issuer has established written procedures to monitor the requirements of section 148, check box ☐ ▶ ☐
- 45a If some portion of the proceeds was used to reimburse expenditures, check here ☐ and enter the amount of reimbursement ▶ _____
- b Enter the date the official intent was adopted ▶ _____

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.



4/15/16

April Shuping, Finance
Director

Signature of issuer's authorized representative

Date

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name

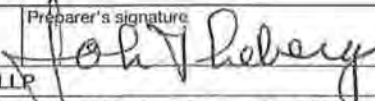
Preparer's signature

Date

Check ☐ if
self-employed

PTIN

John E. Theberge



4/15/16

P01324864

Firm's name ▶ Holland & Knight LLP

Firm's EIN ▶ 59-0663819

Firm's address ▶ 800 17th Street NW, Suite 1100, Washington, DC 20006

Phone no. 202-862-5968

CERTIFICATE OF DELIVERY AND PAYMENT
AND APPLICATION OF FUNDS

We, the undersigned, Finance Director and Clerk of the Commission of the City of Gainesville, Florida (the "City"), DO HEREBY CERTIFY as follows:

1. All terms used herein in capitalized form and not otherwise herein defined shall have the same meanings as ascribed to those terms in the Loan Agreement (2016A) and the Loan Agreement (2016B), each dated as of April 15, 2016, and each between the City and TD Bank, National Association (the "Bank").

2. On the date hereof, there was delivered to the Bank the City's Refunding Revenue Note, Series 2016A dated April 15, 2016, in a principal amount of \$11,970,000 (the "2016A Note"). The 2016A Note bears interest and matures as described therein.

3. On the date hereof, there was delivered to the Bank the City's Revenue Note, Series 2016B dated April 15, 2016, in a principal amount of \$6,630,000 (the "2016B Note"). The 2016B Note bears interest and matures as described therein.

4. On the date hereof there was received from the Bank full payment for the 2016A Note in the amount of \$11,965,000 (\$11,970,000 representing the purchase price of the 2016A Note, less \$5,000 withheld by the Bank to pay the fees of its counsel).

5. On the date hereof there was received from the Bank full payment for the 2016B Note in the amount of \$6,625,000 (\$6,630,000 representing the purchase price of the 2016B Note, less \$5,000 withheld by the Bank to pay the fees of its counsel).

6. On the date hereof, net proceeds of the 2016A Note (\$11,965,000) together with other legally available funds (\$2,027,757.85) were disposed of as follows:

(i) Proceeds in the amount of \$7,846,930.15, together with funds of the City in the amount of \$1,775,233.79, were deposited into the Escrow Deposit Fund established in an Escrow Deposit Agreement dated as of April 15, 2016, among the City and U.S. Bank National Association (the "Escrow Agent") pertaining to the City's outstanding Revenue Note, Series 2009 (the "2009 Note"), to be applied to pay the outstanding principal and accrued interest on a portion of the 2009 Note;

(ii) Proceeds in the amount of \$3,121,653.65, together with funds of the City in the amount of \$242,936.56, were deposited into an Escrow Deposit Fund (2005 Loan) established in the Escrow Deposit Agreement dated as of April 15, 2016, between the City and the Escrow Agent (the "Pooled Loan

Escrow Deposit Agreement") pertaining to the City's loan established under a Loan Agreement dated March 1, 2005 between the First Florida Governmental Financing Commission and the City (the "2005 Loan"), to be applied to pay the outstanding principal and accrued interest on the 2005 Loan;

(iii) Proceeds in the amount of \$956,560.96, together with funds of the City in the amount of \$9,587.50, were deposited into an Escrow Deposit Fund (2007 Loan) established in the Pooled Loan Escrow Deposit Agreement pertaining to the City's loan under a Loan Agreement dated April 1, 2007 between the First Florida Governmental Financing Commission and the City (the "2007 Loan"), to be applied to pay the outstanding principal and accrued interest on the 2007 Loan; and

(iv) \$39,855.24, the remaining proceeds of the 2016A Note, is to be applied by the City to pay the costs of issuance of the 2016A Note.

7. On the date hereof, proceeds of the 2016B Note were disposed of as follows:

(i) \$28,836.00 has been deposited with the City to pay the costs of issuance of the 2016B Note; and

(ii) \$6,596,164.00, the remaining proceeds of the 2016B Note, were deposited in the Project Account and applied to pay the costs of the Project.

[Signature page follows]

IN WITNESS WHEREOF, we have hereunto set our hands this 15th day of April, 2016.



Finance Director



Clerk of the Commission

#39069695_v6
16334-48

RECEIPT FOR NOTES

TD BANK, NATIONAL ASSOCIATION (the "Bank") DOES HEREBY ACKNOWLEDGE receipt from the City of Gainesville, Florida (the "City") of (i) the City's Refunding Revenue Note, Series 2016A, dated April 15, 2016 in a principal amount of \$11,970,000 and with a final maturity date of November 1, 2028, issued by the City under that certain Loan Agreement dated as of April 15, 2016, between the City and the Bank, and (ii) the City's Revenue Note, Series 2016B, dated April 15, 2016 in a principal amount of \$6,630,000 and with a final maturity date of November 1, 2031, issued by the City under that certain Loan Agreement dated as of April 15, 2016, between the City and the Bank.

DATED this 15th day of April, 2016.

TD BANK, NATIONAL
ASSOCIATION

By: 

Name: Coley Jones

Title: Vice President



CITY OF GAINESVILLE
OFFICE OF THE CITY ATTORNEY

200 East University Avenue, Suite 425
Gainesville, Florida 32601
(352) 334-5011 • (352) 334-2229 Fax

Mail: Post Office Box 490, Station 46
Gainesville, Florida 32627

Nicolle M. Shalley ♦
City Attorney

Lisa C. Bennett
Lee C. Libby
Stephanie M. Marchman
Sean M. McDermott
Shayla L. McNeill*
Daniel M. Nee ♦
David C. Schwartz ♦
Elizabeth A. Waratuke ♦

April 15, 2016

Holland & Knight LLP
Lakeland, Florida

TD Bank, National Association
Jacksonville, Florida

Re: City of Gainesville, Florida Refunding Revenue Note, Series
2016A and Revenue Note, Series 2016B

Ladies and Gentlemen:

The undersigned, as City Attorney for the City of Gainesville, Florida (the "City"), has served as counsel to the City in connection with the issuance by the City as authorized by Resolution No. 150852 adopted by the City on April 7, 2016 (the "Resolution") and under the terms of the Loan Agreement (2016A) dated as of April 15, 2016 (the "2016A Loan Agreement") of its Refunding Revenue Note, Series 2016A dated April 15, 2016 (the "2016A Note"), in a principal amount of \$11,970,000 and, as authorized by the Resolution and issued under the terms of the Loan Agreement (2016B) dated as of April 15, 2016 (together with the 2016A Loan Agreement, the "Loan Agreements"), the Revenue Note, Series 2016B dated April 15, 2016 (together with the 2016A Note, the "Notes"), in a principal amount of \$6,630,000, each of the Loan Agreements between the City and TD Bank, National Association (the "Bank"). All terms used herein in capitalized form and not otherwise defined herein shall have the same meaning as ascribed to them in the Resolution, or as referenced, in the Loan Agreements and the Notes.

I am the duly appointed City Attorney for the City. In that capacity, I have examined all proceedings of the City in connection with the Loan Agreements and the Notes. I have also made such investigation and have examined such ordinances, resolutions, certificates, documents, public records and proceedings, in each case, as I have deemed relevant and necessary in connection with the opinions expressed below. The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida. I am of the opinion that:

1. The City is a municipal corporation of the State of Florida, duly created and organized and validly existing under the laws of the State of Florida,

♦ Board Certified City, County & Local Government Law

* Utilities Legal Services
Post Office Box 147117, Station A-138
Gainesville, Florida 32614
(352) 393-1010 • (352) 334-2277 Fax

and has full legal right, power and authority to adopt and perform its obligations under the Resolution and to authorize, execute, deliver, and to perform its obligations under, the Loan Agreements, the Notes, and the Refunded Series 2009 Note Escrow Deposit Agreement and the Pooled Loan Escrow Deposit Agreement (as defined in the 2016A Loan Agreement, collectively, the "Escrow Deposit Agreements").

2. The Resolution has been duly and lawfully adopted by the City at a meeting duly noticed, called and held and at which a quorum was present and voting throughout, and the Resolution has not been modified after its date of adoption. The Resolution remains in full force and effect as of the date hereof and no event has occurred that constitutes or would, with the passage of time and the giving of notice, give rise to a breach of the covenants contained therein or a default or inability of the City to perform thereunder.

3. The Notes, the Loan Agreements and the Escrow Deposit Agreements have been duly authorized, executed and delivered by the City, are in full force and effect, and the Resolution, the Notes, the Loan Agreements and the Escrow Deposit Agreements (assuming the due execution and delivery of the Loan Agreements and Escrow Deposit Agreements by, and the enforceability against, the other parties thereto) constitute valid and legally binding obligations of the City, enforceable in accordance with their respective terms.

4. The City has lawful authority to pledge the Pledged Funds in the manner provided in the Loan Agreements as security for the Notes and such pledge constitutes a valid and binding pledge of the Pledged Funds for the payment of the Notes. The Notes are limited obligations of the City payable from and secured by a pledge of and lien on the Pledged Funds identified in the Loan Agreements, in accordance with the terms of the Loan Agreements. Neither the general credit nor the taxing power of the City, the State of Florida or any subdivision thereof is pledged to the payment of the principal of, premium, if any, or interest on the Notes.

5. To the best of my knowledge, all authorizations, approvals, consents and orders of governmental bodies or regulatory authorities that are required in connection with authorization, adoption, execution, performance or delivery by the City of the Notes, the Resolution, the Loan Agreements, the Escrow Deposit Agreements and all other agreements or documents provided for or contemplated by the Resolution have been obtained or effected and are in full force and effect.

Notwithstanding the foregoing, the City Attorney does not pass upon the applicability of any approvals, consents and orders as may be required under the Blue Sky or securities laws or legal investment laws of any state in connection with the offering and sale of the Notes or in connection with the registration of the Notes under state or federal securities laws.

6. Except as has been disclosed to the Bank, there is no action, suit, inquiry, investigation or proceeding pending or, to the best of my knowledge, threatened, at law or in equity, in any court, or before or by any government agency, public board or body against or affecting the City, nor to the best of my knowledge is there any basis for any such action, suit, inquiry, investigation or proceeding, in which an unfavorable decision, ruling or finding would restrain or enjoin the issuance or delivery of the Notes, the Loan Agreements or the Escrow Deposit Agreements or the validity of the Resolution, or which would materially adversely affect the transactions contemplated by the Resolution, the Loan Agreements, the Escrow Deposit Agreements, the Notes or any other agreements or documents provided for or contemplated by the Notes, the Loan Agreements or the Escrow Deposit Agreements or contesting the exclusion from gross income of interest on the Notes.

All opinions as to the enforceability of the legal obligations of the City set forth herein are subject to and limited by bankruptcy, insolvency, reorganization, moratorium and similar laws, in each case relating to or affecting the enforcement of creditors' rights generally (and the rights of creditors of State of Florida governmental entities specifically), and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law), and other applicable laws and principles that may affect remedies, but do not, in my opinion, materially impair the practical realization of the benefits or the security of the parties entitled thereto.

The opinions expressed herein are predicated upon present laws, facts and circumstances, and I assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

The City Attorney is furnishing this opinion to you solely for your benefit and no other person is entitled to rely hereon. This opinion is not to be used, circulated, quoted or otherwise referred to for any other purpose.

Sincerely,



Nicolle M. Shalley,
City Attorney

April 15, 2016

City of Gainesville, Florida
Gainesville, Florida

TD Bank, National Association
Jacksonville, Florida

Re: \$11,970,000 City of Gainesville, Florida Refunding Revenue
Note, Series 2016A and \$6,630,000 City of Gainesville, Florida
Revenue Note, Series 2016B

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and sale by the City of Gainesville, Florida (the "Issuer") of its Refunding Revenue Note, Series 2016A dated April 15, 2016 (the "2016A Note"), in a principal amount of \$11,970,000 under the terms of the Loan Agreement (2016A) dated as of April 15, 2016 (the "2016A Loan Agreement") and its Revenue Note, Series 2016B dated April 15, 2016 (the "2016B Note" and, together with the 2016A Note, the "Notes"), in a principal amount of \$6,630,000 under the terms of a Loan Agreement (2016B) dated as of April 15, 2016 (together with the 2016A Loan Agreement, the "Loan Agreements") each such Loan Agreement between the City and TD Bank, National Association (the "Bank"). All terms used herein in capitalized form and not otherwise defined herein shall have the same meanings as ascribed to them or referenced in the Resolution, the Loan Agreements and the Notes.

The 2016A Note is dated the date of its issuance and delivery, has been issued in fully registered form and bears interest as provided therein, payable on each May 1 and November 1, commencing November 1, 2016, at the rate as provided in the 2016A Note, and matures on November 1, 2028. The 2016B Note is dated the date of its issuance and delivery, has been issued in fully registered form and bears interest as provided therein, payable on each May 1 and November 1, commencing November 1, 2016, at the rate as provided in the 2016B Note, and matures on November 1, 2031.

Pursuant to the Loan Agreements, the principal of, premium, if any, and interest on the Notes shall be payable from and secured by a lien upon and pledge of the Pledged Funds as provided in the respective Loan Agreements. "Pledged Funds," as used in the Loan Agreements, means the Non-Ad Valorem Revenues budgeted and appropriated and deposited into the Debt Service Accounts under the respective Loan Agreements to pay debt service and other amounts due and payable

on the respective Notes and all funds on deposit in each Debt Service Account (including all investment securities on deposit therein) and with respect to 2016B Note, the funds deposited into the Project Account established under the Resolution, and all investment earnings on any such funds.

In no event shall the Notes or any interest thereon be payable from the ad valorem tax revenues of the Issuer. The Notes and the obligations evidenced thereby do not constitute general liabilities or obligations of the Issuer or the State of Florida or any political subdivision or agency thereof, or pledges of the faith and credit or taxing power of the Issuer, the State of Florida or any political subdivision thereof. In no event shall the Notes or the respective interest thereon be payable out of any funds or property other than those of the Issuer and then only to the extent of the Pledged Funds in the manner expressly provided in the Loan Agreements.

The description of the Notes and other statements concerning the terms and conditions of the issuance of the Notes in this opinion do not purport to set forth all of the terms and conditions of the Notes or any other document relating to the issuance thereof, but are intended only to identify the Notes and to describe briefly certain features thereof. This opinion shall not be deemed or treated as an offering circular, prospectus or official statement, and is not intended in any way to be a disclosure document used in connection with the sale or delivery of the Notes.

In rendering the opinions set forth below, we have examined a certified copy of Resolution No. 150852 adopted by the City Commission of the Issuer on April 7, 2016, related to the Loan Agreements and the Notes, executed originals of the Loan Agreements and the Notes and various other agreements, certificates and opinions delivered in connection therewith, and are relying on the covenants and agreements of the Issuer contained therein, including, without limitation, the covenants of the Issuer to comply with the applicable requirements contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations thereunder, to the extent necessary to preserve the exclusion of interest on the Notes from gross income for federal income tax purposes.

We have also examined certified copies of the proceedings of the Issuer, and other information submitted to us relative to the issuance and sale by the Issuer of the Notes. In addition, we have examined and relied upon the opinion of even date herewith of Nicolle M. Shalley, City Attorney to the Issuer, as to the due organization and valid existence of the Issuer, the due adoption of the Resolution, and the due authorization, execution and delivery of the Notes and the Loan

Agreements and all other documents associated with the issuance of the Notes and compliance by the Issuer with all conditions precedent to the issuance of the Notes and the refunding of the Refunded Loans (as defined in the 2016A Loan Agreement). We have examined and relied upon such other agreements, certificates, documents and opinions, including certificates and representations of public officials and other officers and representatives of various parties participating in this transaction as we have deemed relevant and necessary in connection with the opinions set forth below. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in such agreements, documents, certificates, representations and opinions, and have relied solely on the facts, estimates and circumstances described and set forth therein.

In our examination of the foregoing, we have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies. The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

Based upon and subject to the foregoing, we are of the opinion that, as of the date hereof and under existing law:

(1) The Issuer is a municipal corporation, duly organized and validly existing under the laws of the State of Florida.

(2) The Loan Agreements constitute valid and legally binding obligations of the Issuer, enforceable in accordance with the laws of the State of Florida.

(3) The Notes are valid and legally binding special obligations of the Issuer enforceable in accordance with the laws of the State of Florida, payable solely from and secured solely by a lien on and pledge of the Pledged Funds, each in the manner and to the extent provided in the respective Loan Agreements.

