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**CITY OF GAINESVILLE, FLORIDA**

**Not to Exceed  
\$160,000,000  
Variable Rate Utilities System Revenue Bonds,  
2023 Series A**

**RESOLUTION NO. \_\_\_\_\_**

**THIRTY-SEVENTH SUPPLEMENTAL UTILITIES SYSTEM  
REVENUE BOND RESOLUTION**

**Adopted April 6, 2023**

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**THIRTY-SEVENTH SUPPLEMENTAL UTILITIES SYSTEM  
REVENUE BOND RESOLUTION**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA FOR THE PURPOSE OF AUTHORIZING THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF THE CITY OF GAINESVILLE, FLORIDA VARIABLE RATE UTILITIES SYSTEM REVENUE BONDS, 2023 SERIES A, IN ORDER TO CURRENTLY REFUND THE CITY'S VARIABLE RATE UTILITIES SYSTEM REVENUE BONDS, 2017 SERIES B AND ITS VARIABLE RATE UTILITIES SYSTEM REVENUE BONDS, 2017 SERIES C, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; AUTHORIZING THE 2023 SERIES A BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$160,000,000; APPROVING THE NEGOTIATED SALE OF THE 2023 SERIES A BONDS AND APPROVING THE FORM, AND AUTHORIZING THE EXECUTION AND DELIVERY, OF A PURCHASE CONTRACT WITH RESPECT THERETO, AND APPROVING THE FORM, AND AUTHORIZING THE EXECUTION AND DELIVERY, OF A CONTINUING COVENANT AGREEMENT WITH RESPECT THERETO, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; AUTHORIZING THE AUTHENTICATION AND DELIVERY OF THE 2023 SERIES A BONDS; AUTHORIZING CERTAIN CITY OFFICIALS TO TAKE ALL OTHER ACTIONS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE 2023 SERIES A BONDS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

**BE IT RESOLVED** by the City Commission of the City of Gainesville, Florida (the "City") as follows:

**ARTICLE I  
STATUTORY AUTHORITY, DEFINITIONS AND FINDINGS**

**SECTION 1.01. AUTHORITY FOR THIS RESOLUTION.** This Resolution (this "Resolution" or this "Thirty-Seventh Supplemental Utilities System Revenue Bond Resolution") is enacted pursuant to the Act, including Article VIII, Section 2 of the Constitution of the State of Florida, Section 159.11, Florida Statutes and Chapter 166, Florida Statutes. This Thirty-Seventh Supplemental Utilities System Revenue Bond Resolution is supplemental to Resolution No. 170395 incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the City on September 21, 2017, as amended (the "Master Resolution"). The Master Resolution as so amended, restated and supplemented, including without limitation as supplemented by the Resolution, is hereinafter referred to as the "Bond Resolution."

**SECTION 1.02. DEFINITIONS.** Except as provided by this Resolution, all terms which are defined in Section 101 of the Master Resolution shall have the same meanings,

respectively, in this Resolution as such terms are given in said Section 101 of the Master Resolution and in this Resolution.

"Adjusted SOFR Rate" means the rate of interest per annum equal to the sum obtained by adding (i) the product of (x) Applicable Percentage and (y) the Benchmark (provided that if said rate would be less than 0%, then it shall be deemed to be 0%), plus (ii) the Applicable Spread, which shall be adjusted with changes in the Benchmark. The Adjusted SOFR Rate shall adjust monthly on the first day of each Interest Period. Any change in the Adjusted SOFR Rate due to a change in the Benchmark shall be effective from and including the effective date of such change in the Benchmark without notice to the City.

"Adjustment Date" means the first day of each Interest Period.

"Alternative Benchmark Rate" means a rate of interest per annum equal to the Prime Rate minus two and 5/10 percent (2.5%) which shall adjust daily with changes in the Prime Rate.

"Amortization Period" means the period (x) from and including the date of a Failed Purchase, and (y) to but excluding the earliest of (i) the date on which the last mandatory Sinking Fund Installment is made in accordance with Section 3.07(1), and (iii) the maturity date of the 2023 Series A Bonds.

"Applicable Percentage" means (x) during the Initial Period 79%, and (ii) during any Placement Period after the Initial Period, the percentage determined by the Remarketing Agent as the "Applicable Percentage" pursuant to Section 3.06(3), provided, however, in no event shall the Applicable Percentage be less than 65% or more than 135%.

"Applicable Spread" means (i) during the Initial Period, initially 57 basis points (0.57%) or following a Determination of Taxability, 72 basis points (0.72%), and (ii) during each Placement Period after the Initial Period, the number of basis points determined by the Remarketing Agent designated by the City in accordance with Section 3.06(3) on or before the first day of such new Placement Period that, when added to the Benchmark, would equal the minimum interest rate per annum that would enable the Remarketing Agent to sell the 2023 Series A Bonds on such date at a price equal to the principal amount thereof, plus accrued interest, if any, thereon and without a premium.

"Authorized Denominations" means \$250,000 or any integral multiple of \$1.00 in excess thereof.

"Authorized Officer" or "Authorized Officers" means the "Authorized Officers of the City," as defined in the Master Resolution.

"Bank Purchase Date" means (i) the Initial Bank Purchase Date, and (ii) during any Placement Period other than the Initial Period, the date designated by the City pursuant to Section 3.06(3); provided, however, if such date is not a Business Day, such date shall be the last Business Day of such applicable Placement Period; provided, further, however, if all of the 2023 Series A Bonds shall be owned by a single beneficial holder and the City shall have received written notice from such Lender not less than 120 days (or such shorter period of time as shall have been agreed to by the City in writing) prior to the applicable Bank Purchase Date that such

Lender has elected in its sole discretion not to tender such 2023 Series A Bonds for purchase on such Bank Purchase Date whereupon upon consent of the City, such due date shall not be a Bank Purchase Date; and in connection with such election such Lender shall also deliver written notice to the City establishing or modifying the date of the next succeeding Bank Purchase Date or Dates, and, from and after such notice and consent of the City, the succeeding Bank Purchase Date(s) shall be the date(s) specified in such notice unless and until modified by subsequent notice pursuant to the terms hereof.

"Benchmark" means initially Term SOFR, and upon the Lender's determination under Section 2(a) hereof, will thereafter be the then-current Successor Rate.

"Benchmark Transition Event" shall have the meaning assigned thereto in Section 3.11(1) hereof.

"Book-Entry Only 2023 Series A Bonds" means any 2023 Series A Bonds that are restricted to being registered in the registration books kept by the Bond Registrar in the name of the Securities Depository therefor.

"Business Day" means a day on which banking business is transacted in New York City and the city or cities in which the Trustee and Paying Agent have their respective designated corporate trust offices, on which the New York Stock Exchange is open and on which the City is open to transact business.

"Calculation Agent" means (i) so long as the Initial Purchaser holds all or a portion of the 2023 Series A Bonds, the Initial Purchaser, (ii) if the Initial Purchaser does not hold any portion of the 2023 Series A Bonds, the Trustee, or if the Trustee is unable or unwilling, shall mean such other bank, financial institution or financial advisor firm, designated from time to time by the City.

"City" means the City of Gainesville, Florida.

"City Attorney" means the City Attorney or such other assistant City Attorney as designated by the City Attorney.

"Clerk" means the Clerk of the City or any Deputy Clerk.

"Code" means the Internal Revenue Code of 1986, as amended, and any rules and applicable regulations thereunder in effect or proposed.

"Conforming Changes" means, with respect to any Successor Rate, any technical, administrative or operational changes (including changes to the definitions such as "U.S. Government Securities Business Day," "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Successor Rate and to permit the administration thereof by the Lender in a manner the Lender decides is reasonably necessary in connection with the administration of the Bond and the Bond Resolution.

"Continuing Covenant Agreement" means the Continuing Covenant Agreement, between the City and the Initial Purchaser, as amended and supplemented from time to time, in substantially the form attached hereto as "Exhibit B."

"Default Rate" means the lesser of (a) 18% per annum, and (b) the Maximum Rate.

"Delivery Date" means the date of delivery of the 2023 Series A Bonds to the Initial Purchaser upon payment therefor.

"Determination of Taxability" has the meaning given in the 2023 Series A Bonds.

"Determination Day" means that date which is (i) two U.S. Government Securities Business Days prior to the first day of the Interest Period if such day is a U.S. Government Securities Business Day or (ii) if the first day of the Interest Period is not a U.S. Government Securities Business Day then two U.S. Government Securities Business Days prior to the U.S. Government Securities Business Day immediately preceding the commencement of the Interest Period.

"Failed Purchase" has the meaning given in Section 3.08 herein.

"Favorable Opinion" means a written opinion of Bond Counsel, in form and substance reasonably satisfactory to the Trustee and the Lender, and except as may be otherwise specifically set forth herein, of either, as determined appropriate by Bond Counsel (a) to the effect that the interest on the 2023 Series A Bonds is excludable from the gross income of the holders thereof for purposes of federal income taxation or (b) to the effect that the action proposed to be taken is authorized or permitted by the laws of the State and by the terms of the Bond Resolution and will not adversely affect the validity of the 2023 Series A Bonds under the laws of the State or the excludability from gross income for federal income tax purposes of the interest on the 2023 Series A Bonds (subject to the inclusion of any exception provided under the Code).

"General Manager" means the General Manager for Utilities, as designated by the City from time to time.

"Initial Bank Purchase Date" has the meaning given in the 2023 Series A Bonds.

"Initial Period" means initially the period beginning on the Delivery Date to and not including the Initial Bank Purchase Date.

"Initial Purchaser" means Truist Commercial Equity, Inc.

"Interest Payment Date" means the first Business Day of each month, commencing as set forth in the Purchase Contract and the 2023 Series A Bonds.

"Interest Period" means the one month period commencing on the first day of each month and each subsequent period shall commence on the first day of each month; provided that the first Interest Period shall commence on the date the Bond is first issued and end on the last day of the month in which the Bond is issued.

"Interest Rate" means initially the Adjusted SOFR Rate, provided however, such rate may be adjusted upon a Determination of Taxability, a 2023 Event of Default or a Failed Purchase, as provided herein.

"Lender" means the Initial Purchaser and its successors and assigns, as beneficial owner of the 2023 Series A Bonds.

"Maximum Rate" means an interest rate per annum equal to the lesser of the maximum rate permitted by law and 18%.

"Mayor" means the Mayor or Mayor-Commissioner Pro Tempore.

"Officer's Certificate" means a certificate of an Authorized Officer of the City.

"Par" means, with respect to any 2023 Series A Bond(s), one hundred percent (100%) of the outstanding principal amount of the 2023 Series A Bond(s), exclusive of accrued interest.

"Paying Agent/Bond Registrar Agreement" means the Paying Agent/Bond Registrar Agreement dated November 2, 2020 between the City and U.S. Bank National Association, as succeeded by U.S. Bank Trust Company, National Association, as Paying Agent and Bond Registrar or similar agreement.

"Placement Period" means the period from and including the Delivery Date to but not including the next succeeding Bank Purchase Date and thereafter each period from a Bank Purchase Date to but not including the earlier of the next succeeding Bank Purchase Date or the final maturity date of the 2023 Series A Bonds.

"Prime Rate" means on any day, the rate of interest per annum then most recently established by the Lender as its "prime rate." Any change in the Prime Rate shall be effective as of the date such change is announced by the Lender. Any such rate is a general reference rate of interest, may not be related to any other rate, and may not be the lowest or best rate actually charged by the Lender to any customer or a favored rate and may not correspond with future increases or decreases in interest rates charged by other lenders or market rates in general, and the Lender may make various business or other loans at rates of interest having no relationship to such rate. Each time the Prime Rate changes, the per annum rate of interest on the 2023 Series A Bonds bearing interest at a rate, a component of which is the Prime Rate, shall change immediately and contemporaneously with such change in the Prime Rate. If the Lender ceases to exist or to establish or publish a prime rate from which the Prime Rate is then determined, the applicable variable rate from which the Prime Rate is determined thereafter shall be instead the prime rate reported in The Wall Street Journal (or the average prime rate if a high and a low prime rate are therein reported), and the Prime Rate shall change without notice with each change in such prime rate as of the date such change is reported.

"Purchase Contract" means the Contract of Purchase between the City and the Initial Purchaser, substantially in the form attached as Exhibit "A" hereto.

"Rebate Amount" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-3 of the Income Tax



Regulations) over the future value, as of that date, of all payments on nonpurpose investments, but shall not include any amount exempted by Section 148(f) of the Code from payment to the United States.

"Refunded Bonds" means collectively, the 2017 Series B Bonds and the 2017 Series C Bonds.

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"Relevant Governmental Body Recommended Rate" means, in respect of any relevant day, the rate (inclusive of any spreads or adjustments which may be positive or negative) recommended as the replacement for the Benchmark by the Relevant Governmental Body (which rate may be produced by the Federal Reserve Bank of New York or another administrator).

"Remarketing Agent" means a financial institution, placement agent, registered broker/dealer authorized by law, or any affiliates thereof, appointed by an by an Authorized Officer of the City from time to time to perform all the duties imposed upon it under this Resolution, which may be the Lender.

"2017 Series B Bonds" means the City's Variable Rate Utilities System Revenue Bonds, 2017 Series B, as amended and restated on November 2, 2020.

"2017 Series C Bonds" means the City's Variable Rate Utilities System Revenue Bonds, 2017 Series C, as amended and restated on November 2, 2020.

"2023 Event of Default" has the meaning given in Section 3.05(4).

"2023 Series A Bonds" means the City's Variable Rate Utilities System Revenue Bonds, 2023 Series A.

"Taxable Rate" means the Taxable Adjusted SOFR Rate, as defined in the 2023 Series A Bonds.

"Tender Date" means any date on which 2023 Series A Bonds are subject to tender for purchase pursuant to Section 3.06 or 3.07(2) of this Resolution.

"Tender Price" means the purchase price to be paid to the Holders of 2023 Series A Bonds purchased pursuant to Section 3.06 or 3.07(2) hereof, which shall be equal to the principal amount Outstanding, without premium, plus all accrued and unpaid interest thereon; provided, however, if the Tender Date for any 2023 Series A Bond tendered for purchase is an Interest Payment Date, the Tender Price thereof shall equal to Par, and the interest shall be paid to the Holder of such 2023 Series A Bond pursuant hereto.

"Term SOFR" means the Term SOFR reference rate for a one month tenor as administered by the Term SOFR Administrator and quoted by Bloomberg Finance L.P., or any

quoting service or commonly available source utilized by the Lender on the Determination Day; provided that if as of 5:00 p.m. (New York time) on the Determination Day, Term SOFR for such tenor has not been published by the Term SOFR Administrator, then the rate used will be Term SOFR for such tenor as published by the Term SOFR Administrator for the immediately preceding U.S. Government Securities Business Day on which such rate was published on the Term SOFR Administrator's website so long as such immediately preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Determination Day; further provided, if Term SOFR would be less than zero percent (0%), then it shall be deemed to be zero percent (0%).

"Term SOFR Administrator" means CME Group Benchmark Administration Limited or a successor administrator of the Term SOFR Reference Rate selected by the Lender in its sole discretion.

"Thirty-Seventh Supplemental Bond Resolution" means this Thirty-Seventh Supplemental Bond Resolution adopted by the City authorizing the issuance of the City's Utilities System Revenue Bonds, 2023 Series A.

"Unavailability Period" shall have the meaning assigned thereto in Section 3.05(5) hereof.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday, or (iii) a day on which the Securities Industry and Financial Markets Association, or its successor, recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

**SECTION 1.03. FINDINGS AND DETERMINATIONS.** The City hereby finds, ascertains, determines and declares that:

(1) Pursuant to the Master Resolution, the City may issue Bonds for the purpose of refunding the Refunded Bonds.

(2) The City deems it necessary and in its best interest to issue and sell the 2023 Series A Bonds for the purpose of providing funds to refund the Refunded Bonds.

(3) The 2023 Series A Bonds shall be issued only upon satisfying the applicable requirements of Section 202 of the Master Resolution.

(4) The Initial Purchaser has expressed an interest in submitting an offer to purchase the 2023 Series A Bonds by negotiated sale pursuant to the Purchase Contract in substantially the form attached hereto as Exhibit "A" and subject to such other representations, warranties and covenants contained in the Continuing Covenant Agreement substantially in the form attached hereto as Exhibit "B."

(5) The complexity of the structuring of the 2023 Series A Bonds, current conditions in the market for obligations such as the 2023 Series A Bonds, and the advantages of a more flexible financial plan make it necessary and in the best interests of the City that the 2023 Series A Bonds be sold on a negotiated basis to the Initial Purchaser.

(6) The City desires to delegate the award and sale of the 2023 Series A Bonds and certain other matters hereunder to the General Manager or the Chief Financial Officer or such other Authorized Officer within the parameters set forth in this Resolution.

(7) The Initial Purchaser has provided, or will provide prior to the issuance of the 2023 Series A Bonds, the City with a disclosure statement containing the information required by Section 218.385(1)(b)(2), Florida Statutes, and a "truth-in-bonding" statement meeting the requirements of Section 218.385(3), Florida Statutes, and no additional disclosure is required.

**SECTION 1.04. CONTRACT.** In consideration of the acceptance of the 2023 Series A Bonds authorized to be issued hereunder by the Bondholders who shall own the same from time to time, the Bond Resolution and the Continuing Covenant Agreement shall be deemed to be and shall constitute a contract between the City and such Bondholders, and the covenants and agreements therein and herein set forth to be performed by the City shall be for the equal benefit, protection and security of the Bondholders of such 2023 Series A Bonds, which shall be of equal rank and without preference, priority, or distinction of any of the Bonds.

## **ARTICLE II AUTHORIZATION OF REFUNDING**

**SECTION 2.01. PURPOSE.** The 2023 Series A Bonds are being issued for the purposes of refunding the Refunded Bonds.

## **ARTICLE III AUTHORIZATION OF 2023 SERIES A BONDS**

**SECTION 3.01. AUTHORIZATION OF 2023 SERIES A BONDS; DELEGATION.** Pursuant to the provisions of this Resolution, a Series of Bonds is hereby authorized in a principal amount, not to exceed \$160,000,000. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "Variable Rate Utilities System Revenue Bonds, 2023 Series A". The actual aggregate principal amount of the 2023 Series A Bonds to be issued shall be determined by the General Manager, or his designee, on or prior to the Delivery Date as the amount necessary to accomplish the purposes for which the 2023 Series A Bonds are being issued as set forth in Section 2.01 hereof. The 2023 Series A Bonds shall be and constitute "Variable Rate Bonds" and "Option Bonds", as such terms are defined in Section 101 of the Master Resolution.

The General Manager or the Chief Financial Officer, or such other Authorized Officer, in reliance upon advice of the financial advisor to the System, is hereby directed and authorized to award the sale of the 2023 Series A Bonds to the Initial Purchaser, and to approve the terms of the 2023 Series A Bonds, including, without limitation, the date thereof, the aggregate principal amount thereof, and all such terms to be set forth in the Purchase Contract; provided, however,

the Purchase Contract shall not be executed by the General Manager or Chief Financial Officer or such other Authorized Officer unless the following conditions have been satisfied:

(a) the principal amount of the 2023 Series A Bonds, shall not exceed \$160,000,000;

(b) an Initial Bank Purchase Date not later than \_\_\_\_\_, 2026; and

(c) the final maturity of the 2023 Series A Bonds shall not be later than October 1, 2047.

### **SECTION 3.02. GENERAL TERMS OF 2023 SERIES A BONDS.**

(1) The 2023 Series A Bonds shall be issued in fully registered form in the Authorized Denominations and shall be dated the date of their authentication. Unless an Authorized Officer shall otherwise direct, the 2023 Series A Bonds will be numbered from 1 upward preceded by the letter "RA" prefixed to the number.

The 2023 Series A Bonds shall bear interest at the Adjusted SOFR Rate, established on or before the date of issuance of the 2023 Series A Bonds and adjusted thereafter on the first day of each Interest Period (subject to additional adjustment as provided herein and in the form of the 2023 Series A Bonds), payable monthly in arrears on each Interest Payment Date.