(4) Under existing law, the interest on the Notes is excluded from gross income for federal income tax purposes and will not be treated as an item of tax preference for purposes of the federal alternative minimum tax; however, it should be noted that with respect to certain corporations (as defined for federal income tax purposes), such interest will be taken into

account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on such corporations.

The opinions expressed in the preceding paragraph do not relate to any late payment fees or other penalties paid under the Notes and are conditioned upon compliance by the Issuer with its covenants relating to certain arbitrage rebate and other tax requirements contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code (including, without limitation, its covenants not to use any proceeds of the Notes in a manner that would cause the Notes to be classified as private activity bonds under Section 141(a) of the Code and the requirements contained in Section 148 of the Code), to the extent necessary to preserve the exclusion of interest on the Notes from gross income for federal income tax purposes. Failure of the Issuer to comply with such requirements could cause the interest on the Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. Other provisions of the Code may give rise to adverse federal income tax consequences to particular noteholders. The scope of this opinion is limited to matters addressed above and no opinion is expressed hereby regarding other federal income tax consequences that may arise due to ownership of the Notes. We express no opinion regarding any state tax consequences of acquiring, carrying, owning or disposing of the Notes. Owners of the Notes should consult their tax advisors regarding any state tax consequences of owning the Notes.

In rendering the opinions expressed herein, we have relied upon all schedules furnished to us by Public Financial Management, Inc., including those illustrating without independent investigation or verification of any underlying assumptions, the sufficiency of the cash flow from investments held in the Escrow Deposit Fund created under the Refunded Series 2009 Note Escrow Deposit Agreement (the "2009 Escrow Deposit Fund") and the Escrow Deposit Fund (2005 Loan) (the "2005 Escrow Deposit Fund") and the Escrow Deposit Fund (2007 Loan) (the "2007 Escrow Deposit Fund"), each created under the Pooled Loans Escrow Deposit Agreement (collectively, the "Escrow Deposit Agreements"), to pay the debt service on the Refunded Loans (as defined in the 2016A Loan Agreement) and those calculating the yield on the Notes and the securities to be deposited in the 2009 Escrow Deposit Fund and the 2007 Escrow Deposit Fund. We have also relied upon the report of Robert Thomas CPA, LLC verifying the accuracy of the schedules prepared by Public Financial Management, Inc., including its calculation of the sufficiency of the cash flow from the securities held in each Escrow Deposit Fund to pay the respective debt service on the Refunded Loans and its calculation of yield on the

Notes and the securities to be deposited in the 2009 Escrow Deposit Fund and the 2007 Escrow Deposit Fund.

Our opinions expressed herein are predicated upon current facts and circumstances and upon present laws and interpretations thereof, and we assume no affirmative obligation to update the opinions expressed herein if such facts or circumstances or laws or interpretations thereof change after the date hereof, even if such changes come to our attention.

All opinions as to legal obligations of the Issuer set forth above are subject to and limited by (a) bankruptcy, insolvency, reorganization, moratorium or similar laws, in each case relating to or affecting the enforcement of creditors' rights, (b) applicable laws or equitable principles that may affect remedies or injunctive or other equitable relief, and (c) judicial discretion which may be exercised in applicable cases to adversely affect the enforcement of certain rights or remedies.

The scope of our engagement in relation to the issuance of the Notes has been limited solely to the examination of facts and law incident to rendering the opinions expressed herein. We have not been engaged, nor have we undertaken, to confirm or verify and therefore express no opinion as to the accuracy, completeness, fairness or sufficiency in any material relating to the Notes provided to the Bank. In addition, we have not been engaged to and therefore express no opinion herein regarding the perfection or priority of the lien on the Pledged Funds created by the Loan Agreements or as to the compliance by the Issuer, the Bank with any federal or state registration requirements or securities statutes, regulations or rulings with respect to the offer or sale of the Notes.

Our opinion is limited solely to the matters stated herein, and no opinion is to be implied or is intended beyond the opinions expressly stated herein. Except with respect to the Issuer, no attorney-client relationship has existed or exists between our firm and any other parties involved in the transaction related to the issuance of the Notes or by virtue of this letter.

Sincerely yours,

HOLLAND & KNIGHT LLP

Holland & Knight LLP

April 15, 2016

City of Gainesville, Florida
Gainesville, Florida

Re: First Florida Governmental Financing Commission Revenue Bonds, Series 2005 (the "Series 2005 Bonds") and First Florida Governmental Financing Commission Improvement and Refunding Revenue Bonds, Series 2007 (the "Series 2007 Bonds" and together with the Series 2005 Bonds, the "Bonds")

Ladies and Gentlemen:

The City of Gainesville, Florida (the "City") is issuing its Refunding Revenue Note, Series 2016A (the "2016A Note") to, among other things, (i) refund and defease its outstanding obligations under a Loan Agreement dated as of March 1, 2005 (the "2005 Loan Agreement") between the First Florida Governmental Financing Commission (the "Commission") and the City (the "Refunded Series 2005 Loan"), (ii) refund and defease its outstanding obligations under a Loan Agreement dated as of April 1, 2007 (the "2007 Loan Agreement" and together with the 2005 Loan Agreement, the "Loan Agreements") between the Commission and the City payable on and after June 20, 2018 (together with the Refunded Series 2005 Loan, the "Refunded Loans") and (iii) pay costs of issuance of the 2016A Note and the refunding and defeasance of the Refunded Loans.

We are rendering this letter pursuant to the requirements of Article VI of each of the respective Loan Agreements in connection with the proposed defeasance by the City of the Refunded Loans.

In rendering the opinion set forth below, we have examined executed copies of the Loan Agreements, the Escrow Deposit Agreement between the City and U.S. Bank National Association dated as of April 15, 2016 (the "Escrow Deposit Agreement") and each Indenture (as defined in each of the Loan Agreements).

We have examined and relied upon the Loan Agreements, the Escrow Deposit Agreement and the requirement established by Article VI of each of the Loan Agreements that the Commission redeem with proceeds of the 2016A Note a like amount of Bonds which correspond in terms of amounts and scheduled maturity dates as to the scheduled loan payments being defeased by the City (the "Refunded Bonds"), Resolution No. 150852 adopted by the City Commission of the City on

April 7, 2017 and such other agreements, certificates, documents and opinions as we have deemed relevant and necessary in connection with the opinion expressed below. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in any of the documents referenced above, and have relied solely on the facts, estimates and circumstances described and set forth therein. The Loan Agreements, the Indenture (as defined in the 2005 Loan Agreement), the Indenture (as defined in the 2007 Loan Agreement), the Bonds, the Escrow Deposit Agreement and the 2016A Note are collectively referred to herein as the Operative Documents.

In our examination of the foregoing, we have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals, the conformity to originals of documents submitted as copies, the requisite individual, corporate or other power and authority of the respective parties thereto under the laws of their respective jurisdictions of organization, the due authorization, execution and delivery of the documents by the respective duly authorized parties thereto and the enforceability of each such document against each party thereto or person to be bound thereby.

We have also assumed that the Operative Documents and other documents and certificates submitted to us are accurate and complete and remain in full force and effect as of the date hereof, that no event of default exists under the Operative Documents and that there have been no amendments, supplements or other modifications to the Operative Documents not reviewed by us.

The opinion set forth below is expressly limited to, and we opine only with respect to, the federal income tax laws of the United States.

Based upon and subject to the foregoing, we are of the opinion that, if the requirements of the Loan Agreements with respect to defeasance of the Refunded Loans and the redemption of the Refunded Bonds in accordance with Article VI of each Loan Agreement shall have been complied with, the deposit to the Escrow Deposit Agreement for the prepayment of the Refunded Loans will not, in and of itself, adversely affect the exclusion of interest on the Bonds (as defined in each of the Loan Agreements) from gross income of the holders thereof for federal income tax purposes.

The only opinion rendered hereby is that expressly stated as such herein, and no other opinion shall be implied or inferred as a result of anything contained herein or omitted to be stated herein. No opinion is hereby expressed as to the validity or enforceability of any documents. In addition, we have not done any

investigation or analysis of the exclusion from gross income of interest on the Bonds as of the date hereof, and render no opinion with respect thereto. Accordingly, the foregoing opinion relates only to the deposit of funds under the Escrow Deposit Agreement and is not and should not be construed as an opinion as to the past, current or continuing exclusion from gross income for federal income tax purposes of interest payable on the Bonds (as defined in each of the Loan Agreements).

The opinion set forth herein is predicated upon present law and interpretations thereof. We assume no affirmative obligation with respect to any change of circumstances, laws or interpretations thereof after the date hereof that may adversely affect the opinion expressed herein.

This letter is rendered only for the benefit of the parties addressed above and may not be relied upon by any other party without our prior written consent.

The scope of our engagement in relation to the prepayment and defeasance has been limited solely to the examination of facts and law incident to rendering the opinion expressed herein.

Sincerely yours,

HOLLAND & KNIGHT LLP

Holland & Knight LLP

Notice Of Sale

Printed On: 3/31/2016 11:54:40AM

Bond issue name: City of Gainesville, Florida Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B**Sale date:** 04/15/2016**Closing date:** 04/15/2016**Submitted by:** lisa.myhrer@hklaw.com**Submission date:** 03/31/2016

City of Gainesville, Florida Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B

Last Save Date: 4/8/2016 3:55:18PM

Printed On: 4/8/2016 3:55:25PM

Issuer

Name of Governmental Unit:

City of Gainesville, Florida

Mailing Address of Governmental Unit or its Manager:

200 E. University Avenue

Address 2:

[blank]

City:

Gainesville

State:

FL

Zip Code:

32601

Counties in which governmental unit has jurisdiction:

Alachua

Type of Issuer:

City

Is the Issuer a Community Development District?

No

Bond Information

Bond Issue Detail(s):

Name of Bond Issue	Amount Issued	Interest Calculation	Yield
City of Gainesville, Florida Refunding Revenue Note, Series 2016A	11,970,000.00	True Interest Cost Rate	2.30
City of Gainesville, Florida Revenue Note, Series 2016B	6,630,000.00	True Interest Cost Rate	2.40

Amount Authorized:

19,000,000.00

Dated Date:

04/15/2016

Sale Date:

04/15/2016

Delivery Date:

04/15/2016

Legal Authority For Issuance:

Ch. 166, F.S.

Type Of Issue:

Bank Loan/Line of Credit

Is this a Private Activity Bond?

No

Specific Revenue(s) Pledged:

Primary: Loan Payments

Secondary: None

Purpose(s) of the Issue:

Primary: Refunding

Secondary: Transportation

City of Gainesville, Florida Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B

Last Save Date: 4/8/2016 3:55:18PM

Printed On: 4/8/2016 3:55:25PM

Is this a Refunding Issue?

Yes

Bond Refunding Issue Detail(s):

Name of Refunding Issue	Dated Date	Original Par Value	Par Value Refunded
First Florida Governmental Financing Commission Revenue Bonds, Series 2005	03/10/2005	5,640,000.00	3,315,000.00
First Florida Governmental Financing Commission Improvement and Refunding Revenue Bonds, Series 2007	04/17/2007	1,540,000.00	915,000.00
City of Gainesville, Florida Revenue Note, Series 2009	07/03/2009	13,000,000.00	8,345,000.00

Refunded Debt has been:

Defeased

Did the Refunding Issue contain New Money?

Yes

Approximately what percentage of proceeds is new money?

35.65

Type of sale:

Negotiated Private Placement

Insurance/Enhancements:

No Credit Enhancement

Rating(s):

Moody's: NR

S & P: NR

Fitch: NR

Other: [blank]

Debt Service schedule provided by:

Email

Optional Redemption Provisions provided by:

Email

Participants

Provide the name and address of the Senior Managing Underwriter or Sole Purchaser.

Underwriter:

TD Bank, N.A.

Mailing Address of Underwriter:

9715 Gate Parkway

Address 2:

[blank]

City:

Tallahassee

State:

FL

Zip Code:

32246

Co-Underwriter:

None

City of Gainesville, Florida Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B

Last Save Date: 4/8/2016 3:55:18PM

Printed On: 4/8/2016 3:55:25PM

Provide the names and addresses of any attorneys who advised the unit of local government with respect to the bond issue.

Bond Counsel:

Holland & Knight LLP

Mailing Address of Bond Counsel:

2115 Harden Boulevard

Address 2:

[blank]

City:

Lakeland

State:

FL

Postal Code:

33803

Co-Bond Counsel:

None

Provide the names and addresses of any financial consultant who advised the unit of local government with respect to the bond issue.

Financial Advisor/Consultant:

Public Financial Management Inc.

Mailing Address of Financial Advisor/Consultant:

300 S. Orange Avenue

Address 2:

Suite 1170

City:

Orlando

State:

FL

Zip Code:

32801

Co-Financial Advisor/Consultant:

None

Other Professionals:

[blank]

Mailing Address of Other Professionals:

[blank]

Address 2:

[blank]

City:

[blank]

State:

[blank]

Zip Code:

[blank]

Paying Agent:

City of Gainesville, Florida

Registrar:

City of Gainesville, Florida

Fees

Has any fee, bonus, or gratuity been paid by any underwriter or financial consultant, in connection with the bond issue, to any person not regularly employed or engaged by such underwriter or consultant?

Fees Paid:

Company Name

Fee Paid

Service provided or function served

[blank]

City of Gainesville, Florida Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B

Last Save Date: 4/8/2016 3:55:18PM

Printed On: 4/8/2016 3:55:25PM

Have any other fees been paid by the unit of local government with respect to the bond issue, including any fee paid to attorneys of financial consultants?

Total Bond Counsel Fees Paid:
30,856.50

Total Financial Advisor Fees Paid:
20,000.00

Other Fees Paid:

Company Name	Fee Paid	Service Provided or Function Served
Rogers Towers	10,000.00	Bank's Counsel

Filing of this form has been authorized by the official of the issuer identified below:

Name:

April Shuping, Finance Director

Title:

Governmental Officer primarily responsible for coordinating issuance of the bonds

Fees charged by Underwriter:

Management Fee (per thousand par value):
0.00

OR

Private Placement Fee:
0.00

Underwriter's expected gross spread (per thousand par value):
0.00

Respondent

For additional information, the Division of Bond Finance should contact:

Name:

Nicolle M. Shalley

Title:

City Attorney

Phone:

352-393-8747

Company:

City of Gainesville, Florida

Mailing Address of Respondent:

200 E. University Avenue

Address 2:

[blank]

City:

Gainesville

State:

FL

Zip Code:

32601

City of Gainesville, Florida Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B

Last Save Date: 4/8/2016 3:55:18PM

Printed On: 4/8/2016 3:55:25PM

Information relating to party completing this form (if different from above):

Name:

Michael L. Wiener

Title:

Bond Counsel

Phone:

863-499-5362

Company:

Holland & Knight LLP

Mailing Address:

2115 Harden Boulevard

Address 2:

[blank]

City:

Lakeland

State:

FL

Zip Code:

33803

Continuing Disclosure

If the issuer is required to provide continuing disclosure information in accordance with SEC Rule 15C2-12, do you want the Division of Bond Finance to remind you of your filing deadline?

No

BF Form related to City of Gainesville, Florida Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B

Debt Service Schedule. The 2016A Note will bear interest at the rate of 2.30% per annum unless adjusted and will mature on November 1, 2028. The 2016B Note will bear interest at the rate of 2.40% per annum unless adjusted and will mature on November 1, 2031.

Optional Redemption. The 2016A Note and the 2016B 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.

BANK'S DISCLOSURE LETTER

City of Gainesville, Florida
Gainesville, Florida

Re: City of Gainesville, Florida Refunding Revenue Note, Series
2016A and Revenue Note, Series 2016B

Ladies and Gentlemen:

TD Bank, National Association (the "Bank") has agreed to purchase the Refunding Revenue Note, Series 2016A dated April 15, 2016, in a principal amount of \$11,970,000 (the "2016A Note") under the terms of a Loan Agreement (2016A) dated as of April 15, 2016, between the City and the Bank (the "2016A Loan Agreement") and the City's Revenue Note, Series 2016B dated April 15, 2016, in a principal amount of \$6,630,000 (the "2016B Note" and, together with the 2016A Note, the "Notes") under the terms of a Loan Agreement (2016B) dated as of April 15, 2016 between the City and Bank (the "2016B Loan Agreement" and, together with the 2016A Loan Agreement, the "Loan Agreements"), each being issued by the City of Gainesville, Florida (the "City"). All terms used herein in capitalized form and not otherwise defined herein shall have the same meanings as ascribed to them in the Loan Agreements and the Resolution.

The purpose of this letter is to furnish pursuant to the provisions of Sections 218.385(2) and (6), Florida Statutes, certain information in respect to the arrangement contemplated for the placement and sale of the Notes as follows:

(a) An itemized list setting forth the nature and estimated amounts of expenses to be incurred by the Bank in connection with the issuance of the Notes is set forth below:

Counsel's fees and expenses (to
be paid with proceeds of the Notes): \$10,000.00

None of such fees and expenses are being charged to the City as part of the underwriting spread, if any, set forth in paragraph (c) below, but instead are being paid directly by the City from proceeds of the Notes.