If the date for payment of the principal of or interest on the 2023 Series A Bonds shall be a day other than a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Except as provided in subsection 5 of Section 309 of the Master Resolution and paragraph 3 of Section 3.04 hereof, the principal and Redemption Price of the 2023 Series A Bonds will be payable at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida, and such institution is hereby appointed Paying Agent for the 2023 Series A Bonds. Except as provided in subsection 5 of Section 309 of the Master Resolution and paragraph 3 of Section 3.04 hereof, the principal and Redemption Price of the 2023 Series A Bonds also shall be payable at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by the Bond Resolution. Except as provided in paragraph 3 of Section 3.02 hereof, interest on the 2023 Series A Bonds shall be paid (i) by wire transfer in immediately available funds at such wire transfer address as such owner shall specify if such owner shall provide written notice to the Paying Agent not less than 5 days prior to the Regular Record Date relating to such Interest Payment Date in which request for wire transfer payment is made and the wire transfer address is specified, or (ii) if such written notice shall not be provided in accordance with clause (i), by check payable to the order of the persons entitled thereto and mailed by first class mail, postage prepaid, to the addresses of such persons as they shall appear on the books of the City kept at the office of the Bond Registrar, or (iii) in such other manner as agreeable by the Bondholder and the Trustee, with the consent of an Authorized Officer of the City.

(2) Notwithstanding anything in the Master Resolution to the contrary, principal and interest on the 2023 Series A Bonds shall be paid in the manner set forth herein and in the 2023 Series A Bonds.

(3) The registration of the 2023 Series A Bonds may be transferred only as provided in Article III of the Master Resolution and, to the extent applicable Section 3.04 hereof. The 2023 Series A Bonds may only be sold, assigned or otherwise transferred to an affiliate of the Lender or a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended, who executes and delivers a letter in substantially the form of Exhibit IV to the Purchase Contract.

(4) Except if the 2023 Series A Bonds shall be held as Book-Entry Only 2023 Series A Bonds, the Registrar will transfer the ownership of the 2023 Series A Bonds, upon written request of the Lender to the Trustee specifying the name, address and taxpayer identification number of the transferee(s). The person in whose name the 2023 Series A Bonds shall be registered shall be deemed and regarded the absolute owner thereof for all purposes, and payment of principal and interest on such 2023 Series A Bonds 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 2023 Series A Bonds to the extent of the sum or sums so paid. Except if the 2023 Series A Bonds shall be held as Book-Entry Only 2023 Series A Bonds, upon each Bank Purchase Date, the 2023 Series A Bonds may be registered in the name of the new owners thereof.

### **SECTION 3.03. MANDATORY AND OPTIONAL REDEMPTION OF 2023 SERIES A BONDS; PURCHASE IN LIEU OF REDEMPTION.**

(1) The 2023 Series A Bonds may be subject to redemption prior to maturity as provided in Article IV of the Master Resolution by operation of the Debt Service Fund from mandatory Sinking Fund Installments which for the 2023 Series A Bonds will match the mandatory redemption requirements for term bonds, as set forth in the Purchase Contract.

(2) The 2023 Series A Bonds shall be subject to optional redemption, in whole or in part on any date, (i) except during an Amortization Period, at a Redemption Price equal to the principal amount being redeemed, plus accrued interest thereon, if any, to the redemption date thereof, and, (ii) during an Amortization Period, at a Redemption Price equal to the principal amount being redeemed, without premium, plus accrued interest thereon, if any, to the redemption date thereof.

(3) Notwithstanding anything to the contrary contained herein or in the Master Resolution, in the event that any 2023 Series A Bond is to be redeemed in part, the portion of such 2023 Series A Bond not so redeemed shall be in an Authorized Denomination and such redemption shall be selected by the Trustee in accordance with the Bond Resolution.

(4) Notwithstanding any provision contained in the Bond Resolution to the contrary, the City shall have the option to cause the 2023 Series A Bonds to be purchased in lieu of redemption on the applicable redemption date at a price equal to the then applicable Redemption Price, plus accrued interest thereon to, but not including, the date of such purchase. Such option

may be exercised by delivery to the Paying Agent (if the Trustee is not the Paying Agent for such 2023 Series A Bonds) on or prior to the Business Day preceding the redemption date of a written notice of the City specifying that the 2023 Series A Bonds shall not be redeemed, but instead shall be subject to purchase pursuant to this paragraph with the moneys provided or to be provided by or on behalf of the City. Upon delivery of such notice, the 2023 Series A Bonds shall not be redeemed but shall instead be subject to mandatory tender at the Redemption Price on the date that would have been the redemption date. 2023 Series A Bonds purchased by the City shall not be considered to be Outstanding, under the Bond Resolution and shall not be afforded the rights afforded to other Bonds Outstanding under the Bond Resolution (including voting rights) for so long as such 2023 Series A Bonds are held by or for the benefit of the City.

(5) Notwithstanding Section 405 of the Bond Resolution, notice of redemption of the 2023 Series A Bonds, may be given not more than sixty (60) days or less than ten (10) days prior to the redemption date of the 2023 Series A Bonds, and such notice shall be given by electronic mail (email), telefacsimile or physical delivery. Notwithstanding any other provision hereof, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the City if expressly set forth in such notice.

#### **SECTION 3.04 DESIGNATION OF THE 2023 SERIES A BONDS AS BOOK ENTRY BONDS; APPOINTMENT OF SECURITIES DEPOSITORY FOR THE 2023 SERIES A BONDS.**

(1) Upon the written request of the Initial Purchaser, the 2023 Series A Bonds shall be Book-Entry Only 2023 Series A Bonds and the 2023 Series A Bonds shall be issued as Book Entry Bonds within the meaning of and subject to Section 309 of the Master Resolution and the following provisions shall apply. Upon initial issuance the 2023 Series A Bonds shall not be Book-Entry Only 2023 Series A Bonds and shall be issued as a single physical certificated bond registered in the name of the Initial Purchaser. So long as the 2023 Series A Bonds are in physical form this Section 3.04 shall not apply. The 2023 Series A Bonds may be converted to Book-Entry Only 2023 Series A Bonds at the election of the City but, if the Initial Purchaser is the owner of any of the 2023 Series A Bonds, only with the prior written consent of the Initial Purchaser.

(2) At the time of the City's election pursuant to Section 3.04(1), DTC will be appointed as the Securities Depository for the 2023 Series A Bonds held as Book-Entry Only 2023 Series A Bonds.

(3) If the 2023 Series A Bonds are converted to Book-Entry Only 2023 Series A Bonds, the 2023 Series A Bonds of each Series initially shall be issued in the form of a separate single, fully registered Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of the 2023 Series A Bonds, as applicable, registered in the name of Cede & Co. ("Cede"), as nominee of DTC. So long thereafter as DTC serves as Securities Depository for the 2023 Series A Bonds, the registered holder of all 2023 Series A Bonds shall be, and each of the 2023 Series A Bonds shall be registered in the name of, Cede, as nominee of DTC. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer



provisions of the Bond Resolution, the word "Cede" in this Resolution shall refer to such new nominee of DTC. So long as any of the 2023 Series A Bonds is registered in the name of Cede, as nominee of DTC in its capacity as Securities Depository for the 2023 Series A Bonds, all payments with respect to the principal or Redemption Price of, and interest on, such 2023 Series A Bond and all notices with respect to such 2023 Series A Bond shall be made or given to DTC as provided in the procedures of DTC as in effect from time to time.

(4) With respect to the 2023 Series A Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (a "Participant"). Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the 2023 Series A Bonds, (B) the delivery to any Participant or any other person other than a 2023 Series A Bondholder, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the 2023 Series A Bonds, including any notice of redemption, or (C) the payment to any Participant or any other person, other than a 2023 Series A Bondholder, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal, interest or redemption premium, if any, of the 2023 Series A Bonds. The City and the Bond Registrar may treat and consider the person in whose name each 2023 Series A Bond is registered in the registration books kept by the Bond Registrar as the Holder and absolute owner of such 2023 Series A Bond for the purpose of payment of principal, interest or redemption premium, if any, with respect to such 2023 Series A Bond, for the purpose of giving notices of redemption and other matters with respect to such 2023 Series A Bond, for the purpose of registering transfers with respect to such 2023 Series A Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal, interest or redemption premium, if any, of the 2023 Series A Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and in the Bond Resolution and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal, interest or redemption premium, if any, of the 2023 Series A Bonds to the extent of the sum or sums so paid. No person other than a Holder of Bonds, as shown in the registration books kept by the Bond Registrar, shall receive a certificated 2023 Series A Bond evidencing the obligation of the City to make payments of principal, interest or redemption premium, if any, pursuant to the provisions hereof.

(5) (a) DTC may determine to discontinue providing its services as Securities Depository for the 2023 Series A Bonds at any time by giving reasonable notice thereof to the City or the Trustee. Upon the discontinuance of the services of DTC as Securities Depository for the 2023 Series A Bonds pursuant to the preceding sentence, the City may within 90 days thereafter appoint a substitute securities depository which, in the opinion of the City, is willing and able to undertake the functions of Securities Depository under the Bond Resolution upon reasonable and customary terms. If no such successor can be found within such period, the 2023 Series A Bonds no longer shall be restricted to being registered in the registration books kept by the Bond Registrar in the name of a Securities Depository.

(b) In the event that the 2023 Series A Bonds no longer shall be restricted to being registered in the registration books kept by the Bond Registrar in the name of a Securities Depository as provided in subparagraph (a) of this paragraph 5, (i) the City shall execute and the Trustee shall authenticate and deliver, upon presentation and surrender of the 2023 Series A Bonds as requested by the Securities Depository therefor of like Series, aggregate principal amount, maturity and interest rate, in Authorized Denominations, to the identifiable beneficial owners in replacement of such beneficial owners' beneficial ownership interests in such 2023 Series A Bonds and (ii) the Bond Registrar shall notify the Paying Agents that the 2023 Series A Bonds no longer are restricted to being registered in the registration books kept by the Bond Registrar in the name of a Securities Depository.

(6) Notwithstanding any provision herein to the contrary, so long as the book-entry-only system of transfers provided for in this Section shall remain in effect with respect to the 2023 Series A Bonds every remarketing of such 2023 Series A Bonds (or portions thereof) by the Remarketing Agent shall be conducted in accordance with such system.

### **SECTION 3.05. DETERMINATION OF INTEREST RATE.**

(1) Except for the initial Adjusted SOFR Rate applicable to the 2023 Series A Bonds upon its issuance, which shall be determined by the Initial Purchaser on or prior to the date of issuance of the 2023 Series A Bonds, the Adjusted SOFR Rate will be determined by the Calculation Agent and the authority to do so is hereby delegated by the City to the Calculation Agent, but in no event shall the Adjusted SOFR Rate exceed the Maximum Rate. The Calculation Agent shall determine the Adjusted SOFR Rate on each Adjustment Date. The Adjusted SOFR Rate shall adjust on each Adjustment Date, based upon the Benchmark, with the effective date for each adjustment of the Adjusted SOFR Rate to be the Adjustment Date. The Calculation Agent shall notify the City of the interest rate borne by the 2023 Series A Bonds by electronic mail at such address as provided by the City to the Calculation Agent in writing within ten (10) Business Days after the effective date of such rate (or such other manner and time as acceptable to the City and the Calculation Agent) and the Lender will also provide an invoice on a monthly basis of amounts due hereunder and under the 2023 Series A Bonds on or prior to each Interest Payment Date.

(2) Interest will be computed on the basis of the actual number of days elapsed over a year of 360 days, as the case may be.

(3) The determination of the Interest Rate by the Calculation Agent (absent manifest error) shall be conclusive and binding upon the City and the Lender.

(4) Upon the occurrence of any Event of Default under the Continuing Covenant Agreement (a "2023 Event of Default") until such time as such 2023 Event of Default is cured, the 2023 Series A Bonds shall bear interest at the Default Rate; provided that the 2023 Series A Bonds shall not bear interest at the Default Rate if the Lender provides the Trustee, the Calculation Agent (if other than the Initial Purchaser) and the City with written notice that notwithstanding the occurrence of such 2023 Event of Default, the 2023 Series A Bonds shall not bear interest at the Default Rate. Notwithstanding the foregoing, the Default Rate shall not apply



as a result of an event of default solely attributable to a breach of the covenants contained in Section 7.01 hereof.

(5) In the event the Lender determines in its sole discretion that the Lender cannot make, fund, or maintain a loan based upon the Benchmark due to illegality or the inability to ascertain or determine said rate on the basis provided for herein ("Unavailability Period") and a Benchmark Transition Event has not occurred, then at the election of the Lender, the Benchmark shall convert to the Alternative Benchmark Rate for purposes of calculating the Adjusted SOFR Rate and, if applicable, the Taxable Adjusted SOFR Rate, on the then outstanding principal balance and for interest accruing on any fundings and, thereafter, the Adjusted SOFR Rate and, if applicable, the Taxable Adjusted SOFR Rate, shall adjust simultaneously with any fluctuation in the Alternative Benchmark Rate. In the event the Lender determines that the circumstances giving rise to the Unavailability Period have ended, at such time as determined by the Lender, the Benchmark will revert to the prior Benchmark (provided a Benchmark Transition Event has not occurred). The Lender shall provide notice, which may be after the implementation of the Alternative Benchmark Rate as contemplated hereunder, to the City of any Benchmark change that is made pursuant to this subsection (5). For avoidance of doubt, following conversion to the Alternative Benchmark Rate under this subsection (5), the reference to "Benchmark" in the definitions of "Adjusted SOFR Rate" and "Taxable Adjusted SOFR Rate" shall be deemed and interpreted to mean the Alternative Benchmark Rate. The Applicable Spread and minimum rate, if any, shall continue to apply.

(6) Upon the occurrence of a Determination of Taxability and so long as the Default Rate shall not be in effect, the interest rate on the 2023 Series A Bonds will be adjusted, retroactive to the date interest was included in the gross income of the Holders of the 2023 Series A Bonds for Federal income tax purposes (net of any interest paid on the 2023 Series A Bonds during such period), to the Taxable Adjusted SOFR Rate in accordance with the 2023 Series A Bonds.

(7) The interest rate borne by the 2023 Series A Bonds may never exceed the Maximum Rate. If, due to the limitation of the Maximum Rate, the Lender receives less interest during any period than it would be entitled to receive hereunder or under the 2023 Series A Bonds but for the limitation of the Maximum Rate, during any subsequent period in which the Lender is otherwise entitled hereunder or under the 2023 Series A Bonds to be paid interest and such interest is calculated at a rate which is less than the Maximum Rate, the Lender shall instead receive interest for such period computed at a rate equal to the Maximum Rate until such Lender has received, in the aggregate, the amount of interest due such Lender hereunder and under the 2023 Series A Bonds but for the limitation of the Maximum Rate.

(8) The Calculation Agent (if other than the Initial Purchaser) shall only be required to take notice of a Determination of Taxability or a 2023 Event of Default upon receipt of written direction indicating the effective date of such event, from the City, or from a majority of the Holders of the 2023 Series A Bonds, upon providing evidence satisfactory to the Trustee of the occurrence of such event.

### **SECTION 3.06 MANDATORY TENDER AND REMARKETING OF 2023 SERIES A BONDS.**

(1) Upon each Bank Purchase Date, 2023 Series A Bonds shall be subject to mandatory tender at the Tender Price, payable in immediately available funds, in each case subject to the provisions of Section 3.04 and paragraph 5 below. For payment of the Tender Price on the applicable Bank Purchase Date, a 2023 Series A Bond must be delivered at or prior to 10:00 a.m. on the Bank Purchase Date. If delivered after that time, the Tender Price shall be paid on the next Business Day.

(2) In connection with any mandatory tender for purchase of 2023 Series A Bonds in accordance with paragraph 1 above, not less than fifteen (15) days prior to each Bank Purchase Date the Trustee shall give written notice of such Bank Purchase Date to the City and the Remarketing Agent, if any. Failure to mail such notice or any defect therein shall not affect the rights or obligations of the Holders of the 2023 Series A Bonds and the Trustee shall not be liable to the Holders of the 2023 Series A Bonds by reason of its failure to mail such notice or any defect therein.

(3) Unless the Bank Purchase Date shall be extended as provided in the definition thereof, at least thirty (30) days prior to each Bank Purchase Date, the City may appoint a Remarketing Agent. The City shall notify the Remarketing Agent and the Trustee of the next Bank Purchase Date. Not later than 11:00 a.m. Eastern time on the date that is two (2) Business Days prior to the commencement of a new Placement Period, the Remarketing Agent shall notify the Trustee and the City of the appropriate Applicable Percentage and Applicable Spread, such Applicable Percentage and Applicable Spread to be those that, in the sole judgment of the Remarketing Agent, taking into account prevailing financial market conditions, would be the minimum amounts required to sell the 2023 Series A Bonds at Par on the first day of such Placement Period for a period of time equal to the duration of such Placement Period. The duration of the Placement Period shall be for the period from such Bank Purchase Date to the earlier of the next succeeding Bank Purchase Date and the final maturity date of the 2023 Series A Bonds. The notice from the Remarketing Agent to the City and the Lender establishing the duration of the new Placement Period, the new Applicable Percentage and/or the new Applicable Spread shall be accompanied by a Favorable Opinion to the effect that, on the date of such new Placement Period, the interest on the 2023 Series A Bonds is excludable from the gross income of the Holders of the 2023 Series A Bonds thereof for federal income tax purposes or that the establishment of the new Applicable Percentage and/or Applicable Spread for the Placement Period will not, in and of itself, adversely affect the exclusion of interest on the 2023 Series A Bonds from the gross income of the holder thereof for federal income tax purposes. After delivery of such notices and Favorable Opinion, the Remarketing Agent shall attempt to remarket the 2023 Series A Bonds upon the foregoing terms.

(4) If the Remarketing Agent is able to remarket all of the 2023 Series A Bonds, (a) the amount of such remarketing shall be deposited into the 2023 Series A Remarketing Account which is hereby created with the Trustee, (b) the purchasers thereof shall become the new Holders of the 2023 Series A Bonds for the new Placement Period, and (c) the proceeds from the remarketing shall be applied, together with accrued interest paid by the City to pay the Tender Price thereof. At the commencement of each new Placement Period the Trustee shall notify the Holders of the 2023 Series A Bonds of the Applicable Percentage, Applicable Spread and next Bank Purchase Date. After a Failed Purchase, the City may request the Remarketing Agent to

continue to attempt to remarket the 2023 Series A Bonds until such time as there shall be a successful remarketing of all of the 2023 Series A Bonds at Par.

(5) If on a Bank Purchase Date sufficient funds are not available for the purchase of all 2023 Series A Bonds tendered or deemed tendered on such Bank Purchase Date and on such Bank Purchase Date no 2023 Event of Default has occurred and is continuing and the representations and warranties of the City in the Continuing Covenant Agreement are true and correct, as if made on such date (other than those representations and warranties made as of a specific date), the failure to pay the Tender Price of all tendered 2023 Series A Bonds when due and payable shall not constitute a 2023 Event of Default and all tendered 2023 Series A Bonds shall be returned to the original holders thereof (which may be through the book-entry system as provided in Section 3.04 above if they are Book-Entry Only 2023 Series A Bonds) and the Interest Rate shall be determined as provided by Section 3.08 hereof, through and including the last day of the Amortization Period and shall be subject to mandatory Sinking Fund Installments as provided in Section 3.07 hereof. If on the date of a Bank Purchase Date the conditions set forth in the preceding sentence are not satisfied, the failure to pay the Tender Price on such Bank Purchase Date will constitute a 2023 Event of Default.

(6) The Trustee shall maintain records setting forth the duration of the Placement Period, the Applicable Percentage and the Applicable Spread with respect to the 2023 Series A Bonds.