(b) No "finder" as that term is defined in Section 218.386, Florida Statutes, has entered into an understanding with the Bank, or to the knowledge of the Bank, with the City, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the City and the Bank or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Notes.

(c) The underwriting spread to be paid by the City will be:

\$0.00

(d) No other fee, bonus or other compensation is estimated to be paid by the Bank in connection with the issuance of the Notes to any person not regularly employed or retained by the Bank (including any "finder," as defined in Section 218.386(l)(a), Florida Statutes, as amended), except as specifically enumerated as expenses to be incurred and paid by the Bank as set forth in paragraph (a) above.

(e) Truth-in-Bonding Statement — The City is proposing to issue (i) the 2016A Note to (A) advance refund a portion of the City's outstanding Revenue Note, Series 2009, (B) current refund the City's loan from the First Florida Governmental Financing Commission (the "Commission") under a Loan Agreement dated March 1, 2005, (C) current refund the City's loan from the Commission under a Loan Agreement dated April 1, 2007 and (D) to pay the costs of issuance of the 2016A Note; and (ii) the 2016B Note to (A) finance road improvements and extensions within the City and (B) to pay the costs of issuance of the 2016B Note.

The 2016A Note is expected to be repaid over a period of approximately 12.56 years. At an interest rate of 2.30%, the total interest paid over the life of the 2016A Note is estimated to be approximately \$2,043,251.00. The 2016B Note is expected to be repaid over a period of approximately 15.56 years. At an interest rate of 2.40%, the total interest paid over the life of the 2016B Note is estimated to be approximately \$1,429,432.

The source of repayment or security for the 2016A Note is limited solely to the 2016A Pledged Funds as such item is defined in Resolution No. 150852 adopted by the City Commission of the City on April 7, 2016 (the "Resolution"). The authorization of the 2016A Note will result in as much as \$1,379,385 of 2016A Pledged Funds not being available to the City to finance other projects of the City each year for approximately 12.56 years. The source of repayment on security for the 2016B Note is limited solely to the 2016B Pledged Funds as such item is defined in the Resolution. The authorization of the 2016B Note will result in as much as \$534,120 of 2016B Pledged Funds not being available to the City to finance other projects of the City each year for approximately 15.56 years.


(f) The name and address of the Bank is set forth below:

TD Bank, National Association
9715 Gate Parkway
Jacksonville, FL 32246

We understand that the City does not require any further disclosure from the Bank, pursuant to Section 218.385(6), Florida Statutes, as amended.

DATED this 15th day of April, 2016.

Yours very truly,



By: _____

Name: Coley Jones

Title: Vice President

#39072790_v7
16334-48

BANK'S INVESTMENT CERTIFICATE

City of Gainesville, Florida
Gainesville, Florida

Holland & Knight LLP
Lakeland, Florida

Re: City of Gainesville, Florida Refunding Revenue Note, Series
2016A and Revenue Note, Series 2016B (collectively, the "Notes")

Ladies and Gentlemen:

This letter is being provided in connection with the purchase of the above-referenced Notes which were delivered to us by the City of Gainesville, Florida (the "City") on the date hereof.

1. We are engaged in the business of investing in securities similar to the Notes or in the business of entering into loan transactions evidenced by securities similar to the Notes.

2. We are purchasing the Notes from the City for our own account for investment purposes and not with a current view toward resale; provided, however, that we reserve the right to transfer the Notes or any part thereof or interest therein at any time in our sole discretion in accordance with the terms thereof.

3. We are a national banking association and we have sufficient knowledge and experience in financial and business matters, including the purchase and ownership of tax-exempt obligations, to be capable of evaluating the merits and risks of our investment in the Notes.

4. We are able to bear the economic risk of our investment in the Notes.

5. We acknowledge that the Notes do not represent a general obligation of the City, the State of Florida or any political subdivision thereof and are not payable from taxes or any moneys provided by or to the City, other than those described in the Notes and the Loan Agreement (2016A) and the Loan Agreement (2016B), each dated as of April 15, 2016, each between the City and us, pursuant to which the respective Notes are being issued, and we further acknowledge that no covenant, stipulation, obligation or agreement contained in any documents related to the issuance of the Notes is or shall be deemed to be a covenant, agreement or obligation of any present or future board member, officer or employee of the City in his or her individual capacity.

6. We understand, acknowledge and agree that the Notes have not been and will not be registered under the Securities Act of 1933, as amended, or the securities or Blue Sky laws of any state and is not listed on any stock or securities exchange.

7. We understand that no offering, statement, prospectus, offering circular, official statement or other disclosure document containing material information with respect to the City and the Notes are being or has been prepared, and that, with due diligence, we have made our own inquiry and analysis with respect to the City, the Notes and the security therefor.

8. We have received all financial and other information regarding the City that we have requested and which we consider relevant or necessary to make an informed decision to invest in the Notes. We have made our own inquiry into the creditworthiness of the City, we have received all the information that we have requested from the City or any agents or representatives thereof, and we have been afforded a reasonable opportunity to ask questions about the terms and conditions of the offering of the Notes and the security therefor and the City, and have received, to the best of our knowledge, complete and satisfactory answers to all such questions.

9. The Notes are being acquired directly by us from the City, without any intermediary. The interest rate on the Notes were negotiated pursuant to an arms-length transaction. In the opinion of the undersigned, the fair market value of the Notes is at least equal to the stated principal amount of the Notes. The full principal amount of the Notes will be advanced by us on this date to the City.

DATED this 15th day of April, 2016.

Very truly yours,

TD BANK, NATIONAL ASSOCIATION, as
Purchaser

By: 

Name: Coley Jones

Title: Vice President

CERTIFICATE OF AUTHORITY AND INCUMBENCY OF
ESCROW AGENT

The undersigned, Leanne M. Duffy, an authorized officer of U.S. Bank National Association (the "Bank") does hereby certify on behalf of the Bank as follows:

1. The Bank is acting as the Escrow Agent under (x) the Escrow Deposit Agreement dated as of April 15, 2016 (the "Series 2009 Escrow Agreement"), between the Bank and the City of Gainesville, Florida (the "City"), relating to the City's Revenue Note, Series 2009, of which \$10,130,000 in aggregate principal amount remain outstanding prior to the date hereof, and (y) the Escrow Deposit Agreement dated as of April 15, 2016 (the "Pooled Loans Escrow Agreement" and, together with the Series 2009 Escrow Agreement, the "Escrow Agreements"), between the Bank and the City, relating to (i) the City's obligations under a Loan Agreement dated as of March 1, 2005 between First Florida Governmental Financing Commission and the City, of which \$3,315,000 in aggregate principal amount remain outstanding prior to the date hereof, and (ii) the City's obligations under a Loan Agreement dated as of April 1, 2007 between First Florida Governmental Financing Commission and the City, of which \$1,060,000 in aggregate principal amount remain outstanding prior to the date hereof.

2. The Bank is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America and is authorized to exercise trust powers in the State of Florida.

3. The Bank has corporate power and authority to execute, deliver and perform the duties of Escrow Agent under the Escrow Agreements, and no approval or other actions by any governmental authority or agency having supervisory authority over the Bank is required to be obtained by the Bank in order to perform its duties under the Escrow Agreements.

4. To the knowledge of the undersigned, the Escrow Agreements constitute legal, valid and binding obligations of the Bank, each enforceable against it in accordance with their respective terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought as a proceeding in equity or at law).

5. To the knowledge of the undersigned, the Bank's performance of the duties of the Escrow Agreements will not result in any violation of any Florida or federal law, governmental rule or regulation binding on the Bank, or the charter or bylaws of the Bank or any agreement, indenture or other obligation or instrument to which the Bank is a party or by which the Bank is bound.

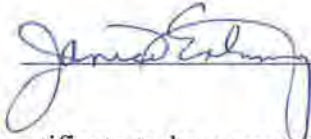
6. No Florida or federal governmental consent, authorization or approval not previously obtained and in effect is required in connection with the execution, delivery and performance by the Bank of its duties under the Escrow Agreements.

7. To the best of the undersigned's knowledge, there is no action, suit or proceeding pending or threatened against the Bank before any court, administrative agency or governmental

body that will materially adversely affect the ability of the Bank to perform its duties under the Escrow Agreements.

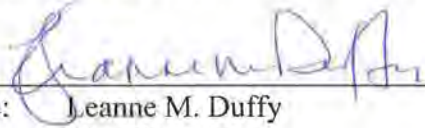
8. The excerpt of the Bylaws attached as Exhibit A hereto, authorizes certain officers of the Escrow Agent designated to execute and authenticate, on behalf of the Escrow Agent, various types of documents, including the Escrow Agreements, and said excerpt constitutes a true and correct copy of an excerpt of the Bylaws of the Agent in effect on the date hereof, and has not been rescinded, revoked or modified in any respect since such date and is in full force and effect as of the date hereof.

9. The following named individual is the duly appointed authorized officer and the signature set opposite their title and name is their correct signature:

<u>TITLE</u>	<u>NAME</u>	<u>SPECIMEN SIGNATURE</u>
<u>Vice President</u>	<u>Janice Entsminger</u>	

IN WITNESS WHEREOF, the Bank has caused this certificate to be executed as of the 15th day of April, 2016.

U.S. BANK NATIONAL ASSOCIATION

By: 
Name: Leanne M. Duffy
Its: Vice President

#39072914_v5
16334-48

U.S. BANK NATIONAL ASSOCIATION

AUTHORIZED SIGNERS

I hereby certify that the following is a true and exact extract of Article VI of the Bylaws presently in effect for U.S. Bank National Association, an association organized and existing under the laws of the United States:

**ARTICLE VI.
CONVEYANCES, CONTRACTS, ETC.**

All transfers and conveyances of real estate, mortgages, and transfers, endorsements or assignments of stock, bonds, notes, debentures or other negotiable instruments, securities or personal property shall be signed by any elected or appointed officer.

All checks, drafts, certificates of deposit and all funds of the Association held in its own or in a fiduciary capacity may be paid out by an order, draft or check bearing the manual or facsimile signature of any elected or appointed officer of the Association.

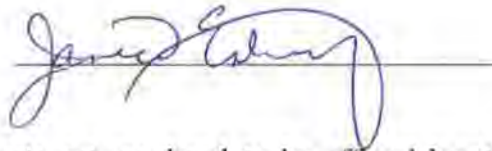
All mortgage satisfactions, releases, all types of loan agreements, all routine transactional documents of the Association, and all other instruments not specifically provided for, whether to be executed in a fiduciary capacity or otherwise, may be signed on behalf of the Association by any elected or appointed officer thereof.

The Secretary or any Assistant Secretary of the Association or other proper officer may execute and certify that required action or authority has been given or has taken place by resolution of the Board under this Bylaw without the necessity of further action by the Board.

I further certify that the officers listed below of U.S. Bank National Association, have been duly elected and that the signature of such officer is authentic:

Janice Entsminger

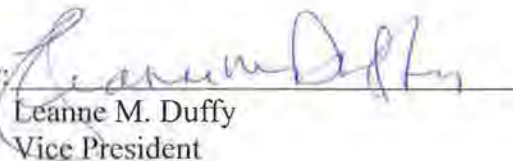
Vice President



IN WITNESS WHEREOF, I have hereunto set my hand to be affixed hereto this 15th day of April, 2016.

U. S. Bank National Association

By:



Leanne M. Duffy
Vice President

SOURCES AND USES OF FUNDS

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS

Lender: TD Bank

Sources:	Refunding Revenue Note, Series 2016A	Revenue Note, Series 2016B	Total
Bond Proceeds:			
Par Amount	11,970,000.00	6,630,000.00	18,600,000.00
Other Sources of Funds:			
Contribution	431,593.85		431,593.85
Excess 2009 Proceeds	1,596,164.00		1,596,164.00
	2,027,757.85		2,027,757.85
	13,997,757.85	6,630,000.00	20,627,757.85

Uses:	Refunding Revenue Note, Series 2016A	Revenue Note, Series 2016B	Total
Project Fund Deposits:			
Project Fund		6,596,164.00	6,596,164.00
Refunding Escrow Deposits:			
Cash Deposit	6.61		6.61
SLGS Purchases	13,952,896.00		13,952,896.00
	13,952,902.61		13,952,902.61
Delivery Date Expenses:			
Cost of Issuance	44,855.24	33,836.00	78,691.24
Other Uses of Funds:			
Additional Proceeds			
	13,997,757.85	6,630,000.00	20,627,757.85

BOND SUMMARY STATISTICS

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS

Lender: TD Bank

Dated Date	04/15/2016
Delivery Date	04/15/2016
Last Maturity	11/01/2031
Arbitrage Yield	2.339420%
True Interest Cost (TIC)	2.339420%
Net Interest Cost (NIC)	2.340135%
All-In TIC	2.399049%
Average Coupon	2.340135%
Average Life (years)	7.978
Duration of Issue (years)	7.198
Par Amount	18,600,000.00
Bond Proceeds	18,600,000.00
Total Interest	3,472,683.00
Net Interest	3,472,683.00
Total Debt Service	22,072,683.00
Maximum Annual Debt Service	1,911,505.00
Average Annual Debt Service	1,419,972.46
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	18,600,000.00	100.000	2.340%	7.978	13,226.50
	18,600,000.00			7.978	13,226.50

	TIC	All-In TIC	Arbitrage Yield
Par Value	18,600,000.00	18,600,000.00	18,600,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-78,691.24	
- Other Amounts			
Target Value	18,600,000.00	18,521,308.76	18,600,000.00
Target Date	04/15/2016	04/15/2016	04/15/2016
Yield	2.339420%	2.399049%	2.339420%

SUMMARY OF BONDS REFUNDED

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS

Lender: TD Bank

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Improvement Revenue Bonds, Series 2005, 2005_FF:					
BOND	07/01/2016	3.500%	280,000.00	05/18/2016	100.000
	07/01/2017	3.750%	285,000.00	05/18/2016	100.000
	07/01/2018	4.000%	300,000.00	05/18/2016	100.000
	07/01/2019	4.000%	310,000.00	05/18/2016	100.000
	07/01/2020	4.000%	320,000.00	05/18/2016	100.000
	07/01/2021	4.000%	335,000.00	05/18/2016	100.000
	07/01/2022	4.000%	350,000.00	05/18/2016	100.000
	07/01/2023	4.000%	365,000.00	05/18/2016	100.000
	07/01/2024	4.125%	375,000.00	05/18/2016	100.000
	07/01/2025	4.200%	395,000.00	05/18/2016	100.000
			3,315,000.00		
Revenue Bonds, Series 2007, 2007_FF:					
BOND	07/01/2018	4.000%	75,000.00	07/01/2017	100.000
	07/01/2019	4.000%	80,000.00	07/01/2017	100.000
	07/01/2020	4.000%	80,000.00	07/01/2017	100.000
	07/01/2021	4.125%	85,000.00	07/01/2017	100.000
	07/01/2022	4.125%	90,000.00	07/01/2017	100.000
	07/01/2023	4.250%	95,000.00	07/01/2017	100.000
	07/01/2024	4.250%	95,000.00	07/01/2017	100.000
	07/01/2025	4.250%	100,000.00	07/01/2017	100.000
	07/01/2026	4.375%	105,000.00	07/01/2017	100.000
	07/01/2027	4.375%	110,000.00	07/01/2017	100.000
			915,000.00		
Revenue Note, Series 2009, 2009:					
SERIALS	11/01/2019	5.150%	660,000.00	05/01/2019	100.000
	11/01/2020	5.150%	695,000.00	05/01/2019	100.000
	11/01/2021	5.150%	730,000.00	05/01/2019	100.000
	11/01/2022	5.150%	765,000.00	05/01/2019	100.000
	11/01/2023	5.150%	805,000.00	05/01/2019	100.000
	11/01/2024	5.150%	845,000.00	05/01/2019	100.000
	11/01/2025	5.150%	890,000.00	05/01/2019	100.000
	11/01/2026	5.150%	935,000.00	05/01/2019	100.000
	11/01/2027	5.150%	985,000.00	05/01/2019	100.000
	11/01/2028	5.150%	1,035,000.00	05/01/2019	100.000
			8,345,000.00		
			12,575,000.00		

SUMMARY OF REFUNDING RESULTS

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS
Lender: TD Bank

Dated Date	04/15/2016
Delivery Date	04/15/2016
Arbitrage yield	2.339420%
Escrow yield	0.828909%
Value of Negative Arbitrage	417,020.31
Bond Par Amount	11,970,000.00
True Interest Cost	2.299906%
Net Interest Cost	2.300000%
Average Coupon	2.300000%
Average Life	7.422
Par amount of refunded bonds	12,575,000.00
Average coupon of refunded bonds	4.893614%
Average life of refunded bonds	7.450
PV of prior debt to 04/15/2016 @ 2.339420%	14,966,437.49
Net PV Savings	1,000,304.11
Percentage savings of refunded bonds	7.954705%
Percentage savings of refunding bonds	8.356759%