(7) The 2023 Series A Bonds may be remarketed to the City or an affiliate thereof upon delivery to the Trustee of a Favorable Opinion. Unless otherwise expressly provided by the City, a purchase of the 2023 Series A Bonds by or through the City or the Trustee, or any other related or similar party, pursuant to a tender by the Bondholders thereof shall not be deemed a prepayment of such 2023 Series A Bonds and will not be deemed to extinguish or discharge the indebtedness evidenced by such 2023 Series A Bonds or the obligations of the City under the Bond Resolution. Any 2023 Series A Bonds purchased by or on behalf of the City pursuant to a tender by the Bondholders thereof shall be purchased with the intent that the indebtedness evidenced by such 2023 Series A Bonds shall not be extinguished or discharged; such indebtedness shall not be extinguished or discharged and such 2023 Series A Bonds shall be registered as directed by the City and shall remain outstanding under the Bond Resolution unless and until such 2023 Series A Bonds is delivered to the Trustee for cancellation.

### **SECTION 3.07 MANDATORY SINKING FUND INSTALLMENTS DURING AMORTIZATION PERIOD; MANDATORY TENDER UPON CERTAIN EVENTS.**

(1) Notwithstanding any scheduled mandatory Sinking Fund Installments set forth in the 2023 Series A Bonds, the 2023 Series A Bonds shall be due and payable in full on the date of any Failed Purchase unless on the date of any Failed Purchase no 2023 Event of Default is continuing and the representations and warranties of the City in the Continuing Covenant Agreement are true and correct (except for those representations and warranties made as of a specific date) in which case the 2023 Series A Bonds shall be subject to mandatory prepayment prior to maturity, in part, pursuant to mandatory Sinking Fund Installments payable in six (6) equal semi-annual principal installments commencing on the first day of the month six (6) full months following from the date of the Failed Purchase and continuing on the first day of each

six-month period thereafter with a final balloon payment becoming due on the sixth principal installment date or, earlier if the scheduled maturity date should occur before the sixth principal installment payment date, together with accrued interest thereon, and without premium; provided, however, after the 2023 Series A Bonds shall have been remarketed in accordance with Section 3.06, the scheduled mandatory Sinking Fund Installments set forth in the 2023 Series A Bonds shall resume or shall be adjusted as described in paragraph 3 below.

(2) Notwithstanding anything herein to the contrary, upon the end of any Amortization Period due to a remarketing of the 2023 Series A Bonds, upon the request of the City and provision of a Favorable Opinion to the Trustee, without the consent of any of Owners of the 2023 Series A Bonds, the scheduled mandatory Sinking Fund Installments may be amended to provide for approximately level debt service of the Bonds or level debt service with respect to the mandatory Sinking Fund Installments.

**SECTION 3.08. INTEREST RATE AFTER FAILED PURCHASE.** Notwithstanding the foregoing provisions of this Article III, if any 2023 Series A Bonds are tendered or deemed tendered for purchase pursuant to Section 3.06 hereof and the Tender Price therefor is not paid as contemplated by Section 3.06 hereof and the conditions set forth in Section 3.06(5) and Section 3.07(1) of this Resolution are satisfied, from and after the Bank Purchase Date on which such 2023 Series A Bonds were not purchased (a "Failed Purchase") until such date as all tendered 2023 Series A Bonds have been purchased and the Tender Price paid therefor, the interest rate on all of the 2023 Series A Bonds shall be calculated as follows:

(a) From and including the date of the Failed Purchase through the 180th day thereafter, interest shall be calculated by adding 30 basis points (0.30%) to the Applicable Spread at the time of the Failed Purchase, but in no event in excess of the Maximum Rate;

(b) From and including the 181st day after the Failed Purchase, interest shall be calculated by adding 100 basis points (1.00%) to the Applicable Spread at the time of the Failed Purchase, but in no event in excess of the Maximum Rate; and

(c) From and including the third (3rd) anniversary of the Failed Purchase and each day thereafter, interest shall be calculated at the Default Rate;

*provided* that upon the occurrence of any 2023 Event of Default upon written notice given to the Calculation Agent (if other than the Initial Purchaser), Trustee and the City and during the continuance of any such Event of Default, interest shall be calculated at the Default Rate; provided, further, however, in no event shall the interest be calculated at a rate in excess of the Maximum Rate. Interest payable pursuant to this Section shall be paid in arrears on the first Business Day of each month.

**SECTION 3.09. EXECUTION OF 2023 SERIES A BONDS AND RELATED DOCUMENTS.** The Mayor is hereby authorized to execute the 2023 Series A Bonds on behalf of the City, subject to the approval of the City Attorney as to form and legality; *provided, however,* that the 2023 Series A Bonds shall be executed and delivered pursuant to the Master Resolution and applicable law. The Clerk is hereby authorized to cause the seal of the City to be

affixed to each of the 2023 Series A Bonds. Such officers are each hereby authorized to deliver such 2023 Series A Bonds on behalf of the City.

U.S. Bank Trust Company, National Association, as Trustee under the Bond Resolution, is hereby requested and authorized to authenticate the 2023 Series A Bonds in the aggregate principal amount determined as provided in Section 3.01 hereof, and to deliver such 2023 Series A Bonds to the Initial Purchaser, upon payment for the account of the City of the sum specified in the Purchase Contract pursuant to the terms of the Bond Resolution and the Purchase Contract.

The signatures of the Mayor and Clerk on the 2023 Series A Bonds may be a manual or facsimile signature. In case one or more of the officers who have signed or sealed the 2023 Series A Bonds shall cease to be such officer of the City before the 2023 Series A Bonds so signed and sealed shall have been actually delivered, such 2023 Series A Bonds may nevertheless be delivered as herein provided and may be issued as if the person who signed or sealed such 2023 Series A Bonds had not ceased to hold such office. The 2023 Series A Bonds may be signed and sealed on behalf of the City by such person as at the actual time of the execution of such 2023 Series A Bonds shall hold the proper office, although at the date of such 2023 Series A Bonds such person may not have held such office or may not have been so authorized.

**SECTION 3.10. FORM OF 2023 SERIES A BONDS; TRUSTEE'S CERTIFICATE OF AUTHENTICATION.** Subject to the provisions of the Bond Resolution, the form of the 2023 Series A Bonds and the Trustee's certificate of authentication shall be of substantially the following tenor with such omissions, insertions, and variations as may be necessary and desirable, and as may be authorized or permitted by the Bond Resolution and approved by the Mayor and the Trustee:

Each 2023 Series A Bond shall contain or have endorsed thereon the following legend, which legend the City hereby determines to be necessary or desirable:

THIS BOND IS SUBJECT TO TRANSFER RESTRICTIONS, MORE FULLY DESCRIBED IN THE SUPPLEMENTAL RESOLUTION REFERRED TO HEREIN, AND MAY NOT BE TRANSFERRED EXCEPT TO AN AFFILIATE OF THE BONDHOLDER, OR A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933 WHO EXECUTES AND DELIVERS A LETTER IN THE FORM OF EXHIBIT IV TO THE PURCHASE CONTRACT REFERENCED IN THE SUPPLEMENTAL RESOLUTION, HEREAFTER IDENTIFIED.



REGISTERED  
NO. RA-1

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF GAINESVILLE  
VARIABLE RATE UTILITIES SYSTEM REVENUE BOND,  
2023 SERIES A

INTEREST  
RATE  
As described herein

MATURITY  
DATE  
\_\_\_\_\_ 1, 20\_\_

ISSUE DATE  
\_\_\_\_\_, 2023

REGISTERED OWNER: \_\_\_\_\_

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

THE CITY OF GAINESVILLE, FLORIDA (herein called the "City"), a municipal corporation organized and existing under and by virtue of the laws of the State of Florida, acknowledges itself indebted to, and for value received, hereby promises to pay to the Registered Owner (named above) or registered assigns, on the Maturity Date (stated above), but solely from the funds pledged therefor, upon presentation and surrender of this Bond at the office of U.S. Bank Trust Company, National Association (such bank and any successor thereto being referred to herein as the "Paying Agent"), the Principal Amount (stated above) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay, but solely from the funds pledged therefor, interest on such Principal Amount in like coin or currency from the Original Issue Date (stated above), or, if one or more payments of interest has or have theretofore been made or duly provided for, from the most recent interest payment date to which interest has been paid or duly provided for, payable on the first Business Day of each calendar month commencing \_\_\_\_\_ 1, 2023 (each an "Interest Payment Date"), at a rate per annum equal initially to the Adjusted SOFR Rate as adjusted from time to time and such other rates of interest all as determined pursuant to the Supplemental Resolution, hereinafter referred to, until the City's obligation with respect to the payment of such Principal Amount shall be discharged. The interest so payable, and punctually paid or duly provided for, on any interest payment date will, as provided in the Resolution hereinafter referred to, be paid to the person in whose name this Bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such Interest Payment Date, such payment to be made by check or draft or wire transfer (or other electronic payment method) of the Trustee hereinafter referred to, as Paying Agent, mailed to such person at the address shown on the registration books of the City kept for that purpose at the principal offices of the Trustee, as Bond Registrar. However, so long as this Bond shall be restricted to being registered in the registration books of the City in the name of the Securities Depository (as defined in the Resolution) for this Bond, the provisions of the Resolution governing Book Entry Bonds (as defined in the Resolution) shall govern the manner of payment of the principal or redemption price of, and interest on, this Bond. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the person in whose name this Bond is registered on the Regular Record Date, and shall be paid, in the manner described above, to the person in whose

name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof shall be given to holders of bonds of the series of which this Bond is one not less than 10 days prior to such Special Record Date.

This Bond is one of a duly authorized series of bonds of the City designated as its "Variable Rate Utilities System Revenue Bonds, 2023 Series A" (herein sometimes called the "2023 Series A Bonds"), in the aggregate principal amount of \$\_\_\_\_\_ issued pursuant to Chapter 90-394, Laws of Florida, 1990, as amended, and other applicable provisions of law (herein called the "Act") and under and pursuant to Resolution No. 170395 incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the City on September 21, 2017, as amended (the "Bond Resolution"), and as supplemented by the Thirty-Seventh Supplemental Bond Resolution adopted by the City on April 6, 2023 (the "Supplemental Resolution" and together with the Bond Resolution, the "Resolution"). As provided in the Resolution, bonds, notes or other evidences of indebtedness of the City may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of bonds, notes or other evidences of indebtedness which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds, notes or other evidences of indebtedness issued and to be issued under the Resolution are and will be equally secured by the Trust Estate (as hereinafter defined) and covenants made therein, except as otherwise expressly provided or permitted in the Resolution. All such bonds, notes or other evidences of indebtedness issued under and pursuant to the Resolution, as the same may be amended and supplemented from time to time, are hereinafter called the "Bonds". Capitalized terms used in this Bond not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

As provided in the Resolution, the Bonds are direct and special obligations of the City payable solely from and secured as to payment of the principal or redemption price thereof, and interest thereon, in accordance with their terms and the provisions of the Resolution solely by (i) the proceeds of the sale of the Bonds, (ii) the Revenues (as defined in the Resolution) and (iii) all Funds established by the Resolution (other than the Debt Service Reserve Account in the Debt Service Fund and any fund which may be established pursuant to paragraph 2 of Section 502 of the Bond Resolution), including the investments and income, if any, thereof (collectively, the "Trust Estate"), subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. Copies of the Resolution are on file at the office of the City and at the Corporate Trust Office of U.S. Bank Trust Company, National Association, as Trustee under the Resolution, or its successor as Trustee (herein called the "Trustee") and reference is made to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act for a description of the security interest, pledge and assignment and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the holders of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued and may be issued thereunder, and for the other terms and provisions thereof.

Upon the occurrence of and during the continuance of a 2023 Event of Default and taking into account the provisions of Section 3.05(4) and 3.05(7) of the Supplemental Resolution, the

interest rate otherwise borne hereby shall be adjusted to the Default Rate from and after the effective date of such 2023 Event of Default until such time as such 2023 Event of Default is cured.

Upon the occurrence of a Determination of Taxability, and so long as the Default Rate shall not be in effect, the interest rate otherwise borne by this Bond shall be adjusted to the Taxable Rate, as of and from the Taxable Date with respect to this Bond; and (i) the City shall on the next interest payment date (or if this Bond shall have matured, within 30 days after demand by the Registered Owner) pay to the Registered Owner from the sources provided in the Bond Resolution an amount equal to the sum of (1) the difference between (A) the total interest that would have accrued on this Bond at the Taxable Rate from the Taxable Date to such next interest payment date (or maturity date), and (B) the actual interest paid by the City on this Bond from the Taxable Date to such next interest payment date (or maturity date), and (2) any interest and penalties required to be paid as a result of any additional federal income taxes imposed upon such Registered Owner arising as a result of such Determination of Taxability; and (ii) from and after such next interest payment date, this Bond shall continue to bear interest at the Taxable Rate for the period such determination continues to be applicable with respect to this Bond.

"Determination of Taxability" means a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that as a result of an action or inaction of the City interest paid or payable on this Bond is includable in the gross income of the Registered Owner for Federal income tax purposes; provided, no Determination of Taxability shall be deemed to occur unless the City has been given written notice of such occurrence and, to the extent permitted by law, an opportunity to participate in and seek, at the City's own expense, a final administrative determination by the Internal Revenue Service or determination by a court of competent jurisdiction (from which no further right of appeal exists) as to the occurrence of such Determination of Taxability.

"Initial Bank Purchase Date" means \_\_\_\_\_, 2026.

"Taxable Adjusted SOFR Rate" means the rate of interest per annum equal to the sum obtained by adding (i) the Benchmark (provided that if said rate would be less than 0%, then it shall be deemed to be 0%), plus (ii) the Applicable Spread, which shall be adjusted with changes in the Benchmark. The Taxable Adjusted SOFR Rate shall adjust monthly on the first day of each Interest Period. Any change in the Taxable Adjusted SOFR Rate due to a change in the Benchmark shall be effective from and including the effective date of such change in the Benchmark without notice to the City.

"Taxable Date" means the date on which interest on this Bond is first includable in gross income of a Lender (including, without limitation, any previous Lender) thereof as a result of a Determination of Taxability.

The interest rate borne by this Bond (i) may never exceed the Maximum Rate, and (ii) will be calculated on the basis of a 360 day year for the actual number of days elapsed.

Upon a failed purchase of this Bond tendered for purchase pursuant to Section 3.06 of the Supplemental Resolution and upon satisfaction of the conditions set forth in Section 3.06(5) and



3.07(1) of the Supplemental Resolution, this Bond shall bear interest in accordance with Section 3.08 of the Supplemental Resolution until such Bond is successfully remarketed in accordance with Section 3.06 of the Supplemental Resolution.

This Bond is transferable, as provided in the Resolution, only upon the books of the City kept for that purpose at the above-mentioned office of the Trustee, as Bond Registrar, by the registered owner hereof in person, or by such owner's duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or such owner's duly authorized attorney, and thereupon a new fully registered bond or bonds, without coupons, and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. The City, the Trustee, the Bond Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The 2023 Series A Bonds are payable upon redemption at the above-mentioned office of the Paying Agent. Notice of redemption, setting forth the place of payment, shall be given in accordance with the Supplemental Resolution, but the failure to give notice by mail, or any defect in such notice, to the registered owner of any 2023 Series A Bond will not affect the validity of the proceedings for the redemption of any other 2023 Series A Bonds. If notice of redemption or tender shall have been given as aforesaid and shall not have been rescinded or ceased to be in effect, the 2023 Series A Bonds or portions thereof specified in said notice shall become due and payable on the redemption date or tender date, as applicable therein fixed, and if, on the redemption date or tender date, as applicable, moneys for the redemption of all the 2023 Series A Bonds and portions thereof to be redeemed or tendered, as applicable, together with interest to the redemption date or tender date, as applicable, shall be available for such payment on said date, then from and after the redemption date interest on such 2023 Series A Bonds or portions thereof so called for redemption or tender shall cease to accrue and be payable.

The 2023 Series A Bonds are issuable in the form of fully registered bonds in the denominations of \$250,000 or any integral multiple of \$1.00 in excess thereof.

The 2023 Series A Bonds are subject to optional redemption prior to maturity at the election of the City in accordance with the Supplemental Resolution. If less than all of the 2023 Series A Bonds of like maturity are to be redeemed, the particular 2023 Series A Bonds or portions of such Bonds of such maturity (or Sinking Fund Installment) shall be selected by the Trustee in accordance with the Resolution. The 2023 Series A Bonds are subject to tender by the Holder hereof in accordance with the Supplemental Resolution.

Except during an Amortization Period, the Bonds are subject to mandatory Sinking Fund Installments in part, by lot, on October 1, 20\_\_ and on each October 1 thereafter at a price of par, plus accrued interest to the date of redemption as follows:

Date  
(October 1)

Principal  
Amount

---

\* Final Maturity

Notwithstanding the foregoing, this Bond is subject to mandatory Sinking Fund Installments during an Amortization Period in accordance with Section 3.07 of the Supplemental Resolution.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a day other than a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

The City and the Registered Owner, by acceptance of this Bond, hereby knowingly, voluntarily, intentionally, and irrevocably waive, to the fullest extent permitted by applicable law, the right either of them may have to a trial by jury in respect to any litigation, whether in contract or tort, at law or in equity, based hereon or arising out of, under or in connection with this Bond and any other document or instrument contemplated to be executed in conjunction with this Bond, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any party hereto. This provision is a material inducement for the City and the Registered Owner entering into or accepting this Bond.

This Bond and the Bond Resolution as supplemented and amended by the Supplemental Resolution shall be governed by applicable federal law and the internal laws of the State of Florida. The City agrees that certain material events and occurrences relating to this Bond bear a reasonable relationship to the laws of Florida and the validity, terms, performance and enforcement of this Bond shall be governed by the internal laws of Florida which are applicable to agreements which are negotiated, executed, delivered and performed solely in Florida. Unless applicable law provides otherwise, in the event of any legal proceeding arising out of or related to this Bond, the City consents to the jurisdiction and venue of any court located or having jurisdiction over Alachua County, Florida.

This Bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida.

This Bond has been designated by the City as a Variable Rate Bond and an Option Bond as provided by the Bond Resolution.

This Bond does not constitute a general indebtedness or a pledge of the full faith and credit of the City within the meaning of any constitutional or statutory provision or limitation of indebtedness. It is expressly agreed by the holders of this Bond that (a) no holder shall ever have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the City for the payment of the principal of or interest on this Bond or the making of any

payments provided for in the Resolution, and (b) this Bond and the obligation evidenced thereby shall not constitute a lien upon any property of or in the City, but shall constitute a lien only on the Trust Estate in the manner provided in the Resolution.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed and that the issue of Bonds of which this is one, together with all other indebtedness of the City, complies in all respects with the applicable laws of the State of Florida including, particularly, the Act.

This Bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

IN WITNESS WHEREOF, THE CITY OF GAINESVILLE, FLORIDA has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its Mayor, and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of its Clerk of the Commission.

THE CITY OF GAINESVILLE, FLORIDA

\_\_\_\_\_  
Mayor

Dated: \_\_\_\_\_

Attested:

\_\_\_\_\_  
City Clerk

Approved as to Form and Legality:

\_\_\_\_\_  
City Attorney

[FORM OF CERTIFICATE OF AUTHENTICATION ON 2023 SERIES A BONDS]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the bonds described in the within-mentioned Resolution.

U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, Trustee

By: \_\_\_\_\_  
Authorized Officer

Date of Authentication: \_\_\_\_\_, 2023

[END OF FORM OF 2023 SERIES A BONDS]

**SECTION 3.11. EFFECT OF BENCHMARK TRANSITION EVENT.**

(1) In the event the Lender determines in its sole discretion that (i) there is a public announcement by the administrator of a Benchmark or a Relevant Governmental Body that such Benchmark will cease or has ceased to be published; (ii) a public announcement is made by the administrator of a Benchmark or any Relevant Governmental Body that the Benchmark is no longer representative; or (iii) a Relevant Governmental Body has determined that the Lender may no longer utilize the Benchmark for purposes of setting interest rates (each a "Benchmark Transition Event"), the Lender will have no obligation to make, fund or maintain a loan based on the Benchmark and on a date and time determined by the Lender, without any further action or consent of by the City or amendment to the Bond or the Bond Resolution, the first available alternative set forth in the order below that can be determined by the Lender shall replace the Benchmark (the "Successor Rate"):

- (a) Relevant Governmental Body Recommended Rate; or
- (b) Alternative Benchmark Rate.

(2) In connection with the implementation of a Successor Rate, the Calculation Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in the Bond Resolution, any amendments implementing such Successor Rate or Conforming Changes will become effective without any further action or consent of the City. Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than zero percent (0%), the Successor Rate will be deemed to be zero percent (0%). For avoidance of doubt, following the implementation of a Successor Rate, the reference to "Benchmark" in the definitions of "Adjusted SOFR Rate" and "Taxable Adjusted SOFR Rate" shall be deemed and interpreted to mean the Successor Rate. The Applicable Spread and minimum rate, if any, shall continue to apply.

(3) The Calculation Agent will promptly notify (in one or more notices) the City of the implementation of any Successor Rate and any Conforming Changes. Any determination or

decision that may be made by the Calculation Agent pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in the Calculation Agent's sole discretion and without consent from the City.

#### **ARTICLE IV APPLICATION OF PROCEEDS**

**SECTION 4.01. APPLICATION OF PROCEEDS OF 2023 SERIES A BONDS.** In accordance with subsection (7) of paragraph 1 of Section 202 and paragraph 2 of Section 203 of the Master Resolution, the proceeds of the 2023 Series A Bonds, to the extent permitted under the Code and not otherwise provided by the City by certificate of the General Manager or Chief Financial Officer or such other Authorized Officer, delivered at or prior to the Delivery Date, together with certain legally available funds of the City, if any, shall be applied to pay the principal amount of the Refunded Bonds, together with accrued interest and redemption premium, if any, to their redemption date shall be transferred to the paying agent for the payment of the Refunded Bonds in accordance with the resolution for the Refunded Bonds and the balance, if any, shall be applied to pay costs of issuance of the 2023 Series A Bonds.

No proceeds of the 2023 Series A Bonds shall be deposited into the Rate Stabilization Fund or any subaccount in the Debt Service Reserve Account. The 2023 Series A Bonds will not be secured by the Debt Service Reserve Account or any subaccount created therein.

#### **ARTICLE V ADDITIONAL COVENANTS**

**SECTION 5.01. ADDITIONAL COVENANTS OF THE CITY.** In addition to the covenants and agreements of the City set forth in the Bond Resolution, the City covenants and agrees to comply with all terms, conditions and covenants contained in the Continuing Covenant Agreement, which are incorporated by reference herein.

#### **ARTICLE VI APPROVAL OF DOCUMENTS**

**SECTION 6.01. AUTHORIZATION AND APPROVAL OF NEGOTIATED SALE OF THE 2023 SERIES A BONDS AND EXECUTION OF THE PURCHASE CONTRACT AND CONTINUING COVENANT AGREEMENT; DELEGATION OF AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH.** The form of the Purchase Contract and Continuing Covenant Agreement substantially in the forms attached hereto as Exhibit "A" and Exhibit "B," respectively, are hereby approved, subject to such changes, insertions and omissions and such filling of blanks therein as may be approved and made in such Purchase Contract and Continuing Covenant Agreement by the General Manager, the Chief Financial Officer or any other Authorized Officer, executing the same, in a manner consistent with the provisions of this Resolution and subject to the terms hereof, such execution to be conclusive evidence of such approval. Upon compliance with the provisions in Section 3.01 herein and receipt of a disclosure statement and truth-in-bonding statement from the

representative of the Initial Purchaser meeting the requirements of Section 218.385, Florida Statutes, and subject to the other provisions of this Resolution, the Authorized Officer signing the same, with the advice of the financial advisor to the System, is hereby authorized and directed to accept the offer of the Initial Purchaser to purchase the 2023 Series A Bonds, upon the terms, conditions and redemption provisions set forth in the Purchase Contract. Subject to the provisions set forth herein, the General Manager, the Chief Financial Officer or such other Authorized Officer, is hereby authorized to execute the Purchase Contract and the Continuing Covenant Agreement for and on behalf of the City pursuant to the terms hereof and of the Purchase Contract and the Clerk is hereby authorized to attest such signatures to the extent required by the form of the Purchase Contract and the Continuing Covenant Agreement, subject to the approval of the City Attorney as to form and legality. The Paying Agent/Bond Registrar Agreement will apply to the 2023 Series A Bonds.

**SECTION 6.02. EXECUTION AND DELIVERY OF APPLICABLE DOCUMENTS.** The Authorized Officers, collectively or individually, upon satisfaction of the conditions set forth herein, are hereby authorized to execute the Purchase Contract and the Continuing Covenant Agreement, each subject to completion thereof, and with such changes therein as the officer(s) executing the same may approve as necessary and desirable and in the best interests of the City, such approval to be evidenced by the execution and delivery thereof, subject to the approval of the City Attorney as to form and legality. The Clerk is hereby authorized to cause the seal of the City to be affixed to each foregoing documents and to attest the same, to the extent required therein. Such officers are each hereby authorized to deliver such agreements on behalf of the City. The Authorized Officers, individually and collectively and the officers, attorneys and other agents or employees of the City are each hereby authorized to do all acts and things required of them by the Bond Resolution, the Continuing Covenant Agreement or the Purchase Contract or desirable or consistent with the requirements of the Bond Resolution, the Continuing Covenant Agreement or the Purchase Contract for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the 2023 Series A Bonds, the Bond Resolution, the Continuing Covenant Agreement and the Purchase Contract, and each Authorized Officer, employee, attorney and officer of the City is hereby authorized and directed to execute and deliver any and all papers and instruments, and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder.

**SECTION 6.03. FURTHER ACTIONS.** Each Authorized Officer is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all such acts and things as may be necessary or desirable in connection with the adoption of this Resolution and the approval, execution and delivery of the Purchase Contract and the Continuing Covenant Agreement and the carrying out of their terms and the terms of the Bond Resolution and the issuance, sale, execution and delivery of the 2023 Series A Bonds.

**SECTION 6.04. SWAP AMENDMENTS.** The General Manager, Chief Financial Officer or any other Authorized Officer, upon the advice of the financial advisor to the System (or an affiliate company of the financial advisor to the System), are each hereby authorized to enter into documents to amend the Qualified Hedging Contract entered into with Goldman Sachs Bank USA and Citibank, N.A. (collectively, the "Counterparties") originally entered into in



connection with the Refunded Bonds pursuant to which the Counterparties pay a variable rate of interest and the Counterparties receive from the City a fixed rate of interest (the "Swap") and to execute and deliver such agreements, documents and instruments on behalf of the City as may be necessary to evidence such amendments as are necessary to maintain the variable rates paid on the Swap to be substantially similar to the variable rate on the 2023 Series A Bonds. The General Manager, Chief Financial Officer or any other Authorized Officer are also hereby authorized to negotiate and determine (i) an appropriate substitution rate, whether now existing or subsequently developed, including, without limitation, SOFR, that is deemed approximately equivalent to LIBOR and other related adjustments and amendments to the Swap as may be necessary and appropriate for the implementation and administration of the replacement index, (ii) an appropriate effective date of the substitution rate applicable to the Swap, and (iii) alternative index rates in the event that the fallback rates are not available to apply to the Swap. The execution of such amendments by an Authorized Officer shall be conclusive evidence that such rates are substantially similar. Each Authorized Officer and the City Attorney is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all such acts and things as may be necessary or desirable in connection with the amendments of the Swap, for the full punctual and complete performance of all the terms, covenants and agreements contained herein and in the applicable swap documents, including, without limitation the applicable Master ISDA Agreement and Schedule, Credit Support Annex and trade confirmation and the Clerk is hereby authorized to attest such signatures to the extent required by such applicable swap documents, subject to the approval of the City Attorney as to form and legality. The amendments referred to herein shall relate only to the Swap and shall not affect any other transactions of the City under any other agreements. This section does not require that the Swap be amended or that it happen concurrently with the issuance of the 2023 Series A Bonds but such Swap may be amended, if based on the advice of financial advisor to the System it is beneficial to the City.

## **ARTICLE VII TAX MATTERS**

**SECTION 7.01. TAX COVENANT.** It is the intention of the City and all parties under its control that the interest on the 2023 Series A Bonds issued hereunder be and remain excluded from gross income for federal income tax purposes and to this end the City hereby represents to and covenants with each of the holders of the 2023 Series A Bonds issued hereunder that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code to the extent necessary to preserve the exclusion of interest on the 2023 Series A Bonds issued hereunder from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the City covenants and agrees:

(A) to the extent required by the Code, to make or cause to be made all necessary determinations and calculations of the Rebate Amount and required payments of the Rebate Amount;

(B) to set aside sufficient moneys from the Revenues to timely pay the Rebate Amount to the United States of America;

(C) to pay, at the times and to the extent required under the Code, the Rebate Amount to the United States of America from the funds described in (B) above;

(D) to maintain and retain all records pertaining to the Rebate Amount with respect to the 2023 Series A Bonds issued hereunder and required payments of the Rebate Amount with respect to the 2023 Series A Bonds for at least six years after the final maturity of the 2023 Series A Bonds or such other period as shall be necessary to comply with the Code;

(E) to refrain from taking any action that would cause the 2023 Series A Bonds issued hereunder to become arbitrage bonds under Section 148 of the Code; and

(F) to refrain from using proceeds of the 2023 Series A Bonds issued hereunder in a manner that would cause the 2023 Series A Bonds or any of them to be classified as private activity bonds under Sections 141(a) and/ or 141(d) of the Code.

The City understands that the foregoing covenants impose continuing obligations of the City that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are applicable to the 2023 Series A Bonds.

Notwithstanding any other provision of the Bond Resolution, the obligation of the City to pay the Rebate Amount to the United States of America and to comply with the other requirements of this Section shall survive the defeasance or payment in full of the 2023 Series A Bonds.

Notwithstanding any other provision of the Bond Resolution to the contrary, (a) upon the City's failure to observe or refusal to comply with the above covenants, the Holders of the 2023 Series A Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders under the Bond Resolution, other than the right (which is hereby abrogated solely in regard to the City's failure to observe or refusal to comply with the covenants of this Section) to declare the principal of all 2023 Series A Bonds then outstanding, and the interest accrued thereon, to be due and payable, and (b) neither the Holders of the Bonds of any Series other than the 2023 Series A Bonds, nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Bondholders under the Bond Resolution based upon the City's failure to observe, or refusal to comply with, the above covenants.

## **ARTICLE VIII ADDITIONAL REMEDIES**

**SECTION 8.01. REMEDIES.** Notwithstanding anything to the contrary in Section 801 of the Bond Resolution, a default of any of the covenants contained in Section 7.01 of this Resolution shall not be an "Event of Default" under the Bond Resolution nor a 2023 Event of Default, and the sole remedy of the Lender shall, upon a Determination of Taxability, be an adjustment of the interest rate on the 2023 Series A Bonds to the Taxable Rate to the extent and in the manner described herein and in the 2023 Series A Bonds.



**ARTICLE IX  
MISCELLANEOUS**

**SECTION 9.01. FURTHER ASSURANCES.** The City agrees that it shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such documents and instruments and take such further actions as may be required to continue the perfection and priority of the lien and security interest of the Owners of Obligations in the Trust Estate to the extent provided herein.

**SECTION 9.02. SEVERABILITY OF INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions, and shall in no way affect the validity of any other provisions of the Bond Resolution or this Resolution or of the Outstanding Obligations.

*[Remainder of Page Intentionally Left Blank]*

Thirty-Seventh Supplemental Utilities System Revenue Bond Resolution approved and adopted April 6, 2023.

**CITY OF GAINESVILLE, FLORIDA**

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Mayor

ATTESTED:

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City Clerk

Approved as to Form and Legality:

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City Attorney

#185120390\_v6

EXHIBIT "A"

PURCHASE CONTRACT

\$ \_\_\_\_\_  
**CITY OF GAINESVILLE, FLORIDA**  
**Variable Rate Utilities System**  
**Revenue Bonds, 2023 Series A**

**CONTRACT OF PURCHASE**

\_\_\_\_\_, 2023

The Honorable Mayor and Commissioners  
City of Gainesville, Florida  
City Hall  
200 East University Avenue  
Gainesville, Florida 32601

Honorable Mayor and Commissioners:

Truist Commercial Equity, Inc. (the "Purchaser") offers to enter into the following agreement with you, the City of Gainesville, Florida (hereinafter sometimes called the "City") which, upon acceptance of this offer, will be binding upon you and upon the Purchaser. This offer is made subject to your acceptance of this Contract of Purchase (this "Contract of Purchase") on or before 5:00 P.M., Florida time, on \_\_\_\_\_, 2023.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and covenants set forth herein, on the Closing Date as hereinafter defined, the Purchaser hereby agrees to purchase from the City, and the City hereby agrees to sell to the Purchaser all, but not less than all, of the following bonds: Variable Rate Utilities System Revenue Bonds, 2023 Series A (the "2023A Variable Rate Bonds"), in the principal amount of \$ \_\_\_\_\_ and maturing on October 1, 2047, but subject to optional and mandatory redemption and tender as described in the Thirty-Seventh Supplemental Utilities System Revenue Bond Resolution No. \_\_\_\_\_ of the City adopted on April 6, 2023 (the "Supplemental Resolution"), authorizing the issuance of the 2023A Variable Rate Bonds. The 2023A Variable Rate Bonds shall mature at the time, in the amount and shall bear interest at such rate, all as set forth in the Supplemental Resolution. The 2023A Variable Rate Bonds shall be subject to optional mandatory redemption and such other covenants as set forth in the Continuing Covenant Agreement, a form of which is attached as Appendix VI hereto (the "Covenant Agreement"). Interest on the 2023A Variable Rate Bonds is payable on the first Business Day of each month commencing \_\_\_\_\_ 1, 2023. The purchase price for the 2023A Variable Rate Bonds is \$ \_\_\_\_\_ (the principal amount of the 2023A Variable Rate Bonds) (the "Purchase Price").

All capitalized terms used and not defined herein shall have the meanings assigned in the Bond Resolution defined below.

2. Authorizing Instruments and Source of Security. The 2023A Variable Rate Bonds have been authorized by the Supplemental Resolution.

The 2023A Variable Rate Bonds shall be issued and secured under and pursuant to the provisions of Resolution No. 170395, incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the City on September 21, 2017, as amended from time to time (the "General Bond Resolution") and as supplemented pursuant to the Supplemental Resolution (collectively, the "Bond Resolution").

The information required by Section 218.385(2), (3) and (6), Florida Statutes, to be provided to the City by the Purchaser is set forth in Appendix II hereto.

3. Delivery of Supplemental Resolution. On or prior to the date hereof, the City shall deliver, or cause to be delivered to the Purchaser a copy of the Supplemental Resolution, certified to by the City.

4. Authority of the Purchaser. The Purchaser hereby represents that neither it nor any "person" or "affiliate" has been on the "convicted vendor list" during the past 36 months as all such terms are defined in Section 287.133, Florida Statutes.

5. Purchase for Own Account. The Purchaser hereby represents that it is not acting as a broker or other intermediary, and is purchasing the 2023A Variable Rate Bonds as an investment for its own account and not with a present view to a resale or other distribution to the public; provided, however, the Purchaser reserves the right to transfer or sell the 2023A Variable Rate Bonds in its sole discretion but subject to the requirements and restrictions of the Supplemental Resolution. The Purchaser shall on the delivery date of the 2023A Variable Rate Bonds deliver an Investor Letter in substantially the form as set forth in Appendix IV hereto.

6. Representations and Warranties of the City. The City represents and warrants to, and agrees with, the Purchaser that, as of the date hereof:

(a) The City is a duly established public body corporate organized and existing under the laws of the State of Florida.

(b) The City has duly authorized the Bond Resolution, has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations contained in, the 2023A Variable Rate Bonds, this Contract of Purchase, the Supplemental Resolution and the Covenant Agreement and has duly authorized and approved the performance of its obligations contained in the Bond Resolution and the consummation of all other transactions contemplated thereby.

(c) The City has full legal right, power and authority (i) to enter into this Contract of Purchase, (ii) to issue, sell and deliver the 2023A Variable Rate Bonds to the Purchaser pursuant to the Bond Resolution, as provided herein, and (iii) to carry out and consummate the transactions contemplated by this Contract of Purchase, the Bond Resolution, the Covenant Agreement and the Supplemental Resolution and, to the knowledge of the City, compliance with the provisions thereof will not conflict with or constitute a breach of or default under any applicable law, administrative regulation, court order or consent decree of the State of Florida or any

department, division, agency or instrumentality thereof or, of the United States, or any applicable judgment or decree or any loan agreement, note, resolution, indenture, agreement or other instrument to which the City is a party or may be otherwise subject.

(d) All approvals, consents and orders of any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the City of its obligations hereunder and under the Bond Resolution, the 2023A Variable Rate Bonds, the Covenant Agreement and this Contract of Purchase have been obtained.

(e) No litigation is pending or, to the knowledge of the City and except as disclosed in writing to the Purchaser, threatened in any court in any way affecting the corporate existence of the City or the titles of the City Commission to their respective positions, or seeking to restrain or enjoin the issuance, sale or delivery of the 2023A Variable Rate Bonds, or in any way contesting or affecting the validity or enforceability of the 2023A Variable Rate Bonds, the Bond Resolution or this Contract of Purchase or contesting the power of the City or its authority with respect to the 2023A Variable Rate Bonds, this Contract of Purchase, the Covenant Agreement or the Bond Resolution.

(f) The City will apply the proceeds of the 2023A Variable Rate Bonds in accordance with the Bond Resolution to refund the City's Variable Rate Utilities System Revenue Bonds, 2017 Series B, amended on November 2, 2020 and its Variable Rate Utilities System Revenue Bonds, 2017 Series C, amended on November 2, 2020 (collectively, the "Refunded Bonds").

(g) The City acknowledges and agrees that (i) the purchase and sale of the 2023A Variable Rate Bonds pursuant to this Contract of Purchase is an arm's-length commercial transaction between the City and the Purchaser, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Purchaser is and has been acting solely as principal and is not acting as the agent, municipal advisor, financial advisor or a fiduciary of the City, (iii) the Purchaser has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the transaction contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the City on other matters) and the Purchaser has no obligation to the City with respect to the transactions contemplated hereby except the obligations of the Purchaser expressly set forth in this Contract of Purchase, (iv) the City has consulted with its own legal, financial, municipal and other advisors to the extent it has deemed appropriate, and (v) the Purchaser has financial and other interests that differ from those of the City.

7. Purchaser Closing Conditions. The Purchaser has entered into this Contract of Purchase in reliance upon the representations, warranties and agreements of the City contained herein, and in the documents and instruments to be delivered at the Closing, and upon the performance by the City of its obligations hereunder at or prior to the Closing Date. Accordingly, the Purchaser's obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the 2023A Variable Rate Bonds on the Closing Date shall be conditioned upon the performance by the City of its obligations to be performed hereunder, and shall also be subject to the following additional conditions, including the delivery by the City of such documents as are

enumerated herein, in form and substance reasonably satisfactory to the Purchaser on or before the Closing Date.

(a) At the time of the Closing, the Bond Resolution will be in full force and effect, and will not have been further amended, modified or supplemented.

(b) At the time of the Closing, all necessary action of the City relating to the issuance of the 2023A Variable Rate Bonds will have been taken and will be in full force and effect.

(c) The Purchaser has the right to terminate the Purchaser's obligations under this Contract of Purchase to purchase, to accept delivery of and to pay for the 2023A Variable Rate Bonds by notifying and consulting with the City regarding its election to do so if on the Closing Date (as defined herein):

(1) An order, decree or injunction of any court of competent jurisdiction, issued or made to the effect that the issuance, offering or sale of obligations of the 2023A Variable Rate Bonds or of the same general character as the 2023A Variable Rate Bonds, including any or all underlying obligations, as contemplated hereby, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws as amended and then in effect; or

(2) Any litigation shall be pending or threatened at the time of the Closing to restrain or enjoin the issuance, sale or delivery of the 2023A Variable Rate Bonds or the refunding of the Refunded Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the 2023A Variable Rate Bonds or the refunding of the Refunded Bonds, or challenging the existence or powers of the City with respect to its obligations under the Bond Resolution.

(d) At or prior to the Closing, the Purchaser will have received each of the following:

(1) The duly executed and authenticated 2023A Variable Rate Bonds registered in the name of the Purchaser.