SAVINGS

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS

Lender: TD Bank

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 04/15/2016 @ 2.3394204%
11/01/2016	794,815.63	431,593.85	363,221.78	199,891.00	163,330.78	161,132.08
11/01/2017	875,063.76		875,063.76	634,160.00	240,903.76	237,536.61
11/01/2018	954,376.26		954,376.26	710,880.00	243,496.26	235,087.24
11/01/2019	1,614,376.26		1,614,376.26	1,375,645.00	238,731.26	225,268.35
11/01/2020	1,609,786.26		1,609,786.26	1,369,885.00	239,901.26	220,976.82
11/01/2021	1,612,993.76		1,612,993.76	1,368,665.00	244,328.76	219,683.64
11/01/2022	1,613,492.52		1,613,492.52	1,371,870.00	241,622.52	212,189.83
11/01/2023	1,616,382.52		1,616,382.52	1,379,385.00	236,997.52	203,299.80
11/01/2024	1,606,287.52		1,606,287.52	1,366,095.00	240,192.52	201,036.80
11/01/2025	1,613,263.76		1,613,263.76	1,377,460.00	235,803.76	192,772.34
11/01/2026	1,201,588.76		1,201,588.76	987,905.00	213,683.76	168,358.62
11/01/2027	1,203,842.50		1,203,842.50	991,630.00	212,212.50	163,224.77
11/01/2028	1,088,302.50		1,088,302.50	879,780.00	208,522.50	155,901.21
	17,404,572.01	431,593.85	16,972,978.16	14,013,251.00	2,959,727.16	2,596,468.10

Savings Summary

PV of savings from cash flow	2,596,468.10
Less: Prior funds on hand	-1,596,164.00
Plus: Refunding funds on hand	
Net PV Savings	1,000,304.10

BOND PRICING

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A

Refunding Component

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	11/01/2016	50,000	2.300%	2.300%	100.000
	11/01/2017	360,000	2.300%	2.300%	100.000
	11/01/2018	445,000	2.300%	2.300%	100.000
	11/01/2019	1,120,000	2.300%	2.300%	100.000
	11/01/2020	1,140,000	2.300%	2.300%	100.000
	11/01/2021	1,165,000	2.300%	2.300%	100.000
	11/01/2022	1,195,000	2.300%	2.300%	100.000
	11/01/2023	1,230,000	2.300%	2.300%	100.000
	11/01/2024	1,245,000	2.300%	2.300%	100.000
	11/01/2025	1,285,000	2.300%	2.300%	100.000
	11/01/2026	925,000	2.300%	2.300%	100.000
	11/01/2027	950,000	2.300%	2.300%	100.000
	11/01/2028	860,000	2.300%	2.300%	100.000
		11,970,000			

Dated Date	04/15/2016	
Delivery Date	04/15/2016	
First Coupon	11/01/2016	
Par Amount	11,970,000.00	
Original Issue Discount		
Production	11,970,000.00	100.000000%
Underwriter's Discount		
Purchase Price	11,970,000.00	100.000000%
Accrued Interest		
Net Proceeds	11,970,000.00	

BOND PRICING

City of Gainesville, Florida
Revenue Note, Series 2016B

New Money Projects Component

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	11/01/2017	375,000	2.400%	2.400%	100.000
	11/01/2018	380,000	2.400%	2.400%	100.000
	11/01/2019	390,000	2.400%	2.400%	100.000
	11/01/2020	400,000	2.400%	2.400%	100.000
	11/01/2021	410,000	2.400%	2.400%	100.000
	11/01/2022	420,000	2.400%	2.400%	100.000
	11/01/2023	430,000	2.400%	2.400%	100.000
	11/01/2024	440,000	2.400%	2.400%	100.000
	11/01/2025	450,000	2.400%	2.400%	100.000
	11/01/2026	460,000	2.400%	2.400%	100.000
	11/01/2027	470,000	2.400%	2.400%	100.000
	11/01/2028	485,000	2.400%	2.400%	100.000
	11/01/2029	495,000	2.400%	2.400%	100.000
	11/01/2030	505,000	2.400%	2.400%	100.000
	11/01/2031	520,000	2.400%	2.400%	100.000
		6,630,000			

Dated Date	04/15/2016	
Delivery Date	04/15/2016	
First Coupon	11/01/2016	
Par Amount	6,630,000.00	
Original Issue Discount		
Production	6,630,000.00	100.000000%
Underwriter's Discount		
Purchase Price	6,630,000.00	100.000000%
Accrued Interest		
Net Proceeds	6,630,000.00	

BOND DEBT SERVICE

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A

Refunding Component

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2016	50,000	2.300%	149,891.00	199,891.00	199,891
05/01/2017			137,080.00	137,080.00	
11/01/2017	360,000	2.300%	137,080.00	497,080.00	634,160
05/01/2018			132,940.00	132,940.00	
11/01/2018	445,000	2.300%	132,940.00	577,940.00	710,880
05/01/2019			127,822.50	127,822.50	
11/01/2019	1,120,000	2.300%	127,822.50	1,247,822.50	1,375,645
05/01/2020			114,942.50	114,942.50	
11/01/2020	1,140,000	2.300%	114,942.50	1,254,942.50	1,369,885
05/01/2021			101,832.50	101,832.50	
11/01/2021	1,165,000	2.300%	101,832.50	1,266,832.50	1,368,665
05/01/2022			88,435.00	88,435.00	
11/01/2022	1,195,000	2.300%	88,435.00	1,283,435.00	1,371,870
05/01/2023			74,692.50	74,692.50	
11/01/2023	1,230,000	2.300%	74,692.50	1,304,692.50	1,379,385
05/01/2024			60,547.50	60,547.50	
11/01/2024	1,245,000	2.300%	60,547.50	1,305,547.50	1,366,095
05/01/2025			46,230.00	46,230.00	
11/01/2025	1,285,000	2.300%	46,230.00	1,331,230.00	1,377,460
05/01/2026			31,452.50	31,452.50	
11/01/2026	925,000	2.300%	31,452.50	956,452.50	987,905
05/01/2027			20,815.00	20,815.00	
11/01/2027	950,000	2.300%	20,815.00	970,815.00	991,630
05/01/2028			9,890.00	9,890.00	
11/01/2028	860,000	2.300%	9,890.00	869,890.00	879,780
	11,970,000		2,043,251.00	14,013,251.00	14,013,251

BOND DEBT SERVICE

City of Gainesville, Florida
Revenue Note, Series 2016B

New Money Projects Component

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2016			86,632	86,632	86,632
05/01/2017			79,560	79,560	
11/01/2017	375,000	2.400%	79,560	454,560	534,120
05/01/2018			75,060	75,060	
11/01/2018	380,000	2.400%	75,060	455,060	530,120
05/01/2019			70,500	70,500	
11/01/2019	390,000	2.400%	70,500	460,500	531,000
05/01/2020			65,820	65,820	
11/01/2020	400,000	2.400%	65,820	465,820	531,640
05/01/2021			61,020	61,020	
11/01/2021	410,000	2.400%	61,020	471,020	532,040
05/01/2022			56,100	56,100	
11/01/2022	420,000	2.400%	56,100	476,100	532,200
05/01/2023			51,060	51,060	
11/01/2023	430,000	2.400%	51,060	481,060	532,120
05/01/2024			45,900	45,900	
11/01/2024	440,000	2.400%	45,900	485,900	531,800
05/01/2025			40,620	40,620	
11/01/2025	450,000	2.400%	40,620	490,620	531,240
05/01/2026			35,220	35,220	
11/01/2026	460,000	2.400%	35,220	495,220	530,440
05/01/2027			29,700	29,700	
11/01/2027	470,000	2.400%	29,700	499,700	529,400
05/01/2028			24,060	24,060	
11/01/2028	485,000	2.400%	24,060	509,060	533,120
05/01/2029			18,240	18,240	
11/01/2029	495,000	2.400%	18,240	513,240	531,480
05/01/2030			12,300	12,300	
11/01/2030	505,000	2.400%	12,300	517,300	529,600
05/01/2031			6,240	6,240	
11/01/2031	520,000	2.400%	6,240	526,240	532,480
	6,630,000		1,429,432	8,059,432	8,059,432

PRIOR BOND DEBT SERVICE

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_1

Refunding Component

Revenue Note, Series 2009 (2009)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2016			214,883.75	214,883.75	
11/01/2016			214,883.75	214,883.75	429,767.50
05/01/2017			214,883.75	214,883.75	
11/01/2017			214,883.75	214,883.75	429,767.50
05/01/2018			214,883.75	214,883.75	
11/01/2018			214,883.75	214,883.75	429,767.50
05/01/2019			214,883.75	214,883.75	
11/01/2019	660,000	5.150%	214,883.75	874,883.75	1,089,767.50
05/01/2020			197,888.75	197,888.75	
11/01/2020	695,000	5.150%	197,888.75	892,888.75	1,090,777.50
05/01/2021			179,992.50	179,992.50	
11/01/2021	730,000	5.150%	179,992.50	909,992.50	1,089,985.00
05/01/2022			161,195.00	161,195.00	
11/01/2022	765,000	5.150%	161,195.00	926,195.00	1,087,390.00
05/01/2023			141,496.25	141,496.25	
11/01/2023	805,000	5.150%	141,496.25	946,496.25	1,087,992.50
05/01/2024			120,767.50	120,767.50	
11/01/2024	845,000	5.150%	120,767.50	965,767.50	1,086,535.00
05/01/2025			99,008.75	99,008.75	
11/01/2025	890,000	5.150%	99,008.75	989,008.75	1,088,017.50
05/01/2026			76,091.25	76,091.25	
11/01/2026	935,000	5.150%	76,091.25	1,011,091.25	1,087,182.50
05/01/2027			52,015.00	52,015.00	
11/01/2027	985,000	5.150%	52,015.00	1,037,015.00	1,089,030.00
05/01/2028			26,651.25	26,651.25	
11/01/2028	1,035,000	5.150%	26,651.25	1,061,651.25	1,088,302.50
	8,345,000		3,829,282.50	12,174,282.50	12,174,282.50

PRIOR BOND DEBT SERVICE

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_2

Refunding Component

Improvement Revenue Bonds, Series 2005 (2005 FF)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/01/2016	280,000	3.500%	65,873.13	345,873.13	
11/01/2016					345,873.13
01/01/2017			60,973.13	60,973.13	
07/01/2017	285,000	3.750%	60,973.13	345,973.13	
11/01/2017					406,946.26
01/01/2018			55,629.38	55,629.38	
07/01/2018	300,000	4.000%	55,629.38	355,629.38	
11/01/2018					411,258.76
01/01/2019			49,629.38	49,629.38	
07/01/2019	310,000	4.000%	49,629.38	359,629.38	
11/01/2019					409,258.76
01/01/2020			43,429.38	43,429.38	
07/01/2020	320,000	4.000%	43,429.38	363,429.38	
11/01/2020					406,858.76
01/01/2021			37,029.38	37,029.38	
07/01/2021	335,000	4.000%	37,029.38	372,029.38	
11/01/2021					409,058.76
01/01/2022			30,329.38	30,329.38	
07/01/2022	350,000	4.000%	30,329.38	380,329.38	
11/01/2022					410,658.76
01/01/2023			23,329.38	23,329.38	
07/01/2023	365,000	4.000%	23,329.38	388,329.38	
11/01/2023					411,658.76
01/01/2024			16,029.38	16,029.38	
07/01/2024	375,000	4.125%	16,029.38	391,029.38	
11/01/2024					407,058.76
01/01/2025			8,295.00	8,295.00	
07/01/2025	395,000	4.200%	8,295.00	403,295.00	
11/01/2025					411,590.00
	3,315,000		715,220.71	4,030,220.71	4,030,220.71

PRIOR BOND DEBT SERVICE

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_3

Refunding Component

Revenue Bonds, Series 2007 (2007 FF)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/01/2016			19,175.00	19,175.00	
11/01/2016					19,175.00
01/01/2017			19,175.00	19,175.00	
07/01/2017			19,175.00	19,175.00	
11/01/2017					38,350.00
01/01/2018			19,175.00	19,175.00	
07/01/2018	75,000	4.000%	19,175.00	94,175.00	
11/01/2018					113,350.00
01/01/2019			17,675.00	17,675.00	
07/01/2019	80,000	4.000%	17,675.00	97,675.00	
11/01/2019					115,350.00
01/01/2020			16,075.00	16,075.00	
07/01/2020	80,000	4.000%	16,075.00	96,075.00	
11/01/2020					112,150.00
01/01/2021			14,475.00	14,475.00	
07/01/2021	85,000	4.125%	14,475.00	99,475.00	
11/01/2021					113,950.00
01/01/2022			12,721.88	12,721.88	
07/01/2022	90,000	4.125%	12,721.88	102,721.88	
11/01/2022					115,443.76
01/01/2023			10,865.63	10,865.63	
07/01/2023	95,000	4.250%	10,865.63	105,865.63	
11/01/2023					116,731.26
01/01/2024			8,846.88	8,846.88	
07/01/2024	95,000	4.250%	8,846.88	103,846.88	
11/01/2024					112,693.76
01/01/2025			6,828.13	6,828.13	
07/01/2025	100,000	4.250%	6,828.13	106,828.13	
11/01/2025					113,656.26
01/01/2026			4,703.13	4,703.13	
07/01/2026	105,000	4.375%	4,703.13	109,703.13	
11/01/2026					114,406.26
01/01/2027			2,406.25	2,406.25	
07/01/2027	110,000	4.375%	2,406.25	112,406.25	
11/01/2027					114,812.50
	915,000		285,068.80	1,200,068.80	1,200,068.80

ESCROW REQUIREMENTS

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_1

Refunding Component

Revenue Note, Series 2009 (2009)

Period Ending	Interest	Principal Redeemed	Total
05/01/2016	214,883.75		214,883.75
11/01/2016	214,883.75		214,883.75
05/01/2017	214,883.75		214,883.75
11/01/2017	214,883.75		214,883.75
05/01/2018	214,883.75		214,883.75
11/01/2018	214,883.75		214,883.75
05/01/2019	214,883.75	8,345,000.00	8,559,883.75
	1,504,186.25	8,345,000.00	9,849,186.25

ESCROW REQUIREMENTS

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_2

—
Refunding Component

Improvement Revenue Bonds, Series 2005 (2005 FF)

Period Ending	Interest	Principal Redeemed	Total
05/18/2016	50,136.77	3,315,000.00	3,365,136.77
	50,136.77	3,315,000.00	3,365,136.77

ESCROW REQUIREMENTS

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_3

Refunding Component

Revenue Bonds, Series 2007 (2007 FF)

Period Ending	Interest	Principal Redeemed	Total
07/01/2016	19,175.00		19,175.00
01/01/2017	19,175.00		19,175.00
07/01/2017	19,175.00	915,000.00	934,175.00
	57,525.00	915,000.00	972,525.00

ESCROW DESCRIPTIONS DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_1

Refunding Component

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Series 2009 (2009), SF_ESC, Apr 15, 2016:						
SLGS	Certificate	05/01/2016	05/01/2016	179,069		
Series 2009 (2009), EXC_ESC, Apr 15, 2016:						
SLGS	Certificate	05/01/2016	05/01/2016	35,814		
SLGS	Certificate	11/01/2016	11/01/2016	209,106	0.350%	0.350%
SLGS	Note	05/01/2017	11/01/2016	209,941	0.520%	0.520%
SLGS	Note	11/01/2017	11/01/2016	210,486	0.630%	0.630%
SLGS	Note	05/01/2018	11/01/2016	211,150	0.710%	0.710%
SLGS	Note	11/01/2018	11/01/2016	211,899	0.780%	0.780%
SLGS	Note	05/01/2019	11/01/2016	507,768	0.850%	0.850%
				1,596,164		
Global Proceeds Escrow, Apr 15, 2016:						
SLGS	Note	05/01/2019	11/01/2016	7,846,929	0.850%	0.850%
				9,622,162		

SLGS Summary

SLGS Rates File	08APR16
Total Certificates of Indebtedness	423,989.00
Total Notes	9,198,173.00
Total original SLGS	9,622,162.00

ESCROW DESCRIPTIONS DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_2

Refunding Component

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Series 2005 (2005), SF_ESC, Apr 15, 2016:						
SLGS	Certificate	05/18/2016	05/18/2016	242,936	0.180%	0.180%
Global Proceeds Escrow, Apr 15, 2016:						
SLGS	Certificate	05/18/2016	05/18/2016	3,121,652	0.180%	0.180%
				3,364,588		