(2) Executed copies of the Bond Resolution and the Supplemental Resolution.

(3) The approving opinions, dated the Closing Date and addressed to the City, of Holland & Knight LLP, Bond Counsel to the City, in substantially the form attached hereto as Appendix "III-A," and opinion of such counsel, dated the Closing Date and addressed to the Purchaser, to the effect that such opinion addressed to the City may be relied upon by the Purchaser to the same extent as if such opinion were addressed to them in substantially the form attached hereto as Appendix "III-B."

(4) An opinion or opinions, dated the Closing Date and addressed to the Purchaser, of Daniel M. Nee, the City Attorney, in form and substance attached hereto as Appendix V.

(5) Evidence that the applicable conditions to the issuance of Additional Bonds set forth in Article II of the Bond Resolution have been satisfied.

(6) An executed original of the Covenant Agreement.

8. City Closing Conditions. The obligations of the City hereunder shall be subject to the payment of the purchase price to or at the direction of the City and the performance of the Purchaser of its obligations hereunder, and the Purchaser shall have delivered to the City on the Closing Date, such customary closing documents as the City may request.

In the event that one or more of the conditions set forth in this Section 8 are not satisfied on or before the Closing Date, the City shall have the right to terminate the City's obligations under this Contract of Purchase, by giving written notice of such termination and releasing the Purchaser of all obligations hereunder, and upon delivery of such notice, this Contract of Purchase will terminate and neither the Purchaser nor the City will be under further obligation hereunder, except that the respective obligations of the City and the Purchaser set forth in Paragraph 10 will continue in full force and effect.

9. The Closing. The delivery of and payment for the 2023A Variable Rate Bonds (the "Closing") shall take place on \_\_\_\_\_, 2023 (the "Closing Date"), or on such other date as shall have been mutually agreed upon by the City and the Purchaser as the date on which the Closing shall occur. Simultaneously with such delivery and provided that all conditions to the obligations of the Purchaser set forth in Paragraph 7 hereof have been satisfied, the Purchaser will cause the purchase price of the 2023A Variable Rate Bonds to be paid in Federal Funds as directed by the City.

10. Expenses. (a) The Purchaser will be under no obligation to pay, and the City will pay, all expenses incident to the performance of the obligations of the City hereunder including, but not limited to, (i) the cost of the preparation and printing of the 2023A Variable Rate Bonds; (ii) the fees and disbursements of Holland & Knight LLP, Bond Counsel; (iii) the fees and disbursements of PFM Financial Advisors LLC, Financial Advisor to the City; (iv) the fees and disbursements of U.S. Bank Trust Company, National Association, as Trustee, Registrar and Paying Agent; (v) the fees and disbursements of any other experts, counsel or consultants retained by the City and (vi) of counsel to Purchaser in amount of \$12,000.

(b) The City acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the 2023A Variable Rate Bonds, including those reflected in Appendix II attached hereto.

11. Notices. Any notice or other communication to be given to the City under this Contract of Purchase must be given by delivering the same in writing to City of Gainesville, Florida, 200 East University Avenue, Suite 425, Gainesville, Florida 32601, Attention: Daniel M. Nee, City Attorney, and any notice or other communication to be given to the Purchaser under this Contract of Purchase must be given by delivering the same in writing to Truist Commercial Equity, Inc., 200 West Forsyth Street, Floor 5, Jacksonville, Florida 32202, Attention: Lisa C. Hayes, Senior Vice President.



12. Benefit of Agreement. This Contract of Purchase is made solely for the benefit of the City and the Purchaser (including the successors or assigns of any Purchaser), and no other person may acquire or have any right hereunder or by virtue hereof.

13. Counterparts. This Contract of Purchase may be executed in several counterparts, which together shall constitute one and the same instrument.

14. Florida Law Governs. The validity interpretation and performance of this Contract of Purchase shall be governed by the laws of the State of Florida.

15. Entire Agreement. This Contract of Purchase when accepted by you in writing as heretofore specified shall constitute the entire agreement between us.

16. Headings. The headings of the paragraphs and sections of this Contract of Purchase are inserted for convenience only and shall not be deemed to be part hereof.

[SIGNATURE PAGE FOLLOWS]

[Counterpart Signature page to Contract of Purchase]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement the day and year first above written.

**TRUIST COMMERCIAL EQUITY,  
INC., as Purchaser**

By: \_\_\_\_\_

Name:

Title:

[Counterpart Signature page to Contract of Purchase]

Accepted \_\_\_\_\_, 2023.

**CITY OF GAINESVILLE, FLORIDA**

By: \_\_\_\_\_

Name: Claudia Rasnick

Title: Utility Chief Financial Officer

APPROVED AS TO FORM AND LEGALITY:

By: \_\_\_\_\_

Name: Daniel M. Nee  
City Attorney

**APPENDIX I**  
**REDEMPTION AND TENDER PROVISIONS**  
**CITY OF GAINESVILLE, FLORIDA**

\$ \_\_\_\_\_  
**City of Gainesville, Florida**  
**Variable Rate Utilities System**  
**Revenue Bonds, 2023 Series A**

Optional Redemption

See Supplemental Resolution and Form of Continuing Covenant Agreement attached hereto.

Mandatory Redemption

Maturity Date

Amount

Tender

See Supplemental Resolution and Form of Continuing Covenant Agreement attached hereto.

## APPENDIX II

### DISCLOSURE STATEMENT

The undersigned, Truist Commercial Equity, Inc., as Purchaser, proposes to negotiate with the City of Gainesville, Florida (the "City"), for the sale of the Variable Rate Utilities System Revenue Bonds, 2023 Series A in the principal amount of \$\_\_\_\_\_ (the "2023A Variable Rate Bonds"), to be delivered on this date. Prior to the award of the 2023A Variable Rate Bonds, the following information is hereby furnished to the City:

1. There are no expenses to be incurred by the Purchaser in connection with the purchase of the 2023A Variable Rate Bonds. Purchaser's Counsel's fees in the amount of \$12,000 are being paid by the City.

2. No other, fee, bonus or other compensation is estimated to be paid by the Purchaser in connection with the issuance of the 2023A Variable Rate Bonds, to any person not regularly employed or retained by the Purchaser (including any "finder" as defined in Section 218.386, Florida Statutes), except as specifically enumerated as expenses to be incurred by the Purchaser as set forth in paragraph 1 above.

3. The amount of the underwriting spread (the difference between the price at which the 2023A Variable Rate Bonds will be initially offered to the public by the Purchaser and the price to be paid to the City for the 2023A Variable Rate Bonds, exclusive of accrued interest) expected to be realized by the Purchaser is \$-0-.

4. Truth-in-Bonding Statement. The proceeds from the sale of the 2023A Variable Rate Bonds, together with other legally available funds, will be used for the purpose of providing funds to refund the Variable Rate Utilities System Revenue Bonds, 2017 Series B, as amended and the Variable Rate Utilities System Revenue Bonds, 2017 Series C, as amended. The 2023A Variable Rate Bonds are expected to be repaid over a period of \_\_\_\_ years. Because the 2023A Variable Rate Bonds bear interest at a variable rate it is impossible to determine the total interest that will be paid over the life of such Bonds.

The 2023A Variable Rate Bonds will be repaid from the revenues of the City's Utility System. Because the 2023A Variable Rate Bonds bear interest at a variable rate it is impossible to determine the annual amount of such revenues, that will not be available to finance the other services of the City for \_\_\_\_ years.

5. The names and address of the Purchaser is:

Truist Commercial Equity, Inc.  
200 West Forsyth Street, Floor 5  
Jacksonville, Florida 32202

[Remainder of page intentionally left blank]

**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Statement on behalf of the Purchaser this \_\_\_\_ day of \_\_\_\_\_, 2023.

**TRUIST COMMERCIAL EQUITY,  
INC., as Purchaser**

By: \_\_\_\_\_  
Name:  
Title:



**APPENDIX III-A**  
**FORM OF OPINION OF BOND COUNSEL**

[FORM OF OPINION OF BOND COUNSEL]

\_\_\_\_\_, 2023

City of Gainesville, Florida  
Gainesville, Florida

Re:   \$\_\_\_\_\_ City of Gainesville, Florida Variable Rate Utilities System  
Revenue Bonds, 2023 Series A; and  
\$105,000,000 City of Gainesville, Florida Variable Rate Utilities System  
Revenue Bonds, 2023 Series B

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the City of Gainesville, Florida (the "Issuer") of \$\_\_\_\_\_ Variable Rate Utilities System Revenue Bonds, 2023 Series A (the "2023A Bonds") refunding the outstanding Variable Rate Utilities System Revenue Bonds, 2017 Series B (the "2017B Bonds") and the outstanding Variable Rate Utilities System Revenue Bonds, 2017 Series C (the "2017C Bonds"), each originally reissued on November 2, 2020 and the issuance of the Issuer's \$105,000,000 Variable Rate Utilities System Revenue Bonds, 2023 Series B (the "2023B Bonds," together with the 2023A Bonds, the "2023 Bonds") refunding the outstanding Variable Rate Utilities System Revenue Bonds, 2020 Series B (the "2020B Bonds," together with the 2017B Bonds and the 2017C Bonds, the "Refunded Bonds") originally reissued on November 2, 2020, that due to the hereinafter described amendments will result in the issuance of such Refunded Bonds for federal income tax purposes on the date hereof.

All terms used herein in capitalized form and not otherwise defined herein shall have the same meanings as ascribed to them under Resolution No. 170395, incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the Issuer on September 21, 2017, and as amended by the Thirtieth Supplemental Utilities System Revenue Bond Resolution No. 180747 adopted by the Issuer on February 21, 2019 (the "Master Resolution") and with respect to the 2023A Bonds, as supplemented by the Thirty-Seventh Supplemental Utilities System Revenue Bond Resolution No. \_\_\_\_\_ adopted by the Issuer on April 6, 2023 (the "2023A Supplemental Resolution") and with respect to the 2023B Bonds, as supplemented by the Thirty-Eighth Supplemental Utilities System Revenue Bond Resolution No. \_\_\_\_\_ adopted by the Issuer on April 6, 2023 (the "2023B Supplemental Resolution" and together with the 2023A Supplemental Resolution and the Master Resolution, the "Bond Resolution").

The 2023A Bonds are dated the date of their issuance and delivery, have been issued in fully registered form, finally mature on October 1, 20\_\_\_\_, bear interest from the date thereof at such rate set forth therein and are subject to redemption prior to maturity in the manner and upon the terms and conditions set forth therein and in the Bond Resolution.

The 2023B Bonds are dated the date of their issuance and delivery, have been issued in fully registered form, finally mature on October 1, 20\_\_\_\_, bear interest from the date thereof at such rate set forth therein and are subject to redemption prior to maturity in the manner and upon the terms and conditions set forth therein and in the Bond Resolution.

The Refunded Bonds were issued to finance or refinance the costs of the acquisition of the Gainesville Renewable Energy Center, together with the acquisition and construction of improvements and equipment related thereto.

Pursuant to the Master Resolution, the principal of, premium, if any, and interest on the Bonds shall be payable from and secured by a lien upon and pledge of the Trust Estate (the "Pledged Funds") on a parity with the Outstanding Bonds and Parity Hedging Contract Obligations (collectively, the "Parity Indebtedness") and any additional Bonds or Parity Hedging Contract Obligations hereafter issued or incurred.

In no event shall the Bonds or any interest or premium thereon be payable from the ad valorem tax revenues of the Issuer. The Bonds and the obligations evidenced thereby do not constitute a general liability or obligation of the Issuer or the State of Florida or any political subdivision or agency thereof, or a pledge of the faith and credit or taxing power of the Issuer, the State of Florida or any political subdivision or agency thereof. In no event shall the Bonds or the interest or premium 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 and to the extent expressly provided in the Master Resolution.

The description of the Bonds in this opinion and other statements concerning the terms and conditions of the issuance of the Bonds do not purport to set forth all of the terms and conditions of the Bonds or of any other document relating to the issuance of the Bonds, but are intended only to identify the Bonds 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 for use in connection with the reissuance of the Bonds.

In rendering the opinions set forth below, we have examined certified copies of the Bond Resolution and various other agreements, certificates and opinions delivered in connection therewith, and are relying on the covenants, representations and agreements of the Issuer and certain reports contained or referenced therein, including, without limitation, the Certificate Relating to Tax, Arbitrage and Other Matters dated \_\_\_\_\_, 2023, and the covenant 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 the applicable regulations thereunder, to the extent necessary to preserve the exclusion of interest on the Bonds 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 of the Bonds. In addition, we have examined and relied upon the opinions of Daniel M. Nee, City Attorney, as to the due organization and valid existence of the Issuer, the due adoption of the Bond Resolution and the due authorization,

execution and delivery of the Bonds and all other documents associated with the issuance thereof and the compliance of the Issuer with all conditions precedent to the issuance of the Bonds. We have also relied on such other agreements, certificates, documents and opinions, including certificates and representations of public officials and other officers and representatives of the various other parties participating in this transaction, as we have deemed relevant and necessary in connection with the opinions expressed below. We have not undertaken an independent audit, examination, investigation or inspection of the matters described, contained or referenced 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:

(i) The Issuer is a political subdivision of the State of Florida, duly organized and validly existing under the laws of the State of Florida.

(ii) The Bond Resolution constitutes a valid and legally binding obligation of the Issuer, enforceable in accordance with the laws of the State of Florida.

(iii) The Bonds are valid and legally binding special obligations of the Issuer, enforceable in accordance with the laws of the State of Florida and the terms of the Bond Resolution and are payable solely from and secured solely by a lien upon and pledge of the Pledged Funds, in the manner and to the extent provided in, and subject to the provisions of, the Bond Resolution, on a parity with the Parity Indebtedness and any additional Bonds or Parity Hedging Contract Obligations hereafter issued or incurred.

(iv) The interest on the Bonds is excludable from gross income for federal income tax purposes. Moreover, such interest will not be treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, for tax years beginning after December 31, 2022, interest on the Series 2022 Bonds is taken into account in computing the federal alternative minimum tax imposed on certain corporations.

The opinions expressed in the preceding paragraph 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 Bonds in a manner that would cause the Bonds to be classified as private activity bonds under Sections 141(a) or 141(d) 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 Bonds from gross income for federal income tax purposes. Failure of the Issuer to comply with such requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Other provisions of the Code may give rise to adverse federal income tax consequences to particular bondholders. 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 Bonds. We express no opinion regarding any state tax consequences of acquiring, carrying, owning or disposing of the Bonds. Owners of the Bonds should consult their tax advisors regarding any state tax consequences of owning the Bonds.

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 Bonds 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 of any material relating to the Bonds provided to the purchaser thereof and therefore express no opinion in regard thereto. 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 Master Resolution or as to the compliance by the Issuer or the purchasers with any federal or state registration requirements or securities laws, regulations or rulings with respect to the offer, sale or distribution of the Bonds.

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.

Sincerely yours,

HOLLAND & KNIGHT LLP

**APPENDIX III-B**  
**FORM OF RELIANCE LETTER**

\_\_\_\_\_, 2023

Truist Commercial Equity, Inc.  
Jacksonville, Florida

Re:     \$\_\_\_\_\_ City of Gainesville, Florida Variable Rate Utilities System  
          Revenue Bonds, 2023 Series A

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 \$\_\_\_\_\_ Variable Rate Utilities System Revenue Bonds, 2023 Series A (the "Bonds").

At your request, we render this supplemental opinion to you.

All terms used herein in capitalized form and not otherwise defined herein shall have the same meaning as ascribed to them Resolution No. 170395, incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the Issuer on September 21, 2017, as amended (the "Master Resolution") and with respect to the Bonds, as supplemented by the Thirty-Seventh Supplemental Utilities System Revenue Bond Resolution No. \_\_\_\_\_ adopted by the Issuer on April 6, 2023 (the "Supplemental Resolution" and together with the Master Resolution, the "Bond Resolution").

The opinions expressed herein are supplemental to and are subject to all qualifications and limitations contained in our Bond Counsel Opinion rendered to the Issuer as of the date hereof pertaining to the Bonds (the "Bond Counsel Opinion") except as they are inconsistent herewith. You are hereby entitled to rely on the Bond Counsel Opinion as though such opinion were addressed to you.

The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended.

This letter is furnished by us solely for your benefit in connection with the provisions of the Purchase Contract and Continuing Covenant Agreement as defined in the Supplemental Resolution and may not be relied upon by any other persons.

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 Bonds or by virtue of this letter.

Sincerely yours,

HOLLAND & KNIGHT LLP



**APPENDIX IV**  
**FORM OF INVESTOR LETTER**

City of Gainesville, Florida  
Gainesville, Florida

Holland & Knight LLP  
Lakeland, Florida

Re: City of Gainesville, Florida Variable Rate Utilities System Revenue Bonds,  
2023 Series A (the "2023A Bonds")

Ladies and Gentlemen:

This letter is being provided by Truist Commercial Equity, Inc. (the "Purchaser") in connection with the purchase of the above-referenced 2023A Bonds 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 making loans similar to that evidenced by the 2023A Bonds or in the business of entering into loan transactions evidenced by instruments similar to the 2023A Bonds, 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 loan to the City evidenced by the 2023A Bonds.

2. We are purchasing the 2023A Bonds for our own account as a commercial loan made in the ordinary course of business and with no present intention to resell or otherwise dispose of the 2023A Bonds (or any portion thereof or any interest therein); provided, however, that subject to applicable laws, we reserve the right to transfer the 2023A Bonds or any part thereof or interest therein at any time in our sole discretion in accordance with the 2023A Bonds. The interest rate represented by the 2023A Bonds was negotiated pursuant to an arms-length transaction between the City, as willing seller, and the Purchaser, as a willing buyer. The full principal amount represented by the 2023A Bonds, will be advanced by the Purchaser on this date to or on behalf of the City.

3. We are not acting as an Underwriter (as defined in Section 14 below) with respect to the 2023A Bonds and presently, to our knowledge, there is no Underwriter for the 2023A Bonds. Except as provided herein, we have not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the 2023A Bonds and we have not agreed with the City pursuant to a written agreement to sell the 2023A Bonds to persons other than ourselves or related parties to ourselves.

4. We are able to bear the economic risk of our investment in the 2023A Bonds.

5. We acknowledge that the 2023A Bonds do not represent a general obligation of the City, is not secured by a pledge of the faith and credit of the City or the State of Florida or of any political subdivision thereof and does not create indebtedness of the State of Florida or any political subdivision thereof, and we further acknowledge that no covenant, stipulation, obligation or agreement contained in any documents related to the issuance of the 2023A Bonds 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 that no offering statement, prospectus, offering circular, official statement or other disclosure document containing material information with respect to the City or the 2023A Bonds is being or has been prepared, and that, with due diligence, we have made our own inquiry and analysis with respect to the City, the 2023A Bonds and the security therefor.

7. 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 make the loan evidenced by the 2023A Bonds. 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 2023A Bonds and the security therefor and the City.

8. We purchased the 2023A Bonds for the price of \$\_\_\_\_\_, the stated principal amount of the 2023A Bonds.

9. We understand that the 2023A Bonds are issued subject to the transfer restrictions set forth in the 2023A Bonds.

10. We understand there will be no CUSIP numbers or credit ratings obtained on the 2023A Bonds.

11. We are an "accredited investor" as that term is defined in Rule 501(A)(1), (2) or (3) under Regulation D as promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, and a bank or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes.

12. We are not funding the loan evidenced by the 2023A Bonds for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

13. We understand, acknowledge and agree that (a) the 2023A Bonds 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 are not a municipal security, and (b) in connection with the issuance of the 2023A Bonds, the City will make a filing with respect to the incurrence of a material financial obligation with the Electronic Municipal Market Access System operated by the Municipal Securities Rulemaking Board to the extent required by the City's continuing disclosure agreements.

14. Defined Terms:

(a) "Public" means any person (including an individual, trust, estate, partnership, association or corporation) other than an Underwriter or a related party. The term "related party" for purposes of this Letter generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(b) "Underwriter" means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the 2023A Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the 2023A Bonds to the Public (including a member of the selling group or a party to a retail distribution agreement participating in the initial sale of the 2023A Bonds to the Public).

15. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Certificate Relating to Tax, Arbitrage and Other Matters with respect to the 2023A Bonds and with respect to compliance with the federal income tax rules affecting the 2023A Bonds, and by Holland & Knight LLP, Bond Counsel, in connection with rendering its opinion that interest component on the 2023A Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the 2023A Bonds. Notwithstanding, the Purchaser has no responsibility for the legal sufficiency of the factual assertions made by the Purchaser herein.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2023.

Very truly yours,

TRUIST COMMERCIAL EQUITY, INC., as  
Purchaser

By: \_\_\_\_\_  
Lisa C. Hayes  
Authorized Agent

## APPENDIX V

### FORM OF CITY COUNSEL OPINION

\_\_\_\_\_, 2023

City Commission  
of City of Gainesville, Florida  
Gainesville, Florida

Holland & Knight LLP  
Lakeland, Florida

Truist Commercial Equity, Inc.  
Jacksonville, Florida

Re:     \$ \_\_\_\_\_ City of Gainesville, Florida Variable Rate Utilities System Revenue  
       Bonds, 2023 Series A

Ladies and Gentlemen:

This opinion is being furnished to you in connection with the issuance and sale by the City of Gainesville, Florida (the "Issuer") of its \$ \_\_\_\_\_ principal amount of the Variable Rate Utilities System Revenue Bonds, 2023 Series A (the "Series 2023A Bonds"). The Series 2023A Bonds are being issued pursuant to Resolution No. 170395, incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the Issuer on September 21, 2017, as amended (collectively, the "Bond Resolution"), and as supplemented by the Thirty-Seventh Supplemental Utilities System Revenue Bond Resolution No. \_\_\_\_\_ adopted by the Issuer on April 6, 2023 (the "Supplemental Resolution" and together with the Bond Resolution, the "Resolution"). The Series 2023A Bonds are being issued to refund the Issuer's outstanding Variable Rate Utilities System Revenue Bonds, 2017 Series B, amended on November 2, 2020 and its Variable Rate Utilities System Revenue Bonds, 2017 Series C, amended on November 2, 2020 (collectively, the "Refunded Bonds"). All terms used herein in capitalized form and not otherwise defined herein shall have the same meanings as ascribed to them under the Resolution.

I am the duly appointed City Attorney for Issuer. In that capacity, I have examined all proceedings of the Issuer in connection with the authorization, issuance and sale of the Series 2023A Bonds, including the Resolution which was adopted pursuant to and under the Constitution and Laws of the State of Florida, including Chapter 166, Florida Statutes, the Charter of the Issuer, and other applicable provisions of law (collectively, with the Resolution, the "Act"). I have also reviewed (i) the Contract of Purchase dated \_\_\_\_\_, 2023 between the Issuer and Truist Commercial Equity, Inc. ("Truist") related to the Series 2023A Bonds (the "Purchase Contract") and (ii) the Continuing Covenant Agreement between the Issuer and Truist (the "Continuing Covenant Agreement"). I have also made such investigation and have examined such other ordinances, resolutions, certificates, documents, public records and proceedings as I have deemed relevant and necessary in rendering the opinions expressed below. I am of the opinion that as of the date hereof:

(1)     The Issuer is a municipal corporation of the State of Florida, duly organized and validly existing under the Constitution and laws of the State of Florida, including the Act, and has full legal right, power and authority to adopt and perform its obligations under the Resolution and to authorize, execute and deliver and to perform its obligations under the Resolution, the Series

2023A Bonds, the Purchase Contract and the Continuing Covenant Agreement (collectively, the "Borrower Documents").

(2) By official action of the Issuer, the Issuer has duly adopted the Resolution and has duly authorized, executed and delivered the Borrower Documents, and each constitutes the legal, binding and valid obligation of the Issuer, enforceable in accordance with its terms. The Series 2023A Bonds are valid and binding obligations of the Issuer as provided in the Resolution and entitled to the benefits of the Resolution and of the Act, as amended through the date hereof, and the Series 2023A Bonds have been duly and validly issued in accordance with law, including the Act as amended to the date hereof, and in accordance with the Resolution.

(3) The Issuer is lawfully empowered to pledge and grant a lien on, and has pledged and granted a lien on the Trust Estate for payment of the principal of, redemption premium, if any, and interest on the Series 2023A Bonds. The principal of, redemption premium, if any, and interest on the Series 2023A Bonds are payable from and secured by a lien upon and pledge of the Trust Estate on a parity and equal status with the Outstanding Bonds and Parity Hedging Contract Obligations, all to the extent and in the manner provided in the Resolution. Neither the general credit nor the taxing power of the Issuer, the State of Florida or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or interest on the Series 2023A Bonds.

(4) The Issuer is authorized under the Act and the Resolution to refund the Refunded Bonds.

(5) The adoption of the Resolution and the authorization, execution and delivery of the Borrower Documents, and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, any law, administrative regulation, consent decree, ordinance or resolution or, to the best of my knowledge, any agreement or other instrument to which the Issuer was or is subject as the case may be, nor will such enactment, adoption, execution, delivery, authorization or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer, or under the terms of any law, administrative regulation, ordinance, resolution or instrument, except as expressly provided by the Resolution.

(6) To the best of my knowledge, all approvals, consents, authorizations and orders of any governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the performance by the Issuer of its obligations under the Borrower Documents and the Resolution have been obtained and are in full force and effect, or are customarily granted in due course after application thereof and expected to be obtained without delay beyond due course.

(7) Except as described in writing to Truist, based upon a search of court records for cases naming the City and filed in the Circuit Court of the Eighth Judicial Circuit and the Federal District Court for the Northern District of Florida, there is no action, suit or proceeding, at law or in equity, pending or to my knowledge, threatened in writing, nor is there any inquiry or investigation, before any regulatory agency for which I have received written notice pending (i) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2023A Bonds or the refunding of the Refunded Bonds, or (ii) contesting or affecting as to the Issuer the validity or enforceability of the Resolution or in any respect relating to authorization for the issuance of the Series 2023A Bonds, the levying, collecting or pledging of rates and charges

related to the System, or the execution and delivery of the Series 2023A Bonds or the Borrower Documents, or (iii) contesting the powers of the Issuer or the City Commission or any authority for issuance of the Series 2023A Bonds, the pledging by the Issuer of the Revenues, or the use thereof to pay debt service on the Series 2023A Bonds, the adoption of the Resolution or the execution and delivery by the Issuer of the Series 2023A Bonds or the Borrower Documents.

(8) The Issuer has the authority to own and operate the System, to determine, fix, impose and collect rates and charges for the use of the System and to refund the Refunded Bonds.

The foregoing opinions are subject to the effect of, and restrictions and limitations imposed by or resulting from, bankruptcy, insolvency, debt adjustment, moratorium, reorganization, receivership or other similar laws affecting creditors' rights and judicial discretion and the valid exercise of the sovereign police powers of the State of Florida and of the constitutional power of the United States of America. By use of the word "enforceable" in this opinion, we are not rendering any opinion as to the availability of the remedy of specific performance or other equitable relief.

All opinions expressed are limited solely to Florida law. No opinion is expressed as to the laws of any other state, nor is any opinion expressed as to the excludability of interest on the Series 2023A Bonds from gross income for Federal income tax purposes or the exemption of interest on the Series 2023A Bonds from state taxes.

Our opinion is limited in all respects to the laws existing on the date hereof. By providing this opinion to you, we do not undertake to advise you of any changes in the law which may occur after the date hereof or to revise, update or modify this opinion subsequent to the date hereof.

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.

Notwithstanding the foregoing, I do 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 Series 2023A Bonds or in connection with the registration of the Series 2023A Bonds under the federal securities laws.

I am 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.

Yours truly,

OFFICE OF THE CITY ATTORNEY

By: \_\_\_\_\_  
Name: Daniel M. Nee  
Title: City Attorney



**APPENDIX VI**  
**FORM OF CONTINUING COVENANT AGREEMENT**

#185173700\_v7

EXHIBIT "B"

CONTINUING COVENANT AGREEMENT

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**CONTINUING COVENANT AGREEMENT**

between

**CITY OF GAINESVILLE, FLORIDA**

and

**TRUIST COMMERCIAL EQUITY, INC.**

Relating to

**CITY OF GAINESVILLE, FLORIDA  
Variable Rate Utilities System Revenue Bonds,  
2023 Series A**

Dated \_\_\_\_\_, 2023

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## CONTINUING COVENANT AGREEMENT

**THIS CONTINUING COVENANT AGREEMENT** is dated \_\_\_\_\_, 2023, by and between **THE CITY OF GAINESVILLE, FLORIDA** and **TRUIST COMMERCIAL EQUITY, INC.** All capitalized terms used herein and not otherwise defined shall have the meanings assigned in Section 1.01 or as otherwise provided in Section 1.02.

### W I T N E S S E T H:

WHEREAS, the City intends to issue its Bonds pursuant to the terms of the Resolutions;

WHEREAS, the Purchaser has agreed to purchase the Bonds, and as a condition to such purchase, the Purchaser has required the City to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, including the covenants, terms and conditions hereinafter contained, and to induce the Purchaser to purchase the Bonds, the Purchaser and the City agree as follows:

## ARTICLE I

### DEFINITIONS

**Section 1.01. Definitions.** In addition to terms defined at other places in this Agreement, the following defined terms are used throughout this Agreement with the following meanings:

*"Affiliate"* means, as to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other Person, whether through the ownership of voting securities, by contract or otherwise. Without limitation, any director, executive officer or beneficial owner of 5% or more of the equity of a Person shall for the purposes of this Agreement, be deemed to control the other Person.

*"Agreement"* means this Continuing Covenant Agreement.

*"Bank Transferee"* shall have the meaning assigned to such term in Section 9.07(c).

*"Bankruptcy Code"* means Title 11 of the United States Code, as amended from time to time, or any successor statute thereto.

*"Bond Proceeds"* means the principal of the Bonds and any investment earnings thereon.

*"Bond Resolution"* means Resolution No. 170395, incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the City on September 21, 2017, as amended by the Thirtieth Supplemental Utilities System Revenue Bond Resolution No. 180747 adopted by the City on February 21, 2019, as amended from time to time in accordance with the terms thereof and hereof.

"*Bonds*" means the City's Variable Rate Utilities System Revenue Bonds, 2023 Series A.

"*Business Day*" shall have the meaning assigned to such term in the Supplemental Resolution.

"*City*" means the City of Gainesville, Florida, and its successors and assigns permitted hereunder.

"*Closing Date*" means \_\_\_\_\_, 2023.

"*Contractual Obligation*" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or undertaking to which such Person is a party or by which it or any of its property is bound.

"*Debt*" means, with respect to any Person, all at a particular time, (a) indebtedness for borrowed money or for the deferred purchase price of property or services in respect of which such Person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which such Person otherwise assures a creditor against loss, (b) obligations under leases which shall have been or should be, in accordance with GAAP, recorded as capital leases in respect of which obligations such Person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such Person assures a creditor against loss, (c) all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any Person or otherwise to assure a creditor against loss, (d) obligations secured by any Lien on property, whether or not the obligations have been assumed, and (e) all other items or obligations which would be included in determining total liabilities on the balance sheet of a Person in accordance with GAAP; provided, however, that "Debt" shall not include trade payables and similar obligations incurred in the ordinary course of business or any non-capitalized lease obligations regardless of its treatment for accounting purposes.

"*Default*" means the occurrence of any event which, with the giving of notice or the passage of time, or both, would (unless waived by the Purchaser or cured to the reasonable satisfaction of the Purchaser) constitute an Event of Default.

"*Default Rate*" shall have the meaning assigned in the Supplemental Resolution.

"*EMMA*" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System or any service or services established by the Municipal Securities Rulemaking Board (or any of its successors) as a successor to the Electronic Municipal Access System.

"*Environmental Law(s)*" means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, or rules, and all judgments, orders, decrees, permits, concessions, grants, franchises, licenses, permits, agreements or governmental restrictions relating to air, water or land pollution, wetlands, or the protection of the environment or the release of any materials into the environment, including air, water or land, and those related to Hazardous Materials, air emissions and discharges to waste or public systems.

"*Environmental Liability*" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the System directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute thereto.

"*Event of Default*" in relation to this Agreement, shall have the meaning assigned to such term in Section 7.01, and in relation to any Related Document, shall have the meaning set forth therein.

"*Fiscal Year*" shall have the meaning assigned to such term in the Bond Resolution.

"*GAAP*" shall have the meaning assigned in Section 1.03.

"*Governmental Authority*" means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"*Hazardous Materials*" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"*Investment Grade*" means, with respect to a rating by Moody's, a rating of "Baa3" (or its equivalent) or better, with respect to a rating by S&P, a rating of "BBB-" (or its equivalent) or better, and, with respect to a rating by Fitch, a rating of "BBB-" (or its equivalent) or better.

"*Law*" means any treaty or any federal, regional, state and local law, statute, rule, ordinance, regulation, code, license, authorization, decision, injunction, interpretation, order or decree of any court or other Governmental Authority.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, the City shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"*Majority Bondholder*" means the Owners owning a majority of the aggregate principal amount of Bonds from time to time Outstanding. As of the Closing Date, the Purchaser shall be the Majority Bondholder.

"*Margin Stock*" shall have the meaning assigned to such term in Regulation U promulgated by the Board of Governors of the Federal Reserve System, as now and hereafter from time to time in effect.

"*Non-Bank Transferee*" shall have the meaning assigned to such term in Section 9.07(d).

"*Obligor Rating*" means the long-term debt rating assigned by any Rating Agency to any Parity Debt that is not guaranteed by any other Person or subject to any third-party credit enhancement.

"*Other Agreement*" means any resolution, ordinance, continuing covenant agreement, or other agreement or instrument (including any amendment, supplement or other modification thereof) under which, directly or indirectly, any Person undertakes to provide funds to purchase Parity Debt. For the avoidance of doubt, Other Agreement shall not include interest rate hedge agreements or standby bond purchase agreements, reimbursement agreements or other liquidity or credit facilities that provides liquidity or credit support to publicly traded variable rate Debt of the City.

"*Outstanding*" shall have the meaning assigned to such term in the Bond Resolution.

"*Owner*" means the registered owner of a Bond or, if the Bond is held in book entry form, the beneficial owner of such Bond.

"*Parity Debt*" means (i) all indebtedness of the City evidenced by bonds (excluding the Bonds), debentures, notes, securities or other similar instruments now or hereafter outstanding, provided that such indebtedness is secured by a Lien on the Trust Estate that is on a parity with the Bonds as to security and source of payment, including, without limitation, Bonds, Parity Commercial Paper Notes and Parity Medium-Term Notes; (ii) Parity Hedging Contract Obligations, but only with respect to Parity Hedging Contract Obligations that provide interest rate support and constitute regularly scheduled payments that relate to Parity Debt as described in clause (i) or clause (iii) of this definition of "Parity Debt"; and (iii) Parity Reimbursement Obligations.

"*Participant(s)*" means any bank(s) or other financial institution(s) which may purchase a participation interest from the Purchaser in this Agreement and certain of the Related Documents pursuant to a participation agreement between the Purchaser and the Participant(s).

"*Person*" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"*Property*" means, when used in connection with any Person, any and all rights, title and interests of such Person in and to any and all property (including cash) whether real, personal or mixed, or tangible or intangible, and wherever situated.

"*Purchase Price*" means, as of any date of determination, one hundred percent (100%) of the principal amount of all Bonds which are Outstanding, plus accrued and unpaid interest thereon to the date of purchase.

"*Purchaser*" means, initially, Truist Commercial Equity, Inc., and its successors and assigns, and upon the receipt from time to time by the Trustee and the City of a notice described in Section 9.07(b) means the Person designated in such notice as the Purchaser, as more fully provided in Section 9.07(b).

"*Qualified Institutional Buyer*" shall have the meaning assigned to such term in Rule 144A promulgated under the Securities Act.

"*Rating*" means the long-term credit rating assigned by one or more Rating Agencies to any unenhanced Parity Debt or any of such ratings individually.

"*Rating Agency*" means Moody's, S&P or Fitch, as applicable.

"*Related Documents*" means, collectively, the Resolutions, the Bonds, this Agreement and any exhibits, schedules, instruments or agreements attached thereto.

"*Requirements of Law*" means as to any Person, the certificate of incorporation and by-laws of or other organizational or governing documents of such Person, and any law (including, in the case of the City, the Act), treaty, rule or regulation, or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject. "*Resolutions*" means, collectively, the Bond Resolution and the Supplemental Resolution.

"*Securities Act*" means the Securities Act of 1933, as amended from time to time, or any successor statute thereto.

"*State*" means the State of Florida.

"*Supplemental Resolution*" means the Thirty-Seventh Supplemental Utilities System Revenue Bond Resolution No. \_\_\_\_\_ adopted by the City on April 6, 2023.

"*System*" shall have the meaning assigned to such term in the Bond Resolution.

"*Transferee*" means each Bank Transferee or Non-Bank Transferee pursuant to Section 9.07 for so long as such Bank Transferee or Non-Bank Transferee is an Owner.

"*Trust Estate*" shall have the meaning assigned to such term in the Bond Resolution.

"*Trustee*" means U.S. Bank Trust Company, National Association, or any successor trustee which may at any time be substituted in its place as provided in the Bond Resolution.

"*written*" or "*in writing*" means any form of written communication or a communication by means of a facsimile device or electronic mail.

**Section 1.02. Incorporation of Certain Definitions by Reference.** Each capitalized term used herein and not otherwise defined herein shall have the meaning provided therefor in the Resolution, as applicable, unless the context otherwise requires.

**Section 1.03. Accounting Terms and Determinations.** Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared in accordance with generally accepted accounting principles as in effect from time to time ("GAAP").

**Section 1.04. Computation of Time Periods.** In this Agreement, in the computation of a period of time from a specified date to a later specified date, unless otherwise specified herein, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding" and the word "through" means "to and including."

**Section 1.05. New York City Time Presumption.** All references herein to times of the day shall be presumed to refer to New York City time unless otherwise specified.

**Section 1.06. Relation to Other Documents; Incorporation by Reference.**

(a) Nothing in this Agreement shall be deemed to amend, or relieve, the City of any of its obligations under any Related Document to which it is a party. Conversely, to the extent that the provisions of any Related Document allow the City to take or not take certain actions, the City nevertheless shall be fully bound by the provisions of this Agreement.

(b) All references to this Agreement or any other documents, including, without limitation, the Related Documents, shall be deemed to include all amendments, restatements, modifications and supplements thereto to the extent such amendment, restatement, modification or supplement is made in accordance with the provisions of such document and this Agreement.

**Section 1.07. Construction.** Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, to the singular include the plural and to the part include the whole. The word "including" shall be deemed to mean "including but not limited to," and "or" has the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereunder" and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The Section headings contained in this Agreement and the table of contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Article, section, subsection, exhibit, schedule and annex references are to this Agreement unless otherwise specified.

## **ARTICLE II**

### **PURCHASE OF BONDS**

**Section 2.01. Purchase of Bonds.** Upon the terms and conditions and based on the representations, warranties and covenants of the City set forth herein, the Purchaser hereby agrees to purchase from the City and the City hereby agrees to sell to the Purchaser, all, but not less than



all, of the Bonds at the purchase price of \$ \_\_\_\_\_ representing the aggregate principal amount of the Bonds (the "Initial Purchase Price").

### ARTICLE III

#### THE CITY'S OBLIGATIONS

**Section 3.01. Repayment Obligations.** The City hereby unconditionally, irrevocably and absolutely agrees to make prompt and full payment of all amounts due and owing to the Purchaser hereunder and under the Bonds and the other Related Documents.

**Section 3.02. Default Interest.** All amounts payable by the City to the Purchaser under the Related Documents shall bear interest at the Default Rate from the earlier of the date amounts are due and not paid, but only for so long as such amounts due remain unpaid. Interest accruing hereunder at the Default Rate, other than interest on the Bonds, shall be payable to the Purchaser on demand. The obligations of the City under this Section shall survive the termination of this Agreement and the payment in full of the Bonds subject to the limitations of Section 8.03.