SLGS Summary

SLGS Rates File	08APR16
Total Certificates of Indebtedness	3,364,588.00

ESCROW DESCRIPTIONS DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_3

Refunding Component

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Series 2007 (2007), SF_ESC, Apr 15, 2016:						
SLGS	Certificate	07/01/2016	07/01/2016	9,587	0.200%	0.200%
Global Proceeds Escrow, Apr 15, 2016:						
SLGS	Certificate	07/01/2016	07/01/2016	8,476	0.200%	0.200%
SLGS	Certificate	01/01/2017	01/01/2017	16,517	0.420%	0.420%
SLGS	Note	07/01/2017	07/01/2016	931,566	0.560%	0.560%
				956,559		
				966,146		

SLGS Summary

SLGS Rates File	08APR16
Total Certificates of Indebtedness	34,580.00
Total Notes	931,566.00
Total original SLGS	966,146.00

ESCROW COST DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_1

Refunding Component

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
Series 2009 (2009), SF_ESC:				
SLGS	05/01/2016	179,069		179,069.00
Series 2009 (2009), EXC_ESC:				
SLGS	05/01/2016	35,814		35,814.00
SLGS	11/01/2016	209,106	0.350%	209,106.00
SLGS	05/01/2017	209,941	0.520%	209,941.00
SLGS	11/01/2017	210,486	0.630%	210,486.00
SLGS	05/01/2018	211,150	0.710%	211,150.00
SLGS	11/01/2018	211,899	0.780%	211,899.00
SLGS	05/01/2019	507,768	0.850%	507,768.00
		1,596,164		1,596,164.00
Global Proceeds Escrow:				
SLGS	05/01/2019	7,846,929	0.850%	7,846,929.00
		9,622,162		9,622,162.00

Escrow	Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
Series 2009 (2009):					
SF_ESC	04/15/2016	179,069	0.79	179,069.79	
EXC_ESC	04/15/2016	1,596,164		1,596,164.00	0.754998%
		1,775,233	0.79	1,775,233.79	
Global Proceeds Escrow:					
	04/15/2016	7,846,929	1.15	7,846,930.15	0.849833%
		9,622,162	1.94	9,622,163.94	

ESCROW COST DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_2

Refunding Component

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
Series 2005 (2005), SF_ESC:				
SLGS	05/18/2016	242,936	0.180%	242,936.00
Global Proceeds Escrow:				
SLGS	05/18/2016	3,121,652	0.180%	3,121,652.00
				3,364,588
				3,364,588.00

Escrow	Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
Series 2005 (2005):					
SF_ESC	04/15/2016	242,936	0.56	242,936.56	0.177620%
Global Proceeds Escrow:					
	04/15/2016	3,121,652	1.65	3,121,653.65	0.177600%
		3,364,588	2.21	3,364,590.21	

ESCROW COST DETAIL

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_3

Refunding Component

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
Series 2007 (2007), SF_ESC:				
SLGS	07/01/2016	9,587	0.200%	9,587.00
Global Proceeds Escrow:				
SLGS	07/01/2016	8,476	0.200%	8,476.00
SLGS	01/01/2017	16,517	0.420%	16,517.00
SLGS	07/01/2017	931,566	0.560%	931,566.00
		956,559		956,559.00
		966,146		966,146.00

Escrow	Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
Series 2007 (2007):					
SF_ESC	04/15/2016	9,587	0.50	9,587.50	0.199670%
Global Proceeds Escrow:					
	04/15/2016	956,559	1.96	956,560.96	0.558288%
		966,146	2.46	966,148.46	

ESCROW SUFFICIENCY

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_1

Refunding Component

Series 2009 (2009)

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
04/15/2016		1.94	1.94	1.94
05/01/2016	214,883.75	214,883.00	-0.75	1.19
11/01/2016	214,883.75	251,165.72	36,281.97	36,283.16
05/01/2017	214,883.75	248,233.33	33,349.58	69,632.74
11/01/2017	214,883.75	248,232.48	33,348.73	102,981.47
05/01/2018	214,883.75	248,233.45	33,349.70	136,331.17
11/01/2018	214,883.75	248,232.87	33,349.12	169,680.29
05/01/2019	8,559,883.75	8,390,204.46	-169,679.29	1.00
	9,849,186.25	9,849,187.25	1.00	

ESCROW SUFFICIENCY

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_2

Refunding Component

Series 2005 (2005)

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
04/15/2016		2.21	2.21	2.21
05/18/2016	3,365,136.77	3,365,135.56	-1.21	1.00
	3,365,136.77	3,365,137.77	1.00	

ESCROW SUFFICIENCY

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A_3

Refunding Component

Series 2007 (2007)

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
04/15/2016		2.46	2.46	2.46
07/01/2016	19,175.00	19,174.17	-0.83	1.63
01/01/2017	19,175.00	19,174.99	-0.01	1.62
07/01/2017	934,175.00	934,174.38	-0.62	1.00
	972,525.00	972,526.00	1.00	

ESCROW STATISTICS

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A

Refunding Component

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Series 2009 (2009):							
SF_ESC	179,069.79	0.044			178,884.78	185.01	
EXC_ESC	1,596,164.00	1.969	0.754998%	0.754998%	1,547,493.68	48,670.29	0.03
Series 2005 (2005):							
SF_ESC	242,936.56	0.092	0.177620%	0.177620%	242,458.62	477.94	
Series 2007 (2007):							
SF_ESC	9,587.50	0.211	0.199670%	0.199670%	9,544.56	42.94	
Global Proceeds Escrow:							
	7,846,930.15	2.999	0.849833%	0.840818%	7,499,661.82	341,567.57	5,700.76
	3,121,653.65	0.092	0.177600%	0.177600%	3,115,512.24	6,141.41	
	956,560.96	1.188	0.558288%	0.558287%	936,625.76	19,935.15	0.05
	13,952,902.61				13,530,181.46	417,020.31	5,700.84

Delivery date 04/15/2016
Arbitrage yield 2.339420%

COST OF ISSUANCE

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS

Lender: TD Bank

Cost of Issuance	\$/1000	Amount
Bond Counsel Fee	1.65895	30,856.50
Financial Advisor Fee	1.07527	20,000.00
Escrow Structure Fee	0.13441	2,500.00
Bank Counsel Fee	0.53763	10,000.00
Escrow Agent Fee	0.12097	2,250.00
Verification Agent Fee	0.12097	2,250.00
Miscellaneous Expenses	0.58251	10,834.74
	4,23071	78,691.24

COST OF ISSUANCE

City of Gainesville, Florida
Refunding Revenue Note, Series 2016A

Refunding Component

Cost of Issuance	\$/1000	Amount
Bond Counsel Fee	1.45000	17,356.50
Financial Advisor Fee	0.83542	10,000.00
Escrow Structure Fee	0.20886	2,500.00
Bank Counsel Fee	0.41771	5,000.00
Escrow Agent Fee	0.18797	2,250.00
Verification Agent Fee	0.18797	2,250.00
Miscellaneous Expenses	0.45938	5,498.74
	3.74730	44,855.24

COST OF ISSUANCE

City of Gainesville, Florida
Revenue Note, Series 2016B---
New Money Projects Component

Cost of Issuance	\$/1000	Amount
Bond Counsel Fee	2.03620	13,500.00
Financial Advisor Fee	1.50830	10,000.00
Bank Counsel Fee	0.75415	5,000.00
Miscellaneous Expenses	0.80483	5,336.00
	5.10347	33,836.00

FORM 8038 STATISTICS

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS

Lender: TD Bank

Dated Date 04/15/2016
Delivery Date 04/15/2016

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	11/01/2016	50,000.00	2.300%	100.000	50,000.00	50,000.00
	11/01/2017	360,000.00	2.300%	100.000	360,000.00	360,000.00
	11/01/2017	375,000.00	2.400%	100.000	375,000.00	375,000.00
	11/01/2018	445,000.00	2.300%	100.000	445,000.00	445,000.00
	11/01/2018	380,000.00	2.400%	100.000	380,000.00	380,000.00
	11/01/2019	1,120,000.00	2.300%	100.000	1,120,000.00	1,120,000.00
	11/01/2019	390,000.00	2.400%	100.000	390,000.00	390,000.00
	11/01/2020	1,140,000.00	2.300%	100.000	1,140,000.00	1,140,000.00
	11/01/2020	400,000.00	2.400%	100.000	400,000.00	400,000.00
	11/01/2021	1,165,000.00	2.300%	100.000	1,165,000.00	1,165,000.00
	11/01/2021	410,000.00	2.400%	100.000	410,000.00	410,000.00
	11/01/2022	1,195,000.00	2.300%	100.000	1,195,000.00	1,195,000.00
	11/01/2022	420,000.00	2.400%	100.000	420,000.00	420,000.00
	11/01/2023	1,230,000.00	2.300%	100.000	1,230,000.00	1,230,000.00
	11/01/2023	430,000.00	2.400%	100.000	430,000.00	430,000.00
	11/01/2024	1,245,000.00	2.300%	100.000	1,245,000.00	1,245,000.00
	11/01/2024	440,000.00	2.400%	100.000	440,000.00	440,000.00
	11/01/2025	1,285,000.00	2.300%	100.000	1,285,000.00	1,285,000.00
	11/01/2025	450,000.00	2.400%	100.000	450,000.00	450,000.00
	11/01/2026	925,000.00	2.300%	100.000	925,000.00	925,000.00
	11/01/2026	460,000.00	2.400%	100.000	460,000.00	460,000.00
	11/01/2027	950,000.00	2.300%	100.000	950,000.00	950,000.00
	11/01/2027	470,000.00	2.400%	100.000	470,000.00	470,000.00
	11/01/2028	860,000.00	2.300%	100.000	860,000.00	860,000.00
	11/01/2028	485,000.00	2.400%	100.000	485,000.00	485,000.00
	11/01/2029	495,000.00	2.400%	100.000	495,000.00	495,000.00
	11/01/2030	505,000.00	2.400%	100.000	505,000.00	505,000.00
	11/01/2031	520,000.00	2.400%	100.000	520,000.00	520,000.00
		18,600,000.00			18,600,000.00	18,600,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	11/01/2031	2.400%	520,000.00	520,000.00		
Entire Issue			18,600,000.00	18,600,000.00	7.9783	2.3394%

FORM 8038 STATISTICS

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS
Lender: TD Bank

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	78,691.24
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	3,121,653.65
Proceeds used to advance refund prior issues	8,803,491.11
Remaining weighted average maturity of the bonds to be currently refunded	5.0197
Remaining weighted average maturity of the bonds to be advance refunded	8.3184

FORM 8038 STATISTICS

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS

Lender: TD Bank

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
Improvement Revenue Bonds, Series 2005:					
BOND	07/01/2016	280,000.00	3.500%	97.259	272,325.20
BOND	07/01/2017	285,000.00	3.750%	98.636	281,112.60
BOND	07/01/2018	300,000.00	4.000%	100.000	300,000.00
BOND	07/01/2019	310,000.00	4.000%	99.456	308,313.60
BOND	07/01/2020	320,000.00	4.000%	98.866	316,371.20
BOND	07/01/2021	335,000.00	4.000%	98.230	329,070.50
BOND	07/01/2022	350,000.00	4.000%	97.552	341,432.00
BOND	07/01/2023	365,000.00	4.000%	96.836	353,451.40
BOND	07/01/2024	375,000.00	4.125%	97.714	366,427.50
BOND	07/01/2025	395,000.00	4.200%	97.985	387,040.75
		3,315,000.00			3,255,544.75
Revenue Bonds, Series 2007:					
BOND	07/01/2018	75,000.00	4.000%	99.192	74,394.00
BOND	07/01/2019	80,000.00	4.000%	98.193	78,554.40
BOND	07/01/2020	80,000.00	4.000%	97.685	78,148.00
BOND	07/01/2021	85,000.00	4.125%	98.357	83,603.45
BOND	07/01/2022	90,000.00	4.125%	97.728	87,955.20
BOND	07/01/2023	95,000.00	4.250%	98.725	93,788.75
BOND	07/01/2024	95,000.00	4.250%	98.316	93,400.20
BOND	07/01/2025	100,000.00	4.250%	97.883	97,883.00
BOND	07/01/2026	105,000.00	4.375%	99.160	104,118.00
BOND	07/01/2027	110,000.00	4.375%	99.001	108,901.10
		915,000.00			900,746.10
Revenue Note, Series 2009:					
SERIALS	11/01/2019	660,000.00	5.150%	100.000	660,000.00
SERIALS	11/01/2020	695,000.00	5.150%	100.000	695,000.00
SERIALS	11/01/2021	730,000.00	5.150%	100.000	730,000.00
SERIALS	11/01/2022	765,000.00	5.150%	100.000	765,000.00
SERIALS	11/01/2023	805,000.00	5.150%	100.000	805,000.00
SERIALS	11/01/2024	845,000.00	5.150%	100.000	845,000.00
SERIALS	11/01/2025	890,000.00	5.150%	100.000	890,000.00
SERIALS	11/01/2026	935,000.00	5.150%	100.000	935,000.00
SERIALS	11/01/2027	985,000.00	5.150%	100.000	985,000.00
SERIALS	11/01/2028	1,035,000.00	5.150%	100.000	1,035,000.00
		8,345,000.00			8,345,000.00
		12,575,000.00			12,501,290.85

FORM 8038 STATISTICS

City of Gainesville, Florida
Refunding and Revenue Note, Series 2016

FINAL NUMBERS

Lender: TD Bank

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
Improvement Revenue Bonds, Series 2005	05/18/2016	03/10/2005	5.0197
Revenue Bonds, Series 2007	07/01/2017	04/17/2007	7.0572
Revenue Note, Series 2009	05/01/2019	07/03/2009	8.4546
All Refunded Issues	05/01/2019		7.4594

Robert Thomas CPA, LLC
Certified Public Accountants

CITY OF GAINESVILLE, FLORIDA

Verification Report
April 15, 2016

Robert Thomas CPA, LLC
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S VERIFICATION REPORT

April 15, 2016

City of Gainesville, Florida ("Issuer")
Gainesville, Florida

Public Financial Management, Inc.
("Financial Advisor")
Orlando, Florida

Holland & Knight, LLP ("Bond Counsel")
Lakeland, Florida

U.S. Bank National Association ("Escrow Agent")
Orlando, Florida

TD Bank, National Association ("Lender")
Jacksonville, Florida

Branch Banking and Trust Company
("Lender of 2009 Note")
Columbia, South Carolina

Pursuant to the request of the Financial Advisor, on behalf of the Issuer, we have performed certain procedures, as discussed below, in connection with the Issuer's proposed issuance of **\$11,970,000 Refunding Revenue Note, Series 2016A** and **\$6,630,000 Revenue Note, Series 2016B**, each dated April 15, 2016 (collectively, the "Notes").

Proceeds from the Notes, and other available funds, will be used to fund an initial cash deposit and to acquire United States Treasury Obligations – State and Local Government Series (the "SLGS" of the "Escrowed Securities") to establish an escrow fund (the "2005 Escrow Fund") to provide funds to:

- currently refund the Issuer's obligations with respect to bonds originally scheduled to mature July 1, 2016 through and including July 1, 2025 (the "2005 Refunded Loan"), of the outstanding **First Florida Governmental Financing Commission Revenue Bonds, Series 2005**, dated March 10, 2005 (the "2005 Loan") as shown in Exhibit C-1; and

Proceeds from the Notes, and other available funds, will also be used to fund an initial cash deposit and to acquire SLGS to provide funds to establish an escrow fund (the "2007 Escrow Fund") to provide funds to:

- advance refund the Issuer's obligations with respect to bonds originally scheduled to mature July 1, 2018 through and including July 1, 2027 (the "2007 Refunded Loan"), of the outstanding **First Florida Governmental Financing Commission Improvement and Refunding Revenue Bonds, Series 2007**, dated April 17, 2007 (the "2007 Loan") as shown in Exhibit C-2; and

City of Gainesville, Florida
Public Financial Management, Inc.
Holland & Knight, LLP
U.S. Bank National Association
TD Bank, National Association
Branch Banking and Trust Company
April 15, 2016
Page 2

Proceeds from the Notes, other available funds and excess proceeds from the 2009 Note will also be used to fund an initial cash deposit and to acquire SLGS to provide funds to establish an escrow fund (the "2009 Escrow Fund") to provide funds to:

- advance refund the Notes originally scheduled to mature November 1, 2019 through and including November 1, 2028 (the "2009 Refunded Note"), of the outstanding **City of Gainesville Florida, Revenue Note, Series 2009**, dated July 3, 2009 (the "2009 Note").

Collectively, the 2005 Refunded Loan, the 2007 Refunded Loan and the 2009 Refunded Note are hereinafter referred to as the "Refunded Obligations" and the 2005 Loan, the 2007 Loan and the 2009 Note are hereinafter referred to as the "Prior Obligations".

The procedures were performed solely to assist the addressees of this report in evaluating the mathematical accuracy of certain schedules prepared by the Financial Advisor which indicate that there will be sufficient funds in the respective 2005 Escrow Fund, 2007 Escrow Fund and 2009 Escrow Fund (collectively, the "Escrow Funds") to pay the respective "Escrow Requirements" as described below, assuming:

- the 2005 Refunded Loan, in the aggregate principal amount of \$3,315,000, (the "2005 Escrow Requirement"), will be redeemed and paid on the optional redemption date of May 18, 2016, at 100.00 percent of the principal amount thereof, as shown in Exhibit C-1; and
- the 2007 Refunded Loan, in the aggregate principal amount of \$915,000, (the "2007 Escrow Requirement") will be redeemed and paid on their optional redemption date of July 1, 2017, at 100.00 percent of the principal amount thereof, as shown in Exhibit C-2; and
- the 2009 Refunded Note, in the aggregate outstanding amount of \$8,345,000, (the "2009 Escrow Requirement") will be redeemed and paid on the optional prepayment date of May 1, 2019, at 100.00 percent of the principal amount thereof, as shown in Exhibit C-3.
- the yield on the portion of the escrowed securities purchased with Note proceeds to advance refund the 2007 Refunded Loan and the 2009 Refunded Note (the "Escrowed Securities for the Advance Refundings") is less than the yield on the Notes.

The procedures we performed are summarized below:

1. We independently calculated the future cash receipts from the Escrowed Securities and compared the future cash receipts to the Financial Advisor's schedules. We found the future cash receipts to be in agreement.
2. We independently calculated the respective Escrow Requirements related to the Refunded Obligations, using information from various documents provided by the Financial Advisor, Bond Counsel and the Escrow Agent (the "Prior Obligations' Documents"), compared the respective Escrow Requirements to the Financial Advisor's schedules, and found the Escrow Requirements to be in agreement. We assumed the Prior Obligation Documents to be accurate.

3. Using the results of our independent calculations described in procedures 1 and 2, and assuming an initial cash deposit to the 2005 Escrow Fund on April 15, 2016 in the amount of \$2.21, we prepared a 2005 Escrow Fund cash flow schedule (attached hereto as Exhibit A-1). The resulting cash flow schedule indicates that there will be sufficient funds available in the 2005 Escrow Fund to pay the 2005 Escrow Requirements on a timely basis; and

Using the results of our independent calculations described in procedures 1 and 2, and assuming an initial cash deposit to the 2007 Escrow Fund on April 15, 2016 in the amount of \$2.46, we prepared a 2007 Escrow Fund cash flow schedule (attached hereto as Exhibit A-2). The resulting cash flow schedule indicates that there will be sufficient funds available in the 2007 Escrow Fund to pay the 2007 Escrow Requirements on a timely basis; and

Using the results of our independent calculations described in procedures 1 and 2, and assuming an initial cash deposit to the 2009 Escrow Fund on April 15, 2016 in the amount of \$1.94, we prepared an Escrow Fund cash flow schedule (attached hereto as Exhibit A-3). The resulting cash flow schedule indicates that there will be sufficient funds available in the 2009 Escrow Fund to pay the 2009 Escrow Requirements on a timely basis.

4. We compared the interest rates for the SLGS on the final SLGS Subscription View Form (provided by the Financial Advisor and attached to this report) to the Department of the Treasury Bureau of the Fiscal Service SLGS Table for use on April 8, 2016 and found the interest rates on the final SLGS Subscription View Form to be less than or equal to the applicable maximum allowable interest rates for use on April 8, 2016.
5. We compared the terms (i.e., the principal amounts, interest rates, first interest payment dates, issue date and maturity dates) of the SLGS to be acquired on April 15, 2016, as summarized herein, to the final SLGS subscription forms, provided by the Financial Advisor; we found the terms to be in agreement.
6. We compared pertinent terms of the Refunded Obligations (i.e., debt service payment dates, annual maturity amounts, interest rates and optional redemption and prepayment provisions), as summarized herein, using information from the Prior Obligation Documents, as referenced above; we found the terms to be in agreement.
7. We compared the maturity and interest payment dates, principal amounts, interest rates, issue prices of the Notes, as summarized herein, to the information and documents for the Notes provided by the Financial Advisor; we found the terms to be in agreement.
8. We independently calculated the yield on the Escrowed Securities Purchased for the Advance Refundings and the yield on the Notes, assuming a settlement date of April 15, 2016. The term "yield," as used herein, means that yield which, when used in computing the present value of all payments of principal and interest on an obligation compounded semiannually using a 30/360-day year basis, produces an amount equal to:
 - in the case of the Escrowed Securities Purchased for the Advance Refundings, the purchase price of such securities; and
 - in the case of the Notes, the issue price on the Notes, as represented by the Financial Advisor.

The results of our yield calculations, which are listed below, were compared to the yield calculations provided by the Financial Advisor; we found the yields to be in agreement.

	YIELD	EXHIBIT
• Yield on the Escrowed Securities Purchased for the Advance Refundings	0.8353411%	B-1
• Yield on the Notes	2.339420%	D-1

Based on performing the agreed-upon procedures, we have found that those schedules provided by the Financial Advisor, when compared to those schedules prepared by us (attached hereto as Exhibits), are arithmetically accurate and reflect, based on the assumptions set forth herein, that:

- there will be sufficient funds available in the 2005 Escrow Fund to pay the 2005 Escrow Requirements on a timely basis; and
- there will be sufficient funds available in the 2007 Escrow Fund to pay the 2007 Escrow Requirements on a timely basis; and
- there will be sufficient funds available in the 2009 Escrow Fund to pay the 2009 Escrow Requirements on a timely basis; and
- the yield on the Escrowed Securities Purchased for the Advance Refundings is less than the yield on the Notes, as described above.

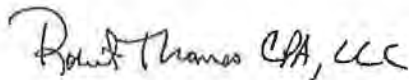
This engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants (the "AICPA"). The sufficiency of these procedures is solely the responsibility of the specified users of the report. We make no representation regarding the sufficiency of the procedures summarized above, either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the achievability of the anticipated Escrow Fund cash sufficiency or yield calculations. Accordingly, in accordance with standards for attestation services established by the AICPA, we cannot express such an opinion. Had we performed an examination or performed additional procedures, other matters might have come to our attention that would have been reported to you.

City of Gainesville, Florida
Public Financial Management, Inc.
Holland & Knight, LLP
U.S. Bank National Association
TD Bank, National Association
Branch Banking and Trust Company
April 15, 2016
Page 5

The results of our independent calculations with respect to the proposed transactions are summarized in the accompanying exhibits. The original computations, along with related characteristics and assumptions contained herein, were provided by the Financial Advisor on behalf of the Issuer. We relied solely on this information and these assumptions and limited our work to performing those procedures set forth above.

This report is issued solely for the information of, and assistance to, the addressees of this report and is not to be quoted or referred to in any document, except for required closing transaction documents. Additionally, this report should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under the terms of our engagement, we have no obligation to update this report because of events or transactions occurring subsequent to the date of this report.

A handwritten signature in black ink that reads "Robert Thomas CPA, LLC". The signature is written in a cursive, flowing style.

Shawnee Mission, Kansas

APPENDIX

CITY OF GAINESVILLE, FLORIDA

TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page</u>
A-1	Escrow Fund Cash Flow for the 2005 Loan	1
A-2	Escrow Fund Cash Flow for the 2007 Loan	2
A-3	Escrow Fund Cash Flow for the 2009 Note	3
B-1	Aggregate Yield on the Escrowed Securities Purchased with Note Proceeds for the Advance Refundings	4
B-2	Schedule of Interest Receipts and Principal Maturities of the Escrowed Securities to Refund the 2005 Loan	5
B-3	Schedule of Interest Receipts and Principal Maturities of the Escrowed Securities to Refund the 2007 Loan	6
B-4	Schedule of Interest Receipts and Principal Maturities of the Escrowed Securities to Refund the 2009 Note	7
B-5	Characteristics and Purchase Price of the Escrowed Securities	8
C-1	Debt Service to Maturity and Escrow Requirements for the 2005 Refunded Loan	9
C-2	Debt Service to Maturity and Escrow Requirements for the 2007 Refunded Loan	10
C-3	Debt Service to Maturity and Escrow Requirements for the 2009 Refunded Note	11
D-1	Debt Service and Yield on the Notes	12
D-2	Characteristics and Pricing Summary of the Notes	13
E	Sources and Uses of Funds	14

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
 REVENUE NOTE, SERIES 2016B

ESCROW FUND CASH FLOW
 FOR THE 2005 LOAN

<u>Date</u>	<u>Cash receipts from Escrowed Securities for the 2005 Loan (Exhibit B-2)</u>	<u>Cash disbursements for the 2005 Refunded Loan (Exhibit C-1)</u>	<u>Cash balance</u>
Initial cash deposit on 4/15/2016			\$ 2.21
5/18/2016	\$ 3,365,135.56	\$ 3,365,136.77	1.00
	<u>\$ 3,365,135.56</u>	<u>\$ 3,365,136.77</u>	

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016BESCROW FUND CASH FLOW
FOR THE 2007 LOAN

<u>Date</u>	<u>Cash receipts from Escrowed Securities for the 2007 Loan from Other Funds (Exhibit B-3)</u>	<u>Cash receipts from Escrowed Securities for the 2007 Loan from Note Proceeds (Exhibit B-3)</u>	<u>Cash disbursements for the 2007 Refunded Loan (Exhibit C-2)</u>	<u>Cash balance</u>
Initial cash deposit on 4/15/2016				\$ 2.46
7/1/2016	\$ 9,591.04	\$ 9,583.12	\$ 19,175.00	1.62
1/1/2017		19,175.00	19,175.00	1.62
7/1/2017		934,174.38	934,175.00	1.00
	<u>\$ 9,591.04</u>	<u>\$ 962,932.50</u>	<u>\$ 972,525.00</u>	

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016BESCROW FUND CASH FLOW
FOR THE 2009 NOTE

<u>Date</u>	<u>Cash receipts from Escrowed Securities for the 2009 Note from Other Funds (Exhibit B-4)</u>	<u>Cash receipts from Escrowed Securities for the 2009 Note from Note Proceeds (Exhibit B-4)</u>	<u>Cash disbursements for the 2009 Refunded Note (Exhibit C-3)</u>	<u>Cash balance</u>
Initial cash deposit on 4/15/2016				\$ 1.94
5/1/2016	\$ 214,883.00		\$ 214,883.75	1.19
11/1/2016	214,884.44	\$ 36,281.27	214,883.75	36,283.16
5/1/2017	214,883.88	33,349.45	214,883.75	69,632.74
11/1/2017	214,883.03	33,349.45	214,883.75	102,981.47
5/1/2018	214,884.00	33,349.45	214,883.75	136,331.17
11/1/2018	214,883.42	33,349.45	214,883.75	169,680.29
5/1/2019	509,926.01	7,880,278.45	8,559,883.75	1.00
	<u>\$ 1,799,227.79</u>	<u>\$ 8,049,957.51</u>	<u>\$ 9,849,186.25</u>	

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016BAGGREGATE YIELD ON THE ESCROWED SECURITIES
PURCHASED WITH NOTE PROCEEDS
FOR THE ADVANCE REFUNDINGS

Date	Escrow receipts for the 2007 Loan (Exhibit B-3)	Escrow receipts for the 2009 Note (Exhibit B-4)	Total Receipts	Present value on 4/15/2016 using a yield of 0.8353411%
7/1/2016	\$ 9,583.12		\$ 9,583.12	\$ 9,566.27
11/1/2016		\$ 36,281.27	36,281.27	36,116.98
1/1/2017	19,175.00		19,175.00	19,061.67
5/1/2017		33,349.45	33,349.45	33,060.35
7/1/2017	934,174.38		934,174.38	924,790.55
11/1/2017		33,349.45	33,349.45	32,922.84
5/1/2018		33,349.45	33,349.45	32,785.91
11/1/2019		33,349.45	33,349.45	32,378.50
5/1/2019		7,880,278.45	7,880,278.45	7,682,804.93
	<u>\$ 962,932.50</u>	<u>\$ 8,049,957.51</u>	<u>\$ 9,012,890.01</u>	<u>\$ 8,803,488.00</u>

Escrowed Securities purchased with Note Proceeds for:

The 2007 Loan Advance Refunding

\$ 956,559.00

The 2009 Note Advance Refunding

7,846,929.00

\$ 8,803,488.00

EXHIBIT B-2

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016B

SCHEDULE OF INTEREST RECEIPTS AND PRINCIPAL
MATURITIES OF THE ESCROWED SECURITIES
TO REFUND THE 2005 LOAN

Payment date	5/18/2016	
	\$	Total
	3,364,588	
	0.180%	
5/18/2016	\$ 3,365,135.56	\$ 3,365,135.56
	<u>\$ 3,365,135.56</u>	<u>\$ 3,365,135.56</u>

(To Exhibit A-1)

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016BSCHEDULE OF INTEREST RECEIPTS AND PRINCIPAL
MATURITIES OF THE ESCROWED SECURITIES
TO REFUND THE 2007 LOAN

PURCHASED WITH OTHER FUNDS

Payment date	7/1/2016 \$ 9,587.00 0.200%	Total
7/1/2016	\$ 9,591.04	\$ 9,591.04
	<u>\$ 9,591.04</u>	<u>\$ 9,591.04</u>

(To Exhibit A-2)

PURCHASED WITH NOTE PROCEEDS

Payment date	7/1/2016 \$ 8,476 0.200%	1/1/2017 \$ 16,517 0.420%	7/1/2017 \$ 931,566 0.560%	Total
7/1/2016	\$ 8,479.58		\$ 1,103.55	\$ 9,583.12
1/1/2017		\$ 16,566.61	2,608.38	19,175.00
7/1/2017			934,174.38	934,174.38
	<u>\$ 8,479.58</u>	<u>\$ 16,566.61</u>	<u>\$ 937,886.32</u>	<u>\$ 962,932.50</u>

(To Exhibits A-2 & B-1)

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016BSCHEDULE OF INTEREST RECEIPT AND PRINCIPAL
MATURITIES ON THE ESCROWED SECURITIES
TO REFUND THE 2009 NOTE

PURCHASED WITH OTHER FUNDS

Payment date	5/1/2016 \$ 214,883 0.000%	11/1/2016 \$ 209,106 0.350%	5/1/2017 \$ 209,941 0.520%	11/1/2017 \$ 210,486 0.630%	5/1/2018 \$ 211,150 0.710%	11/1/2018 \$ 211,899 0.780%	5/1/2019 \$ 507,768 0.850%	Total
5/1/2016	\$ 214,883.00							\$ 214,883.00
11/1/2016		\$ 209,507.03						214,884.44
5/1/2017			\$ 593.83	\$ 721.32	\$ 815.48	\$ 899.06	\$ 2,347.73	214,883.88
11/1/2017			210,486.85	663.03	749.58	826.41	2,158.01	214,883.03
5/1/2018				211,149.03	749.58	826.41	2,158.01	214,884.00
11/1/2018					211,899.58	826.41	2,158.01	214,883.42
5/1/2019						212,725.41	2,158.01	509,926.01
	<u>\$ 214,883.00</u>	<u>\$ 209,507.03</u>	<u>\$ 211,080.68</u>	<u>\$ 212,533.38</u>	<u>\$ 214,214.23</u>	<u>\$ 216,103.68</u>	<u>\$ 520,905.80</u>	<u>\$ 1,799,227.79</u>

(To Exhibit A-3)

PURCHASED WITH NOTE PROCEEDS

Payment date	5/1/2019 \$ 7,846,929 0.850%	Total
11/1/2016		\$ 36,281.27
5/1/2017	\$ 33,349.45	33,349.45
11/1/2017	33,349.45	33,349.45
5/1/2018	33,349.45	33,349.45
11/1/2018	33,349.45	33,349.45
5/1/2019	7,880,278.45	7,880,278.45
	<u>\$ 8,049,957.51</u>	<u>\$ 8,049,957.51</u>

(To Exhibits A-3 & B-1)

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016BCHARACTERISTICS AND PURCHASE
PRICE OF THE ESCROWED SECURITIES
(BY PURPOSE AND TOTAL)U.S. TREASURY OBLIGATIONS -
STATE AND LOCAL GOVERNMENT SERIES