**Section 3.03. [Reserved].**

**Section 3.04. Computation of Interest and Fees.** Fees and other amounts payable hereunder shall be calculated on the basis of a year of 360 days and the actual number of days elapsed. Interest hereunder shall accrue during each period for which interest is computed from and including the first day thereof to but excluding the last day thereof.

**Section 3.05. Method and Application of Payments.** All payments by or on behalf of the City to the Purchaser hereunder shall be fully earned when due and nonrefundable when paid and made in lawful currency of the United States of America and in immediately available funds. Amounts payable to the Purchaser hereunder shall be paid by wire transfer in accordance with written instructions provided to the City by the Purchaser, or in such other manner as may be agreed upon by the City and the Purchaser. Any payment received by the Purchaser after 3:30 p.m. on the date payment is due shall be deemed to have been received by the Purchaser on the next Business Day. If any payment hereunder is due on a day that is not a Business Day, then such payment shall be due on the next succeeding Business Day, and, in the case of the computation of the interest or fees hereunder, such extension of time shall, in such case, be excluded in the computation of the payment due hereunder. Payments received by the Purchaser shall be applied, first, to any fees, costs, charges or expenses payable by the City under this Agreement; second, to past due interest; third, to current interest; and, fourth, to principal.

**Section 3.06. CUSIP, Credit Rating and Book Entry Bond.** The City hereby agrees not to apply for a CUSIP number for the Bond, obtain a credit rating for the Bond, or cause the Bond to become a "Book Entry Bond" as defined in the Master Resolution without the prior written consent of the Purchaser.



## ARTICLE IV

[RESERVED]

## ARTICLE V

### REPRESENTATION AND WARRANTIES

The City represents and warrants as follows, as of the date of execution and delivery of this Agreement:

**Section 5.01. Financial Condition.** The balance sheet of Gainesville Regional Utilities at September 30, 2022, and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended, reported on by the auditor of the City, heretofore delivered to the Purchaser, together with the financial statements delivered to the Purchaser pursuant to Section 6.02(a) hereof, are, and will be, complete and correct and present fairly the financial condition of Gainesville Regional Utilities as of such date, and the results of its operations and changes in financial position for the year then ended. All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP applied consistently throughout the periods involved (except as approved by such accountants and as disclosed therein).

**Section 5.02. No Change.** Since September 30, 2022, except as disclosed by the City in writing to the Purchaser, there has been no material change in the business, operations, properties or financial or other condition of the System which would adversely affect the ability of the City to perform its obligations under the Related Documents.

**Section 5.03. Organization; Compliance with Law.** The City (a) is a municipal corporation duly organized and validly existing under the laws of the State of Florida, (b) has all requisite power and authority and the legal right to own and operate its property and to conduct its business, including without limitation, the System, and (c) is in compliance with all Requirements of Law, except to the extent that the failure to comply therewith would not, in the aggregate, have a material adverse effect on the business, operations, properties or financial or other condition of the System, and would not materially adversely affect the ability of the City to perform its obligations under Related Documents.

**Section 5.04. Authorization; Enforceable Obligations.** The City has all requisite power and authority and the legal right to adopt the Resolutions and to make, deliver and perform this Agreement, the Bonds and the other Related Documents, and has taken all necessary action to authorize the execution, delivery and performance of this Agreement, the Bonds and the other Related Documents. No consent or authorization of, filing with, or other act by or in respect of any Governmental Authority is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement, the Bonds or the other Related Documents, except such consents, authorizations, filings or other acts as have been obtained, made or given. This Agreement, the Bonds and the other Related Documents (other than the Resolutions) have been duly authorized, executed and delivered on behalf of the City. The Resolutions have been duly adopted by the City and are in full force and effect. This Agreement, the Bonds and the other

Related Documents constitute legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms, subject to the effect of, and restrictions and limitations imposed by or resulting from, bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights and judicial discretion and the valid exercise of the sovereign police powers of the State of Florida and of the constitutional power of the United States of America.

**Section 5.05. No Legal Bar.** The execution, delivery and performance of this Agreement, the Bonds and the other Related Documents will not violate any Requirements of Law or any Contractual Obligation of the City.

**Section 5.06. No Material Litigation.** Except as disclosed in writing by the City to the Purchaser, including as attached as Exhibit "A" hereto, no litigation or proceeding or, to the knowledge of the City, investigation of or before any arbitrator or Governmental Authority is pending (a) with respect to this Agreement, the Bonds or any other Related Document or any of the transactions contemplated thereby or hereby, or (b) which would have a material adverse effect on the business, operations, properties or financial or other condition of the System or the ability of the City to perform its obligations under this Agreement, the Bonds or any other Related Document or in respect of any other Debt incurred to finance or otherwise in respect of the System or secured by Revenues or other assets of the System.

**Section 5.07. No Default.** The City is not in default under or with respect to this Agreement, the Bonds or the other Related Documents, or with respect to any Contractual Obligation in any respect which would be materially adverse to the business, operations, properties or financial or other condition of the System or which would materially and adversely affect the ability of the City to perform its obligations under this Agreement, the Bonds or the other Related Documents or in respect of any other Debt incurred to finance or otherwise in respect of the System or secured by any Revenues or other assets of the System. No Event of Default has occurred and is continuing.

**Section 5.08. Security.** The Bonds are secured ratably with all other Utilities System Revenue Bonds heretofore or hereafter issued by a Lien on and pledge of the Trust Estate.

**Section 5.09. Tax Exempt Status.** No part of the proceeds of the Bonds or other funds of the City shall at any time be used in a manner that would cause the Bonds or any of them to be treated as "arbitrage bonds" within the meaning of Section 148 (or any successor Section thereto) of the Code.

**Section 5.10. Federal Reserve Regulations.** No part of the proceeds of any Bonds has been, or will be, used for the purpose, whether immediate, incidental or ultimate, to purchase or carry any Margin Stock or for any other purpose which would violate any of the regulations of the Board of Governors of the Federal Reserve System.

**Section 5.11. ERISA Matters.** The City does not maintain any employee benefit plan that is subject to Title I or Title IV of ERISA.

**Section 5.12. No Sovereign Immunity.** The defense of sovereign immunity is not available to the City in any proceedings by the Purchaser to enforce any of the obligations of the

City under this Agreement, the Bonds or any of the other Related Documents, except to the extent that any such proceeding seeks enforcement based on tort or similar claim and in such case such defense is available only to the extent set forth under Florida Statutes Section 768.28 or other similarly applicable provision of law, and, to the extent permitted by applicable law, the City consents to the initiation of any such proceedings in any court of competent jurisdiction and agrees not to assert the defense of sovereign immunity in any such proceedings.

**Section 5.13. Full Disclosure.** To the best of the City's knowledge, all information heretofore furnished (including pursuant to any representation or warranty) by the City to the Purchaser for purposes of or in connection with this Agreement true and accurate in all material respects on the date as of which such information is stated or certified.

**Section 5.14. Incorporation by Reference.** The representations and warranties made by the City in any Related Document are hereby incorporated by reference and made for the benefit of the Purchaser.

**Section 5.15. No Proposed Legal Changes.** Except as provided for by Section 716 of the Bond Resolution and as otherwise disclosed in writing to the Purchaser, there is no amendment or proposed amendment certified for placement on a ballot or referendum or, to the knowledge of the City, to the Constitution of the State of Florida or to any law, ordinance, or regulation of the State of Florida applicable to the System, or any legislation that has passed either house of the legislature of the State of Florida, or any published judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to have a material adverse effect upon (a) the ability of the City to perform its obligations under this Agreement, the Bonds or any other Related Document in any material respect or any other material contract related to the System to which any one or more of them is a party; (b) the legality, validity or enforceability of this Agreement, the Bonds or any other Related Document; or (c) the priority of the Liens granted under the Resolutions or the rights and remedies of the Purchaser under this Agreement, the Bonds or any other Related Document.

**Section 5.16. Environmental Laws.** The System and any of the property of the City that constitutes a part of the System is in material compliance with all applicable Environmental Laws and has not become subject to any Environmental Liability, nor does the City know of any basis for such Environmental Liability.

**Section 5.17. Solvency.** The City is generally paying its debts as they come due and, after giving effect to the obligations contemplated by this Agreement and the other Related Documents, the Net Revenues of the System for the current and each future Fiscal Year are expected to exceed the amount required to satisfy the debts of the City related to the System (including contingent, subordinated, unmatured and unliquidated liabilities) as they become due in each such Fiscal Year.

**Section 5.18. Not an Investment Company.** The City is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended

**Section 5.19. Bonds.** The Bonds have been or will be duly and validly issued under the Resolutions and entitled to the benefits thereof.

## ARTICLE VI

### AFFIRMATIVE COVENANTS

The City covenants and agrees that it will comply with the following affirmative covenants until the date on which no amount is due or owing to the Purchaser under this Agreement, the Bonds or any other Related Document, unless the Purchaser shall otherwise consent in writing:

**Section 6.01. Performance of Covenants in Resolution.** The City shall perform each of its covenants set forth in Article V and in Article VII of the Bond Resolution and in the Supplemental Resolution (as the same may be amended from time to time after the date of this Agreement) at the time such performance is required thereby (and giving effect to any applicable grace periods set forth therein).

**Section 6.02. Financial and Other Information.** The City shall furnish to the Purchaser:

(a) within two hundred seventy (270) days after the close of each Fiscal Year of the City, a balance sheet of Gainesville Regional Utilities as of the end of such year, and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended, accompanied by an unmodified audit report of an independent certified public accounting firm of recognized standing stating that they have been prepared in accordance with GAAP consistently applied;

(b) within sixty (60) days after its adoption, the current annual budget for the System including each amendment to the annual budget;

(c) promptly upon request, such financial and other information as the Purchaser may from time to time reasonably request.

**Section 6.03. Inspection of Property; Discussions.** The City shall permit representatives of the Purchaser to visit and inspect any of the properties of the System and examine and make abstracts from any of its books and records (except to the extent such books and records are subject to legal privilege) at any reasonable time and as often as may reasonably be desired, and to discuss the business, operations, properties and financial and other condition of the System with officers and employees of the System and with its independent certified public accountants.

**Section 6.04. Notices.** The City shall promptly give notice to the Purchaser upon an officer of the City obtaining knowledge:

(a) of the occurrence of any Default or Event of Default and, if such Default or Event of Default is then continuing, a certificate of an Authorized Officer setting forth the details thereof and the actions which the City is taking or proposes to take with respect thereto;

(b) of any litigation or proceeding affecting the System in which the amount involved is \$20,000,000 or more and not covered by insurance or in which injunctive or similar relief is sought (for purposes of this clause (b), an obligation shall be considered "covered by insurance" to the extent the City has self-insured against such obligation or

risk and has maintained adequate reserves therefor under appropriate insurance industry standards);

(c) of any change in the Obligor Ratings;

(d) of the execution and delivery or adoption, as applicable, thereof, of any amendments of or supplements to any of the Related Documents other than the Resolution, together with copies thereof (but exclusive of those amendments or supplements for which the Purchaser's consent is otherwise required pursuant to the terms of this Agreement);

(e) of all legislation enacted by the legislature of the State of Florida of which an Authorized Officer of the City has knowledge, signed into law by the Governor and which, in the judgment of such Authorized Officer, could reasonably be expected to have a material adverse effect on the business, operations, properties or financial or other condition of the System or on the ability of the City to perform its obligations under this Agreement or any other Related Document;

(f) of any final official statement, offering circular, placement memorandum or similar or corresponding document, and any supplements thereto and updates and amendments thereof, that the City makes available in connection with the offering for sale or remarketing of any Parity Debt, to the extent not filed with the Municipal Securities Rulemaking Board (or any successor agency) through EMMA; and

(g) of such financial and other information as the Purchaser may from time to time reasonably request.

Each notice pursuant to Section 6.04(b) shall be accompanied by a statement of an Authorized Officer of the City setting forth details of the occurrence referred to therein and stating what actions, if any, the City proposes to take with respect thereto.

As and to the extent the information required by this Section 6.04 has been properly and timely filed with the Municipal Securities Rulemaking Board (or any successor agency) through EMMA, the City will be deemed to have complied with the provisions of this Section.

**Section 6.05. Amendment of Related Documents.** The City shall not modify, amend or supplement either Resolution without the prior written consent of the Purchaser; provided, however, that no such consent shall be required in connection with any amendment to the Bond Resolution, other than the Supplemental Resolution, permitted under the provisions of Section 1001 or 1002 of the Bond Resolution. The City shall not modify, amend or supplement or agree to modify, amend or supplement, any other Related Document in any respect which is adverse to the interests of the Purchaser or is inconsistent with this Agreement without the prior written consent of the Purchaser. The City shall promptly furnish to the Purchaser copies, certified by the Clerk as being in full force and effect, of any modification of, amendment of or supplement to either of the Resolutions as in effect on the Closing Date; provided, however, that the City shall not be required to furnish any such modification, amendment or supplement permitted under the provisions of Section 1001 or 1002 of the Bond Resolution.

**Section 6.06. Power to Fix and Collect Rates, Fees and Charges.** The City has, and except due to a change in law, will have as long as any Bonds are outstanding or other amounts are owing to the Purchaser hereunder, the City, subject in all respects to Section 716 of the Bond Resolution, shall have good right and lawful power to establish and collect rates, fees and charges with respect to the use and the sale of the capacity, output or service of the System subject to the terms of contracts relating thereto and subject to the jurisdiction of any applicable regulatory authority.

**Section 6.07. Sovereign Immunity.** To the extent authorized by applicable law, the City agrees to waive sovereign immunity from suit and liability for the purposes of adjudicating a claim to enforce its duties and obligations under this Agreement, the Bonds and Resolution or for damages for a breach of any of the foregoing, except to the extent that any such proceeding seeks enforcement based on tort or similar claim and in such case such defense is available only to the extent set forth under Florida Statutes, Section 768.28 or other similarly applicable provision of law.

**Section 6.08. Most Favored Covenant.** In the event that the City shall, directly or indirectly, enter into or otherwise consent to any contract, or any amendment, supplement or modification thereto, under which, directly or indirectly, any Person or Persons undertakes to make or provide credit or loans to the City or under which the City issues or incurs or could issue or incur Debt, in either such case, which is on a parity with the Bonds, which contract (or amendment, supplement or modification) provides such Person or Persons with additional or more restrictive financial covenants than are provided to the Purchaser in this Agreement (any such contract, or amendment, supplement or modification thereto, a "Favored Covenant Agreement"), the City shall provide the Purchaser with a copy of each such Favored Covenant Agreement within five (5) Business Days of the effective date of any such Favored Covenant Agreement. Upon the request of the Purchaser, the City shall promptly enter into an amendment to this Agreement to incorporate herein and make a part hereof such additional or more restrictive financial covenants for so long as such provisions remain in effect in the related Favored Covenant Agreement.

**Section 6.09. Compliance with Laws.** The City will comply in all material respects, within the time period, if any, given for such compliance by the relevant Governmental Authority, with all applicable laws, ordinances, rules and requirements of Governmental Authorities (including, without limitation, Environmental Laws) except where the necessity of compliance therewith is contested in good faith by appropriate proceedings.

**Section 6.10. Further Assurances.** The City shall, upon the request of the Purchaser, from time to time, execute and deliver such further documents and take such further action as may be reasonably necessary to effect the provisions of this Agreement and the Related Documents.

**Section 6.11. Maintenance of Ratings.** The City shall at all times maintain Obligor Ratings from at least one Rating Agency.

**Section 6.12. Disclosure to Participants.** The City agrees to permit the Purchaser to disclose any information received by the Purchaser in connection herewith, including without limitation the financial information described in Section 6.02, to any assignees or Participants of the Purchaser without notice to or further consent from the City.



**Section 6.13. Proceeds of Bonds.** The Bond Proceeds will be used solely for the purposes described in the Supplemental Resolution.

**Section 6.14. Filing of Agreement.** In the event the City delivers or permits, authorizes or consents to the delivery of this Agreement to any Person for delivery to the Municipal Securities Rulemaking Board, prior to such delivery the City agrees, to the extent permitted by law, that it shall redact all signatures, contact information, account information and other personal information contained herein.

## ARTICLE VII

### EVENTS OF DEFAULT

**Section 7.01. Events of Default.** The occurrence of any of the following events (including the expiration of any specified time) shall constitute an "Event of Default," unless waived by the Purchaser in writing:

(a) ***Payments.*** (i) The City shall fail to pay, or cause to be paid, when due (A) any payment of the principal of, Prepayment Fee as may be due, or interest on the Bonds, or (ii) the City shall fail to pay, or cause to be paid, within ten (10) days after the same shall become due, any other amount owed by the City to the Purchaser pursuant to this Agreement or any of the Related Documents.

(b) ***Covenants.*** The City shall fail to perform or observe any covenant set forth in Sections 6.05, 6.06, 6.07 or 6.11 and such default shall remain unremedied for a period of ten (10) days after the Purchaser shall have given written notice thereof to the City.

(c) ***Other Covenants.*** The City shall fail to perform any term, covenant, condition or provision of this Agreement or any of the Related Documents (other than as specified in any other subsection of this Section), which failure continues unremedied for forty five (45) days after the Purchaser shall have given written notice thereof to the City.

(d) ***Representations.*** Any representation, warranty, certification or statement made by the City (or incorporated by reference) in this Agreement or any other Related Document or in any certificate, financial statement or other document delivered pursuant to this Agreement or any other Related Document shall prove to have been incorrect in any material respect when made (or deemed made).

(e) ***Parity Debt Payment Default.*** The City shall fail to make any payment in respect of principal or interest on any Parity Debt when due (i.e., whether upon said Parity Debt's scheduled maturity, required prepayment, upon demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Parity Debt, or pursuant to the provisions of any resolution, indenture or instrument pursuant to which Parity Debt has been issued, the maturity of such Parity Debt shall as a result of the occurrence of a default in payment under such resolution, indenture or instrument, be accelerated or required to be prepaid prior to the stated maturity thereof.



(f) **Other Obligations.** (A) An "event of default" as defined in Section 801 of the Bond Resolution shall occur and is not cured within the applicable grace period, (B) any "event of default" on the part of the City under any of the Related Documents (excluding the Bond Resolution and the Supplemental Resolution) shall occur and is not cured within any applicable cure period, (C) the City shall fail to pay any Debt of the City for borrowed money related to the System, or any interest or premium thereon, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), of at least \$20,000,000 in principal amount then outstanding and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt, or (D) the City shall fail to perform or observe any term, covenant or condition on its part to be performed or observed under any Contractual Obligation related to the System when required to be performed or observed, and such failure shall not be waived and shall continue after the applicable grace period, if any, specified in such Contractual Obligation, if the effect of such failure to perform or observe is to accelerate, or permit the acceleration of, with the giving of notice if required, the maturity of the related Debt; or any such Debt shall be declared to be due and payable or be required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof.

(g) **Validity.** (i) Any provision of the Act, this Agreement, the Resolution or the Bonds relating to (A) the ability or the obligation of the City to pay, when due, the principal of or interest on the Bonds or (B) the Trust Estate securing the Bonds shall at any time, be declared to be null and void, invalid or unenforceable as the result of a final nonappealable judgment by any federal or state court or as a result of any legislative or administrative action by any Governmental Authority having jurisdiction over the City or (ii) (A) any Governmental Authority with jurisdiction to rule on the validity or enforceability of this Agreement, the Bonds, the Act, any Parity Debt or the Resolutions shall find or rule, in a judicial or administrative proceeding, that any provision of this Agreement, the Bonds, the Act, the Resolutions or any Parity Debt, as the case may be, relating to (1) the ability or the obligation of the City to pay, when due, the principal of or interest on the Bonds or any Parity Debt or (2) the Trust Estate securing the Bonds and Parity Debt is not valid or not binding on, or enforceable against, the City; or (B) an authorized representative for the City (1) makes a claim in a judicial or administrative proceeding that the City has no further liability or obligation hereunder, under the Bonds, the Act, the Resolutions or any Parity Debt to pay, when due, the principal of or interest on the Bonds or any Parity Debt or (2) contests in a judicial or administrative proceeding the validity or enforceability of any provision of this Agreement, the Bonds, the Act, the Resolutions or any Parity Debt relating to or otherwise affecting (x) the City's ability or obligation to pay, when due, the principal of or interest on the Bonds or any Parity Debt or (y) the Trust Estate securing the Bonds and Parity Debt.