Maturity date	Type	Purchased from Issuer Contribution	Purchased from Excess 2009 Proceeds	Purchased from Note Proceeds	Par	Coupon rate
PURCHASED TO REFUND THE 2005 LOAN						
5/18/2016	SLGS	\$ 242,936	-	\$ 3,121,652	\$ 3,364,588.00	0.180%
		<u>\$ 242,936</u>	<u>-</u>	<u>\$ 3,121,652</u>	<u>\$ 3,364,588.00</u>	
PURCHASED WITH OTHER FUNDS						
TO REFUND THE 2007 LOAN						
7/1/2016	SLGS	\$ 9,587	-	-	\$ 9,587.00	0.200%
		<u>\$ 9,587</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 9,587.00</u>	
TO REFUND THE 2009 NOTE						
5/1/2016	SLGS	\$ 179,069	\$ 35,814	-	\$ 214,883.00	0.000%
11/1/2016	SLGS	-	209,106	-	209,106.00	0.350%
5/1/2017	SLGS	-	209,941	-	209,941.00	0.520%
11/1/2017	SLGS	-	210,488	-	210,486.00	0.630%
5/1/2018	SLGS	-	211,150	-	211,150.00	0.710%
11/1/2018	SLGS	-	211,899	-	211,899.00	0.780%
5/1/2019	SLGS	-	507,768	-	507,768.00	0.850%
		<u>\$ 179,069</u>	<u>\$ 1,596,164</u>	<u>\$ -</u>	<u>\$ 1,775,233.00</u>	
PURCHASED WITH NOTE PROCEEDS						
TO REFUND THE 2007 LOAN						
7/1/2016	SLGS	-	-	\$ 8,476	\$ 8,476.00	0.200%
1/1/2017	SLGS	-	-	16,517	16,517.00	0.420%
7/1/2017	SLGS	-	-	931,566	931,566.00	0.560%
		<u>\$ -</u>	<u>-</u>	<u>\$ 956,559</u>	<u>\$ 956,559.00</u>	
TO REFUND THE 2009 NOTE						
5/1/2019	SLGS	-	-	\$ 7,846,929	\$ 7,846,929.00	0.850%
		<u>\$ -</u>	<u>-</u>	<u>\$ 7,846,929</u>	<u>\$ 7,846,929.00</u>	
Total Purchase Price of the of the Escrowed Securities		<u>\$ 431,592</u>	<u>\$ 1,596,164</u>	<u>\$ 11,925,140</u>	<u>\$ 13,952,896.00</u>	
						(Exhibit E)

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016BDEBT SERVICE TO MATURITY AND
ESCROW REQUIREMENTS FOR THE 2005 REFUNDED LOAN

Date	Remaining Scheduled Debt Service Payments to Original Maturity Date (For Reference Purposes Only)			Accrued Interest	Total Debt Service Payments	Escrow requirements
	Principal	Interest rate	Interest			
5/18/2016				\$ 50,136.77		\$ 3,365,136.77
7/1/2016	\$ 280,000	3.500%	\$ 65,873.13		\$ 345,873.13	
1/1/2017			60,973.13		60,973.13	
7/1/2017	285,000	3.750%	60,973.13		345,973.13	
1/1/2018			55,629.38		55,629.38	
7/1/2018	300,000	4.000%	55,629.38		355,629.38	
1/1/2019			49,629.38		49,629.38	
7/1/2019	310,000	4.000%	49,629.38		359,629.38	
1/1/2020			43,429.38		43,429.38	
7/1/2020	320,000	4.000%	43,429.38		363,429.38	
1/1/2021			37,029.38		37,029.38	
7/1/2021	335,000	4.000%	37,029.38		372,029.38	
1/1/2022			30,329.38		30,329.38	
7/1/2022	350,000	4.000%	30,329.38		380,329.38	
1/1/2023			23,329.38		23,329.38	
7/1/2023	365,000	4.000%	23,329.38		388,329.38	
1/1/2024			16,029.38		16,029.38	
7/1/2024	375,000	4.125%	16,029.38		391,029.38	
1/1/2025			8,295.00		8,295.00	
7/1/2025	395,000	4.200%	8,295.00		403,295.00	
	<u>\$ 3,315,000</u>		<u>\$ 715,220.71</u>	<u>\$ 50,136.77</u>	<u>\$ 4,030,220.71</u>	<u>\$ 3,365,136.77</u>

(To Exhibit A-1)

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016B

DEBT SERVICE TO MATURITY AND
ESCROW REQUIREMENTS FOR THE 2007 REFUNDED LOAN

Date	Remaining Scheduled Debt Service Payments to Original Maturity Date (For Reference Purposes Only)			Total Debt Service Payments	Escrow requirements
	Principal	Interest rate	Interest		
7/1/2016			\$ 19,175.00	\$ 19,175.00	\$ 19,175.00
1/1/2017			19,175.00	19,175.00	19,175.00
7/1/2017			19,175.00	19,175.00	934,175.00
1/1/2018			19,175.00	19,175.00	
7/1/2018	\$ 75,000	4.000%	19,175.00	94,175.00	
1/1/2019			17,675.00	17,675.00	
7/1/2019	80,000	4.000%	17,675.00	97,675.00	
1/1/2020			16,075.00	16,075.00	
7/1/2020	80,000	4.000%	16,075.00	96,075.00	
1/1/2021			14,475.00	14,475.00	
7/1/2021	85,000	4.125%	14,475.00	99,475.00	
1/1/2022			12,721.88	12,721.88	
7/1/2022	90,000	4.125%	12,721.88	102,721.88	
1/1/2023			10,865.63	10,865.63	
7/1/2023	95,000	4.250%	10,865.63	105,865.63	
1/1/2024			8,846.88	8,846.88	
7/1/2024	95,000	4.250%	8,846.88	103,846.88	
1/1/2025			6,828.13	6,828.13	
7/1/2025	100,000	4.250%	6,828.13	106,828.13	
1/1/2026			4,703.13	4,703.13	
7/1/2026	105,000	4.375%	4,703.13	109,703.13	
1/1/2027			2,406.25	2,406.25	
7/1/2027	110,000	4.375%	2,406.25	112,406.25	
	<u>\$ 915,000</u>		<u>\$ 285,068.80</u>	<u>\$ 1,200,068.80</u>	<u>\$ 972,525.00</u>

(To Exhibit A-2)

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016B

DEBT SERVICE TO MATURITY AND
ESCROW REQUIREMENTS FOR THE 2009 REFUNDED NOTE

Date	Remaining Scheduled Debt Service Payments to Original Maturity Date (For Reference Purposes Only)			Total Debt Service Payments	Escrow requirements
	Principal	Interest rate	Interest		
5/1/2016			\$ 214,883.75	\$ 214,883.75	\$ 214,883.75
11/1/2016			214,883.75	214,883.75	214,883.75
5/1/2017			214,883.75	214,883.75	214,883.75
11/1/2017			214,883.75	214,883.75	214,883.75
5/1/2018			214,883.75	214,883.75	214,883.75
11/1/2018			214,883.75	214,883.75	214,883.75
5/1/2019			214,883.75	214,883.75	8,559,883.75
11/1/2019	\$ 660,000	5.150%	214,883.75	874,883.75	
5/1/2020			197,888.75	197,888.75	
11/1/2020	695,000	5.150%	197,888.75	892,888.75	
5/1/2021			179,992.50	179,992.50	
11/1/2021	730,000	5.150%	179,992.50	909,992.50	
5/1/2022			161,195.00	161,195.00	
11/1/2022	765,000	5.150%	161,195.00	926,195.00	
5/1/2023			141,496.25	141,496.25	
11/1/2023	805,000	5.150%	141,496.25	946,496.25	
5/1/2024			120,767.50	120,767.50	
11/1/2024	845,000	5.150%	120,767.50	965,767.50	
5/1/2025			99,008.75	99,008.75	
11/1/2025	890,000	5.150%	99,008.75	989,008.75	
5/1/2026			76,091.25	76,091.25	
11/1/2026	935,000	5.150%	76,091.25	1,011,091.25	
5/1/2027			52,015.00	52,015.00	
11/1/2027	985,000	5.150%	52,015.00	1,037,015.00	
5/1/2028			26,651.25	26,651.25	
11/1/2028	1,035,000	5.150%	26,651.25	1,061,651.25	
	<u>\$ 8,345,000</u>		<u>\$ 3,829,282.50</u>	<u>\$ 12,174,282.50</u>	<u>\$ 9,849,186.25</u>

(To Exhibit A-3)

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016B

DEBT SERVICE AND YIELD ON THE NOTES

Debt service payment date	Principal	Interest rate	Interest	Total debt service	Present value on 4/15/2016 using a yield of 2.339420%
11/1/2016	\$ 50,000	2.300%	\$ 236,523.00	\$ 286,523.00	\$ 282,917.66
5/1/2017			216,640.00	216,640.00	211,440.76
11/1/2017	735,000	2.351% *	216,640.00	951,640.00	918,062.47
5/1/2018			208,000.00	208,000.00	198,340.94
11/1/2018	825,000	2.346% *	208,000.00	1,033,000.00	973,641.01
5/1/2019			198,322.50	198,322.50	184,765.13
11/1/2019	1,510,000	2.326% *	198,322.50	1,708,322.50	1,573,140.04
5/1/2020			180,762.50	180,762.50	164,533.89
11/1/2020	1,540,000	2.326% *	180,762.50	1,720,762.50	1,548,165.71
5/1/2021			162,852.50	162,852.50	144,823.97
11/1/2021	1,575,000	2.326% *	162,852.50	1,737,852.50	1,527,595.65
5/1/2022			144,535.00	144,535.00	125,579.29
11/1/2022	1,615,000	2.326% *	144,535.00	1,759,535.00	1,511,097.19
5/1/2023			125,752.50	125,752.50	106,748.21
11/1/2023	1,660,000	2.326% *	125,752.50	1,785,752.50	1,498,355.07
5/1/2024			106,447.50	106,447.50	88,283.27
11/1/2024	1,685,000	2.326% *	106,447.50	1,791,447.50	1,468,576.41
5/1/2025			86,850.00	86,850.00	70,373.93
11/1/2025	1,735,000	2.326% *	86,850.00	1,821,850.00	1,459,163.87
5/1/2026			66,672.50	66,672.50	52,782.22
11/1/2026	1,385,000	2.333% *	66,672.50	1,451,672.50	1,135,949.67
5/1/2027			50,515.00	50,515.00	39,071.52
11/1/2027	1,420,000	2.333% *	50,515.00	1,470,515.00	1,124,239.62
5/1/2028			33,950.00	33,950.00	25,655.39
11/1/2028	1,345,000	2.336% *	33,950.00	1,378,950.00	1,029,999.31
5/1/2029			18,240.00	18,240.00	13,466.75
11/1/2029	495,000	2.400%	18,240.00	513,240.00	374,548.36
5/1/2030			12,300.00	12,300.00	8,872.42
11/1/2030	505,000	2.400%	12,300.00	517,300.00	368,832.23
5/1/2031			6,240.00	6,240.00	4,397.65
11/1/2031	520,000	2.400%	6,240.00	526,240.00	366,580.39
	<u>\$ 18,600,000</u>		<u>\$ 3,472,683.00</u>	<u>\$ 22,072,683.00</u>	<u>\$ 18,600,000.00</u>

Aggregate Offering Price of the Notes (Exhibit E)

\$ 18,600,000.00

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016B

CHARACTERISTICS AND PRICING SUMMARY OF THE NOTES

Scheduled maturity date	Principal	Interest Rate	Yield as of 4/15/2016	Price	Gross Production
11/1/2016	\$ 50,000	2.300%	2.300%	100.000	\$ 50,000.00
11/1/2017	360,000	2.300%	2.300%	100.000	360,000.00
11/1/2017	375,000	2.400%	2.400%	100.000	375,000.00
11/1/2018	445,000	2.300%	2.300%	100.000	445,000.00
11/1/2018	380,000	2.400%	2.400%	100.000	380,000.00
11/1/2019	1,120,000	2.300%	2.300%	100.000	1,120,000.00
11/1/2019	390,000	2.400%	2.400%	100.000	390,000.00
11/1/2020	1,140,000	2.300%	2.300%	100.000	1,140,000.00
11/1/2020	400,000	2.400%	2.400%	100.000	400,000.00
11/1/2021	1,165,000	2.300%	2.300%	100.000	1,165,000.00
11/1/2021	410,000	2.400%	2.400%	100.000	410,000.00
11/1/2022	1,195,000	2.300%	2.300%	100.000	1,195,000.00
11/1/2022	420,000	2.400%	2.400%	100.000	420,000.00
11/1/2023	1,230,000	2.300%	2.300%	100.000	1,230,000.00
11/1/2023	430,000	2.400%	2.400%	100.000	430,000.00
11/1/2024	1,245,000	2.300%	2.300%	100.000	1,245,000.00
11/1/2024	440,000	2.400%	2.400%	100.000	440,000.00
11/1/2025	1,285,000	2.300%	2.300%	100.000	1,285,000.00
11/1/2025	450,000	2.400%	2.400%	100.000	450,000.00
11/1/2026	925,000	2.300%	2.300%	100.000	925,000.00
11/1/2026	460,000	2.400%	2.400%	100.000	460,000.00
11/1/2027	950,000	2.300%	2.300%	100.000	950,000.00
11/1/2027	470,000	2.400%	2.400%	100.000	470,000.00
11/1/2028	860,000	2.300%	2.300%	100.000	860,000.00
11/1/2028	485,000	2.400%	2.400%	100.000	485,000.00
11/1/2029	495,000	2.400%	2.400%	100.000	495,000.00
11/1/2030	505,000	2.400%	2.400%	100.000	505,000.00
11/1/2031	520,000	2.400%	2.400%	100.000	520,000.00
	<u>\$ 18,600,000</u>				<u>\$ 18,600,000.00</u>
Aggregate Offering Price of the Notes					\$ 18,600,000.00
Par amount of the Notes					<u>18,600,000.00</u>
Original issue premium					<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA

REFUNDING REVENUE NOTE, SERIES 2016A
REVENUE NOTE, SERIES 2016B

SOURCES AND USES OF FUNDS

	2016A	2016B	Total
<u>Sources of Funds</u>			
Par amount of the Notes	\$ 11,970,000.00	\$ 6,630,000.00	\$ 18,600,000.00
Net original issue premium	-	-	-
Aggregate Offering Price of the Notes	11,970,000.00	6,630,000.00	18,600,000.00
Excess 2009 proceeds	1,596,164.00		1,596,164.00
Contribution	431,593.85		431,593.85
	<u>\$ 13,997,757.85</u>	<u>\$ 6,630,000.00</u>	<u>\$ 20,627,757.85</u>
<u>Uses of Funds</u>			
Purchase price of Escrowed Securities	\$ 13,952,896.00		\$ 13,952,896.00
Beginning cash deposit to Escrow Fund	6.61		6.61
Total deposit to Escrow Fund	13,952,902.61	-	13,952,902.61
Deposit to the Project Fund	-	\$ 6,596,164.00	6,596,164.00
Issuance costs	44,855.24	33,836.00	78,691.24
	<u>\$ 13,997,757.85</u>	<u>\$ 6,630,000.00</u>	<u>\$ 20,627,757.85</u>



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092

Date/Time: 04/08/2016 01:34 PM EDT

Page: 1 of 2

Issue Information

Treasury Case Number 201601656
Status Complete
Issue Date 04/15/2016
Issue Amount \$4,330,734.00
Rate Table Date 04/08/2016

Owner

Taxpayer Identification Number 59-6000325
Underlying Bond Issue Refunding Revenue Note, Series 2016A (Ref 05 and Ref 07)
Owner Name City of Gainesville, Florida
Address Line 1 200 E. University Avenue
Line 2 Room 339
Line 3
City Gainesville
State FL
Zip Code 32601
Contact Name April Shuping
Telephone 352-393-8782
Fax 352-334-3163
E-mail shupingma@cityofgainesville.org

Trustee

ABA Routing Number 091000022
Bank Reference Number
Bank Name US Bank N.A.
Address Line 1 777 East Wisconsin Avenue
Line 2
Line 3
City Milwaukee
State WI
Zip Code 53202
Contact Name Janice Entsminger
Telephone 407-835-3810
Fax
E-mail janice.entsminger@usbank.com

Funds for Purchase

ABA Routing Number 091000022
Bank Name US Bank N.A.
Contact Name Janice Entsminger
Telephone 407-835-3810
Fax
E-mail janice.entsminger@usbank.com



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092

Date/Time: 04/08/2016 01:34 PM EDT

Page: 2 of 2

ACH Institutions & Instructions

ABA Routing Number 091000022

Bank Name US Bank N.A.

Address Line 1 777 East Wisconsin
Avenue

Line 2

Line 3

City Milwaukee

State WI

Zip Code 53202

Contact Name Janice Entsminger

Telephone 407-835-3810

Fax

E-mail janice.entsminger@usbank.com

ABA Routing Number 091000022

Account Name US Bank ACH Recpts

Account Number 173100077762

Account Type Checking

Subscriber

ABA/TIN 23-3087064

Organization Name PFM Asset Management LLC

Address Line 1 One Keystone Plaza Suite 300

Line 2 North Front and Market Streets

Line 3

City Harrisburg

State PA

Zip Code 17101

Contact Name Kenny Zhu

Telephone 717-232-2723

Fax 717-232-7837

E-mail zhuk@pfm.com

Viewers

ABA/TIN	Organization Name
No Viewers Assigned	

Securities

Security Number	Security Type	Principal Amount	Interest Rate	Maturity Date	First Interest Payment Date	Security Description
1	C of I	\$3,364,588.00	0.180000000	05/18/2016		
2	C of I	\$18,063.00	0.200000000	07/01/2016		
3	C of I	\$16,517.00	0.420000000	01/01/2017		
4	Note	\$931,566.00	0.560000000	07/01/2017	07/01/2016	



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092

Date/Time: 04/08/2016 01:36 PM EDT

Page: 1 of 2

Issue Information

Treasury Case Number 201601657
Status Complete
Issue Date 04/15/2016
Issue Amount \$9,622,162.00
Rate Table Date 04/08/2016

Owner

Taxpayer Identification Number 59-6000325
Underlying Bond Issue Refunding Revenue Note, Series 2016A (Ref 09)
Owner Name City of Gainesville, Florida
Address Line 1 200 E. University Avenue
Line 2 Room 339
Line 3
City Gainesville
State FL
Zip Code 32601
Contact Name April Shuping
Telephone 352-393-8782
Fax 352-334-3163
E-mail shupingma@cityofgainesville.org

Trustee

ABA Routing Number 091000022
Bank Reference Number
Bank Name US Bank N.A.
Address Line 1 777 E. Wisconsin Avenue
Line 2
Line 3
City Milwaukee
State WI
Zip Code 53502
Contact Name Janice Entsminger
Telephone 407-835-3810
Fax
E-mail janice.entsminger@usbank.com

Funds for Purchase

ABA Routing Number 091000022
Bank Name US Bank N.A.
Contact Name Janice Entsminger
Telephone 407-835-3810
Fax
E-mail janice.entsminger@usbank.com



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092

Date/Time: 04/08/2016 01:36 PM EDT

Page: 2 of 2

ACH Institutions & Instructions

ABA Routing Number 091000022

Bank Name US Bank N.A.

Address Line 1 777 E. Wisconsin
Avenue

Line 2

Line 3

City Milwaukee

State WI

Zip Code 53502

Contact Name Janice Entsminger

Telephone 407-835-3810

Fax

E-mail janice.entsminger@usbank.com

ABA Routing Number 091000022

Account Name US Bank ACH Recpts

Account Number 173100077762

Account Type Checking

Subscriber

ABA/TIN 23-3087064

Organization Name PFM Asset Management LLC

Address Line 1 One Keystone Plaza Suite 300

Line 2 North Front and Market Streets

Line 3

City Harrisburg

State PA

Zip Code 17101

Contact Name Christopher Rekawek

Telephone 717-232-2723

Fax 717-232-7837

E-mail rekawekc@pfm.com

Viewers

ABA/TIN	Organization Name
No Viewers Assigned	

Securities

Security Number	Security Type	Principal Amount	Interest Rate	Maturity Date	First Interest Payment Date	Security Description
1	C of I	\$214,883.00	0.000000000	05/01/2016		
2	C of I	\$209,106.00	0.350000000	11/01/2016		
3	Note	\$209,941.00	0.520000000	05/01/2017	11/01/2016	
4	Note	\$210,486.00	0.630000000	11/01/2017	11/01/2016	
5	Note	\$211,150.00	0.710000000	05/01/2018	11/01/2016	
6	Note	\$211,899.00	0.780000000	11/01/2018	11/01/2016	
7	Note	\$8,354,697.00	0.850000000	05/01/2019	11/01/2016	



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

25.
OMB: No: 1535-0092
Date/Time: 04/08/2016 01:34 PM EDT
Page: 1 of 2

Issue Information

Treasury Case 201601656
Number
Status Complete
Issue Date 04/15/2016
Issue Amount \$4,330,734.00
Rate Table Date 04/08/2016

Owner

Taxpayer 59-6000325
Identification Number
Underlying Bond Refunding Revenue Note, Series 2016A (Ref 05 and Ref 07)
Issue
Owner Name City of Gainesville, Florida
Address Line 1 200 E. University Avenue
Line 2 Room 339
Line 3
City Gainesville
State FL
Zip Code 32601
Contact Name April Shuping
Telephone 352-393-8782
Fax 352-334-3163
E-mail shupingma@cityofgainesville.org

Trustee

ABA Routing Number 091000022
Bank Reference
Number
Bank Name US Bank N.A.
Address Line 1 777 East Wisconsin Avenue
Line 2
Line 3
City Milwaukee
State WI
Zip Code 53202
Contact Name Janice Entsminger
Telephone 407-835-3810
Fax
E-mail janice.entsminger@usbank.com

Funds for Purchase

ABA Routing Number 091000022
Bank Name US Bank N.A.
Contact Name Janice Entsminger
Telephone 407-835-3810
Fax
E-mail janice.entsminger@usbank.com



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 04/08/2016 01:34 PM EDT
Page: 2 of 2

ACH Institutions & Instructions

ABA Routing Number 091000022

Bank Name US Bank N.A.

Address Line 1 777 East Wisconsin
Avenue

Line 2

Line 3

City Milwaukee

State WI

Zip Code 53202

Contact Name Janice Entsminger

Telephone 407-835-3810

Fax

E-mail janice.entsminger@usbank.com

ABA Routing Number 091000022

Account Name US Bank ACH Recpts

Account Number 173100077762

Account Type Checking

Subscriber

ABA/TIN 23-3087064

Organization Name PFM Asset Management LLC

Address Line 1 One Keystone Plaza Suite 300

Line 2 North Front and Market Streets

Line 3

City Harrisburg

State PA

Zip Code 17101

Contact Name Kenny Zhu

Telephone 717-232-2723

Fax 717-232-7837

E-mail zhuk@pfm.com

Viewers

ABA/TIN	Organization Name
No Viewers Assigned	

Securities

Security Number	Security Type	Principal Amount	Interest Rate	Maturity Date	First Interest Payment Date	Security Description
1	C of I	\$3,364,588.00	0.180000000	05/18/2016		
2	C of I	\$18,063.00	0.200000000	07/01/2016		
3	C of I	\$16,517.00	0.420000000	01/01/2017		
4	Note	\$931,566.00	0.560000000	07/01/2017	07/01/2016	



**U.S. Treasury Securities
SLGS Time Deposit
Subscription View**

OMB: No: 1535-0092
Date/Time: 04/08/2016 01:36 PM EDT
Page: 1 of 2

Issue Information

Treasury Case 201601657
Number
Status Complete
Issue Date 04/15/2016
Issue Amount \$9,622,162.00
Rate Table Date 04/08/2016

Owner

Taxpayer 59-6000325
Identification Number
Underlying Bond Refunding Revenue Note, Series 2016A (Ref 09)
Issue
Owner Name City of Gainesville, Florida
Address Line 1 200 E. University Avenue
Line 2 Room 339
Line 3
City Gainesville
State FL
Zip Code 32601
Contact Name April Shuping
Telephone 352-393-8782
Fax 352-334-3163
E-mail shupingma@cityofgainesville.org

Trustee

ABA Routing Number 091000022
Bank Reference
Number
Bank Name US Bank N.A.
Address Line 1 777 E. Wisconsin Avenue
Line 2
Line 3
City Milwaukee
State WI
Zip Code 53502
Contact Name Janice Entsminger
Telephone 407-835-3810
Fax
E-mail janice.entsminger@usbank.com

Funds for Purchase

ABA Routing Number 091000022
Bank Name US Bank N.A.
Contact Name Janice Entsminger
Telephone 407-835-3810
Fax
E-mail janice.entsminger@usbank.com



U.S. Treasury Securities
SLGS Time Deposit
Subscription View

OMB: No: 1535-0092
Date/Time: 04/08/2016 01:36 PM EDT
Page: 2 of 2

ACH Institutions & Instructions

ABA Routing Number 091000022

Bank Name US Bank N.A.

Address Line 1 777 E. Wisconsin
Avenue

Line 2

Line 3

City Milwaukee

State WI

Zip Code 53502

Contact Name Janice Entsminger

Telephone 407-835-3810

Fax

E-mail janice.entsminger@usbank.com

ABA Routing Number 091000022

Account Name US Bank ACH Recpts

Account Number 173100077762

Account Type Checking

Subscriber

ABA/TIN 23-3087064

Organization Name PFM Asset Management LLC

Address Line 1 One Keystone Plaza Suite 300

Line 2 North Front and Market Streets

Line 3

City Harrisburg

State PA

Zip Code 17101

Contact Name Christopher Rekawek

Telephone 717-232-2723

Fax 717-232-7837

E-mail rekawekc@pfm.com

Viewers

ABA/TIN	Organization Name
No Viewers Assigned	

Securities

Security Number	Security Type	Principal Amount	Interest Rate	Maturity Date	First Interest Payment Date	Security Description
1	C of I	\$214,883.00	0.000000000	05/01/2016		
2	C of I	\$209,106.00	0.350000000	11/01/2016		
3	Note	\$209,941.00	0.520000000	05/01/2017	11/01/2016	
4	Note	\$210,486.00	0.630000000	11/01/2017	11/01/2016	
5	Note	\$211,150.00	0.710000000	05/01/2018	11/01/2016	
6	Note	\$211,899.00	0.780000000	11/01/2018	11/01/2016	
7	Note	\$8,354,697.00	0.850000000	05/01/2019	11/01/2016	

FINANCIAL ADVISOR'S DISCLOSURE STATEMENT

Public Financial Management, Inc., with respect to the \$11,970,000 City of Gainesville, Florida Refunding Revenue Note, Series 2016A (the "2016A Note") and the \$6,630,000 City of Gainesville, Florida Revenue Note, Series 2016B (the "2016B Note"), HEREBY CERTIFIES the following:

No fee, bonus or gratuity has been paid by us in connection with the 2016A Note or the 2016B Note, to any person not regularly employed or engaged by us.

Dated this 15th day of April, 2016.

PUBLIC FINANCIAL MANAGEMENT, INC.

By: 

Title: James W. Glover

Its: Managing Director

Holland & Knight

2115 Harden Boulevard | Lakeland, FL 33803 | T 863.682.1161 | F 863.688.1186
Holland & Knight LLP | www.hklaw.com

Michael L. Wiener
863 499 5362
michael.wiener@hklaw.com

April 15, 2016

Ambac Assurance Corporation
One State Street Plaza
New York, New York 10004
Attn: Surveillance Department

Re: First Florida Governmental Financing Commission Revenue Bonds, Series 2005; **Policy No. 23589BE** (the "2005 Bonds") and First Florida Governmental Financing Commission Improvement and Refunding Revenue Bonds, Series 2007 payable on and after June 20, 2018; **Policy No. 26430BE** (the "2007 Bonds")

Ladies and Gentlemen:

Pursuant to the requirements of Section 2.02(e) of each of the Loan Agreements dated as of March 1, 2005 and April 1, 2007 in connection with the above-referenced Bonds, respectively (collectively, the "Loan Agreements"), each between the City of Gainesville, Florida (the "City") and First Florida Governmental Financing Commission, I am hereby notifying you of the issuance by the City of its Refunding Revenue Note, Series 2016A and its Revenue Note, Series 2016B on April 15, 2016.

Sincerely yours,

HOLLAND & KNIGHT LLP



Michael L. Wiener

MLW/lcm
#40113268_v1
16334-48

NOTICE OF PREPAYMENT

RE: City of Gainesville, Florida's obligations with respect to the First Florida Governmental Financing Commission Revenue Bonds, Series 2005 and First Florida Governmental Financing Commission Improvement and Refunding Revenue Bonds, Series 2007

Irrevocable notice is hereby given by the City of Gainesville, Florida (the "City") to First Florida Governmental Financing Commission (the "Commission"), pursuant to a Loan Agreement dated as of March 1, 2005 (the "2005 Loan Agreement") and a Loan Agreement dated as of April 1, 2007 (the "2007 Loan Agreement") each between the Commission and the City, that the City will be prepaying its obligations under the 2005 Loan Agreement and the City's obligations under the 2007 Loan Agreement payable on and after June 20, 2018. The obligations under the 2005 Loan Agreement will be paid in full on May 18, 2016 and the obligations under the 2007 Loan Agreement will be paid in full on July 1, 2017. The money for said prepayments has been deposited into an Escrow Deposit Fund (2005 Loan) and Escrow Deposit Fund (2007 Loan) for the City's obligations under the 2005 Loan Agreement and the 2007 Loan Agreement, respectively, established pursuant to an Escrow Deposit Agreement dated April 15, 2016 between the City and U.S. Bank National Association, as escrow agent.

Dated: April 15, 2016

By: 

April Shuping, Finance Director

WAIVER

Re: First Florida Governmental Financing Commission Revenue Bonds, Series 2005 (the "Bonds")

First Florida Governmental Financing Commission (the "Commission"), as party to a Loan Agreement dated as of March 1, 2005 (the "2005 Loan Agreement") between the Commission and the City of Gainesville, Florida hereby waives the requirement under Article VI of the 2005 Loan Agreement that the City notify the Commission in writing at least 60 days prior to the prepayment date of the prepayment of all or part of its loan under the Loan Agreement.

Dated this 15th day of April, 2016



FIRST FLORIDA GOVERNMENTAL
FINANCING COMMISSION

By: _____

Name: Richard C. Dowdy

Title: Executive Director



The PFM Group
Financial & Investment Advisors

Lincoln Plaza
Suite 1170
300 S. Orange Avenue
Orlando, FL
32801-3470

407-648-2208
407-648-1323 fax
www.pfm.com

CLOSING MEMORANDUM

TO: Working Group
FROM: Jay Glover, Managing Director – Public Financial Management, Inc.
DATE: April 15, 2016
RE: City of Gainesville, Florida
Refunding Revenue Note, Series 2016A and Revenue Note, Series 2016B
Closing Wiring Instructions

On Tuesday, April 12, 2016 at 12:30 P.M. the pre-closing for the City's Refunding Revenue Note, Series 2016A (the "2016A Note") and Revenue Note, Series 2016B (the "2016B Note" and collectively with the 2016A Note, the "2016 Notes") will occur in the City Attorney's conference room on the 4th floor of City Hall.

On Friday, April 15, 2016 the closing for the 2016 Notes will occur. The following wire transfers will occur during the closing of the 2016 Notes.

2016A Note Wires:

- (1) TD Bank, National Association will wire funds to U.S. Bank National Association, as Escrow Agent, in the amount of **\$11,925,144.76** per the following instructions:

\$7,846,930.15 for the 2009 Note refunding

U.S. Bank National Association
777 E. Wisconsin Avenue
Milwaukee, Wisconsin 53202-5300
ABA Routing No.: 091000022
BNF: U.S. Bank CT WIRE CLRG
BNF: Account No: 180121167365
Ref: City of Gainesville BB&T Escrow

\$4,078,214.61 for the 2005/2007 Bonds refunding

U.S. Bank National Association
777 E. Wisconsin Avenue
Milwaukee, Wisconsin 53202-5300
ABA Routing No.: 091000022
BNF: U.S. Bank CT WIRE CLRG
BNF: Account No: 180121167365
Ref: City of Gainesville FFGFC Escrow

- (2) TD Bank, National Association will wire funds to the City in the amount of **\$39,855.24** representing the cost of issuance (net of the \$5,000 bank counsel fee) per the following instructions:

SunTrust Bank
Routing Number: 061000104
Account Number: 6050050005274
City of Gainesville Master Treasury Account
Contact: Lisa Hayes (904-632-2599)



- (3) The City will wire funds to U.S. Bank National Association, as Escrow Agent, in the amount of \$2,027,757.85 representing the accrued interest on refunded bonds (\$431,593.85) and 2009 Note excess proceeds (\$1,596,164) per the following instructions:

\$1,775,233.79 for the 2009 Note refunding

U.S. Bank National Association
777 E. Wisconsin Avenue
Milwaukee, Wisconsin 53202-5300
ABA Routing No.: 091000022
BNF: U.S. Bank CT WIRE CLRG
BNF: Account No: 180121167365
Ref: City of Gainesville BB&T Escrow

\$252,524.06 for the 2005/2007 Bonds refunding

U.S. Bank National Association
777 E. Wisconsin Avenue
Milwaukee, Wisconsin 53202-5300
ABA Routing No.: 091000022
BNF: U.S. Bank CT WIRE CLRG
BNF: Account No: 180121167365
Ref: City of Gainesville FFGFC Escrow

Upon receipt of the 2016A Note proceeds and other funds from the City, U.S. Bank National Association is directed to deposit \$9,622,163.94 into the BB&T Escrow Fund and \$4,330,738.67 into the FFGFC Escrow Fund.

2016B Note Wires:

- (1) TD Bank, National Association will wire funds to the City in the amount of \$6,625,000.00 representing the project cost and cost of issuance (net of the \$5,000 bank counsel fee) per the following instructions:

SunTrust Bank
Routing Number: 061000104
Account Number: 6050050005274
City of Gainesville Master Treasury Account
Contact: Lisa Hayes (904-632-2599)

If you have any questions or require any additional information, please do not hesitate to contact me at (407) 406-5760.



Finance Director
City of Gainesville, Florida