(h) **Judgments.** A final, unappealable judgment or judgments for a claim not limited by or precluded by sovereign immunity under Section 768.28, Florida Statutes or other similarly applicable law, rendered by a court of competent jurisdiction that is enforceable against the City for the payment of money in excess of \$20,000,000 in the aggregate shall be payable from the funds and other property comprising the Trust Estate securing the Bonds and not be covered by insurance, the operation or result of which judgment or judgments shall remain unpaid, unstayed, undischarged, unbonded or

undismissed for a period of sixty (60) days; an obligation shall be considered "covered by insurance" to the extent the City has self-insured against such obligation or risk and has maintained adequate reserves therefor.

(i) ***Insolvency.*** (A) The City shall (1) commence any case, proceeding or other action (x) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition, declaration of a payment moratorium or other relief with respect to it or its debts or (y) seeking the appointment of a receiver, trustee, custodian or similar official for it or for all or any substantial part of its assets, or (2) make a general assignment for the benefit of its creditors; (B) there shall be commenced against the City any case, proceeding or other action of a nature referred to in clause (A) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of sixty (60) days; (C) there shall be commenced against the City any case, proceeding or other action seeking the issuance of a warrant of attachment, execution, restraint or similar process against all or any substantial part of the assets of the System or the Net Revenues of the System, which results in the entry of a final and non-appealable order or ruling for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; (D) the City shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (A), (B) or (C) above; or (E) the City shall (1) admit in writing its inability to pay its debts as such debts become due or (2) become insolvent within the meaning of the United States Bankruptcy Code.

(j) ***Debt Moratorium or Restructuring.*** (A) The City shall impose a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Bonds or any Parity Debt, or (B) any Governmental Authority having appropriate jurisdiction over the City shall enact or adopt legislation which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Bonds or all Parity Debt.

(k) ***Downgrade.*** Any Obligor Rating is withdrawn or suspended by the applicable Rating Agency for credit related reasons.

**Section 7.02. Consequences of an Event of Default.** If an Event of Default specified in Section 7.01 shall occur, then in addition to any other rights or remedies available to the Trustee or the Purchaser under any of the Related Documents or under applicable Law, the Purchaser may exercise any one or more of the following rights and remedies:

(a) cure any Default, Event of Default or event of nonperformance under this Agreement or the Related Documents; provided, however, that the Purchaser shall have no obligation to effect such a cure; or

(b) exercise, or cause to be exercised, any and all remedies as it may have under this Agreement or the Related Documents (other than as provided in subsection (a) above) and as otherwise available at law and at equity.

**Section 7.03. Default Rate.** During the continuance of any Event of Default, amounts owing from the City to the Purchaser hereunder shall bear interest at the Default Rate.

**Section 7.04. No Waiver; Remedies.** No failure on the part of the Purchaser to exercise, and subject to the limitation of Section 8.03, no delay in exercising, any right, power or privilege under this Agreement shall operate as a waiver of such right, power or privilege; nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other further exercise of such right, power or privilege or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law or which the Purchaser would otherwise have. The rights and remedies of the Purchaser are for the sole and exclusive benefit, use and protection of the Purchaser, and the Purchaser is entitled, but shall have no duty or obligation to the City, the Trustee or any other Person or otherwise, (i) to exercise or to refrain from exercising any right or remedy reserved to the Purchaser hereunder or under any Related Document, or (ii) to cause the Trustee or any other Person to exercise or to refrain from exercising any right or remedy available to it under any of the Related Documents.

## ARTICLE VIII

### NATURE OF OBLIGATIONS; INDEMNIFICATION

**Section 8.01. Liability of the Purchaser.** (a) Except as otherwise provided in this Section 8.01, any action taken or omitted by the Purchaser under or in connection with this Agreement or any related certificates or other documents, if taken or omitted in good faith and without gross negligence, shall be binding upon the City and shall not put the Purchaser under any resulting liability to the City.

(b) Except as otherwise provided in this Section 8.01, neither the Purchaser nor any of its officers or directors shall be liable or responsible for (i) the use which may be made of the Bond Proceeds or for any acts or omissions of the Trustee, (ii) the general and particular conditions stipulated in this Agreement, (iii) the validity or genuineness of any documents presented under this Agreement (or any endorsement thereon), even if such documents should in fact prove to be in any or all respects forged, fraudulent, invalid, unenforceable or insufficient or any statement therein being inaccurate in any respect whatsoever, (iv) payment by the Purchaser under this Agreement against presentation of documents which do not comply with the terms of this Agreement, including failure of any documents to bear any reference or adequate reference to this Agreement, (v) the existence, form, sufficiency and breach of contracts of any nature whatsoever, including the Related Documents and this Agreement, (vi) the solvency, standing and responsibility of any Person whomsoever, (vii) any delay by any Person other than the Purchaser in giving or failure to give any notice, demand or protest, (viii) failure of any Person (other than the Purchaser) to comply with the terms of this Agreement, (ix) errors, omissions, delays in or non-delivery of any message, however sent, or (x) any other circumstance or happening

whatsoever, whether or not similar to any of the foregoing, in making or failing to make payment under this Agreement. Notwithstanding the foregoing, the Purchaser shall be liable to the City for the City's direct damages which result from or arise out of the events described in the next sentence, including any liability of the City as a result of claims by third parties, but the liability of the Purchaser shall not include consequential damages. The events giving rise to liability of the Purchaser pursuant to the preceding sentence shall be limited to (A) the Purchaser's gross negligence or willful misconduct in determining whether documents presented under this Agreement comply with the terms hereof or (B) the Purchaser's gross negligence or willful misconduct in failing to pay under this Agreement amounts owed by the Purchaser when due. Without in any way limiting the Purchaser's liability as provided by the foregoing, the Purchaser may accept documents under this Agreement that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

**Section 8.02. Expenses.** The City shall pay all out of pocket expenses of the Purchaser, including fees and disbursements of counsel, in connection with this Agreement and the Related Documents, any waiver or consent hereunder or any amendment hereof or any Default or Event of Default hereunder.

**Section 8.03. Survival of Representations and Warranties.** All agreements, covenants, representations and warranties contained in this Agreement and in any certificates delivered pursuant hereto shall survive the execution and delivery of this Agreement, and the agreements contained in Sections 8.02 shall survive payment of any amounts payable hereunder and thereunder and with respect to any Bonds and the termination of this Agreement; provided, however, any request for payments under Sections 8.02 must be requested from the City in writing within 90 days from the later of the termination of this Agreement or the payment or purchase of the Bonds held by the Purchaser in full.

## ARTICLE IX

### MISCELLANEOUS

**Section 9.01. Right of Setoff.** The Purchaser hereby waives any rights of set-off for any amounts owed hereunder with respect to any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Purchaser to or for the credit or the account of the City.

**Section 9.02. Amendments and Waivers.** No amendment or waiver of any provision of this Agreement or consent to any departure by the City from any such provision shall in any event be effective unless the same shall be in writing and signed by the Purchaser. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. In the event any agreement contained in this Agreement should be breached by the City and thereafter waived by the Purchaser, such waiver shall be limited to the particular breach so waived for the specific period set out in such waiver and such waiver shall not constitute a waiver of such breach for any other period and shall not waive any other or similar breach hereunder.

**Section 9.03. Counterparts.** This Agreement may be signed in any number of counterpart copies (and by different parties on different counterparts), each of which shall constitute an original but all such copies shall constitute one and the same instrument.

**Section 9.04. Notices.** All notices, requests, demands, directions and other communications (collectively "notices") under the provisions of this Agreement shall be in writing (including facsimile communication), unless otherwise expressly permitted hereunder, and shall be properly addressed and sent by registered or certified mail or by express courier for next Business Day delivery and shall be deemed received as follows: (a) if by registered or certified mail, five (5) days after mailing; (b) if by express courier, on the next Business Day; and (c) if by facsimile, when confirmation of transmission is obtained if prior to 5:00 p.m. local time on a Business Day, and otherwise, on the next Business Day; provided that service of a notice prescribed by any applicable Law shall be considered complete when the requirements of such applicable Law are met. Notices by electronic mail (e mail) shall not constitute notice under this Agreement and are only to be used in addition to notice given as prescribed under subsections (a), (b) or (c) of this Section. All notices shall be sent to the applicable party at the following address or in accordance with the last unrevoked written direction from such party to the other party hereto and the Trustee:

if to the City, addressed to it at:

City of Gainesville, Florida  
301 S.E. Fourth Avenue  
Gainesville, FL 32601  
Attention: General Manager for Utilities  
Telephone: (352) 393-1007  
Facsimile: (352) 334-2277

or if to the Purchaser, addressed to it at:

Truist Commercial Equity, Inc.  
76 South Laura Street, Suite 20  
Jacksonville, FL 32202  
Attention: Lisa Hayes  
Telephone: (904) 632-2599  
Facsimile: (904) 632-2874  
E-mail: [lisa.c.hayes@truist.com](mailto:lisa.c.hayes@truist.com)

or if to the Trustee, addressed to it at:

U.S. Bank Trust Company, National Association  
225 Water Street, Suite 700  
Jacksonville, FL 32202  
Attention: Vicki Bellamy, Vice President  
Telephone: (904) 358-5382  
Email: vicki.bellamy@usbank.com

The Purchaser may in its sole discretion rely on any notice (including telephone communication or e mail communication) purportedly made by or on behalf of the City or the Trustee, but it shall have no duty to accept any notice not given as prescribed in this Section and shall have no duty to verify the identity or authority of the Person giving such notice, unless such actions or omissions would amount to gross negligence or intentional misconduct.

A party may, by delivery of notice in the manner provided herein, revise such party's notice address.

**Section 9.05. Severability.** Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

**Section 9.06. Governing Law; Consent To Jurisdiction; Waiver Of Jury Trial.**

(a) ***Governing Law.*** THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND TOGETHER WITH ANY DISPUTES OR CONTROVERSIES ARISING OUT OF OR RELATING TO THIS AGREEMENT, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE AND APPLICABLE FEDERAL LAW, WITHOUT REGARD TO CHOICE OF LAW RULES.

(b) ***Consent to Jurisdiction.*** EACH PARTY HERETO CONSENTS TO AND SUBMITS TO IN PERSONAM JURISDICTION AND VENUE IN ALACHUA COUNTY, FLORIDA AND IN THE FEDERAL DISTRICT COURTS WHICH ARE LOCATED IN ALACHUA COUNTY, FLORIDA. EACH PARTY ASSERTS THAT IT HAS PURPOSEFULLY AVAILED ITSELF OF THE BENEFITS OF THE LAWS OF THE STATE AND WAIVES ANY OBJECTION TO IN PERSONAM JURISDICTION ON THE GROUNDS OF MINIMUM CONTACTS, WAIVES ANY OBJECTION TO VENUE, AND WAIVES ANY PLEA OF FORUM NON CONVENIENS. THIS CONSENT TO AND SUBMISSION TO JURISDICTION IS WITH REGARD TO ANY ACTION RELATED TO THIS AGREEMENT, REGARDLESS OF WHETHER THE PARTY'S ACTIONS TOOK PLACE IN THE STATE OR ELSEWHERE IN THE UNITED STATES OF AMERICA, THIS SUBMISSION TO JURISDICTION IS NONEXCLUSIVE, AND DOES NOT PRECLUDE EITHER PARTY FROM



OBTAINING JURISDICTION OVER THE OTHER IN ANY COURT OTHERWISE HAVING JURISDICTION.

(c) ***Waiver of Jury Trial.*** EACH PARTY HERETO WAIVES ITS RIGHT TO A JURY TRIAL OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT AND THE RELATED DOCUMENTS. IT IS HEREBY ACKNOWLEDGED THAT THE WAIVER OF A JURY TRIAL IS A MATERIAL INDUCEMENT FOR THE PURCHASER TO PURCHASE THE BONDS AND THAT THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY THE CITY AND THE PURCHASER IS MADE IN RELIANCE UPON SUCH WAIVER. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT SUCH WAIVER HAS BEEN KNOWINGLY AND VOLUNTARILY MADE FOLLOWING CONSULTATION WITH ITS RESPECTIVE LEGAL COUNSEL.

(d) The covenants and waivers made pursuant to this Section shall be applicable to any subsequent amendments, renewals, supplements or modifications of this Agreement.

Nothing in this Section shall affect the right of the Purchaser to serve legal process in any other manner permitted by Law.

#### **Section 9.07. Successors and Assigns.**

(a) ***Generally.*** This Agreement is a continuing obligation and shall be binding upon the City, its successors, transferees and assigns and shall inure to the benefit of the Purchaser and each Transferee and their respective permitted successors, transferees and assigns. The City may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Purchaser. The Purchaser and each Transferee may, in its sole discretion and in accordance with Applicable Law, from time to time assign, sell or transfer in whole or in part, this Agreement, its interest in the Bonds and the other Related Documents in accordance with the provisions of subsections (c) or (d) below. The Purchaser and each Transferee may at any time and from time to time pledge or assign a certain security interest in accordance with the provisions of subsection (e) below and enter into participation agreements in accordance with the provisions of subsection (f) below.

(b) ***Designation of Purchaser.*** Truist Commercial Equity, Inc. shall be the Purchaser hereunder until such time as the Majority Bondholder designates an alternate Person to serve as the Purchaser hereunder by delivery of written notice to the City and the Trustee and such Person accepts and agrees to act as the Purchaser hereunder and under the Related Documents. The Majority Bondholder may so designate an alternate Person to act as the Purchaser from time to time. Upon acceptance and notification thereof to the City and the Trustee, the successor to the Purchaser for such purposes shall thereupon succeed to and become vested with all of the rights, powers, privileges and responsibilities of the Purchaser or any other Person being replaced as the Purchaser shall be discharged from its duties and obligations as the Purchaser hereunder.



(c) ***Sales and Transfers to a Bank Transferee.*** Without limitation of the foregoing generality, the Purchaser may at any time sell or otherwise transfer to one or more transferees all or a portion of the Bonds pursuant to the Supplemental Resolution.

(d) ***Certain Pledges.*** The Purchaser may at any time pledge or grant a security interest in all or any portion of its rights under this Agreement, the Bonds and the other Related Documents to secure obligations of the Purchaser, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release the Purchaser from any of its obligations hereunder or substitute any such pledgee or assignee for the Purchaser as a party hereto.

(e) ***Participations.*** The Purchaser shall have the right to grant participations in all or a portion of the Purchaser's interest in this Agreement, the Bonds and the other Related Documents to one or more other banking institutions, and such participants shall, except as set forth in the clause (ii) of this subsection, be entitled to the benefits of the this Agreement and the Related Documents to the same extent as if they were a direct party to this Agreement; provided, however, that (i) no such participation by any such Participant shall in any way affect the obligations of the Purchaser hereunder and (ii) the Trustee and the City shall be required to deal only with the Purchaser with respect to any matters under this Agreement and the Related Documents and no such Participant shall be entitled to enforce against the City any provision hereunder.

**Section 9.08. Complete and Controlling Agreement.** This Agreement and the Related Documents completely set forth the agreements between the Purchaser and the City and fully supersede all prior agreements, both written and oral, between the Purchaser and the City relating to all matters set forth herein and in the Related Documents.

**Section 9.09. No Advisory or Fiduciary Responsibility.** In connection with all aspects of the transactions contemplated by this Agreement and the Related Documents (including in connection with any amendment, waiver or other modification of this Agreement or of any Related Document), the City acknowledges that: (a)(i) any arranging, structuring and other services regarding this Agreement and the Related Documents provided by the Purchaser are arm's length commercial transactions between the City on the one hand, and the Purchaser on the other hand, (ii) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and the Related Documents; (b)(i) the Purchaser is and has been acting solely as a principal and has not been, is not, and will not be acting as an advisor, agent or fiduciary for the City or any other Person and (ii) the Purchaser does not have any obligation to the City with respect to the transactions contemplated by this Agreement and the Related Documents, except those obligations expressly set forth herein; and (c) the Purchaser may be engaged in a broad range of transactions that involve interests that differ from those of the City, and the Purchaser does not have any obligation to disclose any of such interests to the City.

**Section 9.10. Payment Set Aside.** To the extent that the Purchaser or any Owner receives any payment from or on behalf of the City which payment amount or any part thereof is subsequently invalidated, declared to constitute a fraudulent conveyance or preferential transfer,

set aside, or required to be repaid (including pursuant to any settlement entered into by the Purchaser or any Owner in its discretion) to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause (collectively, "Set Aside"); then, to the extent of any such Set Aside, the obligations or part thereof intended to be satisfied shall be revived and continue in full force and effect, as if such payment amount had not been received by the Purchaser or such Owner.

**Section 9.11. Contractual Interpretation.** The parties acknowledge that they have read and fully understand the terms of this Agreement, have consulted with such attorneys, accountants, advisors, or other professionals as they have deemed appropriate prior to executing this Agreement with adequate opportunity and time for review thereof, and are fully aware of its contents and of its legal effect. Accordingly, neither this Agreement nor any ambiguity herein shall be construed against any party on the grounds that such party drafted this Agreement and instead, this Agreement shall be interpreted as though drafted equally by all parties.

**Section 9.12. Electronic Signatures.** The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature. Notwithstanding the foregoing, the City agrees to deliver an original signature page to this Agreement to the Purchaser.

**Section 9.13. USA Patriot Act Notification.** The Purchaser is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, signed into law October 26, 2001) (the "Act") and hereby notifies the City that pursuant to the requirements of the Act, it is required to obtain, verify, and record information that identifies the City, which information includes the name and address of the City and other information that will allow the Purchaser to identify the City in accordance with the Act.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties hereto have caused this Continuing Covenant Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

CITY OF GAINESVILLE, FLORIDA

By: \_\_\_\_\_  
Claudia Rasnick  
Utility Chief Financial Officer

APPROVED AS TO FORM AND  
LEGALITY

By: \_\_\_\_\_  
Daniel M. Nee  
City Attorney

TRUIST COMMERCIAL EQUITY, INC.

By: \_\_\_\_\_  
Lisa C. Hayes  
Authorized Agent

*[Signature Page to Continuing Covenant Agreement]*

## EXHIBIT "A"

### PENDING LITIGATION

*Jacob Rodgers v. William Stormant and City of Gainesville, d/b/a Gainesville Regional Utilities;* Case No. 2016-CA-659 in the Circuit Court of the Eighth Judicial Circuit in and for Alachua County, Florida.

On October 7, 2015, a City-owned vehicle driven by a City employee collided with a vehicle. In February 2016, the plaintiff filed suit against the City employee, personally, and added the City as a defendant in June 2017. The trial was conducted in early May 2021. The jury reached a verdict of \$120,000,000 against the City. The trial court denied the City's motion for new trial, but granted a remittitur reducing the overall award to \$13,319,181.24. The plaintiff rejected the remittitur, and filed a notice of appeal. The City, in turn, filed a notice of cross appeal. Briefs have been filed with Florida's 1st District Court of Appeal, and oral argument was scheduled for Wednesday, January 25, 2023. On January 18, 2023, however, the First DCA issued an order cancelling the oral argument and relinquishing jurisdiction to the trial court to enter a Final Judgment. On January 30, 2023, the trial court entered the judgment, so that the appellate proceedings may go forward with a new date for oral argument. The new Judgment prepared by the Plaintiff, though, prompted a City's Motion to Dismiss Rodger's appeal. The City's appeal persists. If and when judgment is entered and affirmed, regardless of the amount, execution will lie only in the amount of the \$200,000 sovereign immunity cap.

To the extent any potential judgment above \$200,000 exists after all appeals are exhausted, the plaintiff may file a claims bill to collect the excess from the City. Any claims bill must be heard and approved by both houses of the Florida Legislature and signed by the Governor. In the event a claims bill is approved directing the City to appropriate and pay plaintiff a sum in excess of \$200,000, the City plans to cover such liability with currently available utility system operating funds or through a borrowing. In the event a claims bill is approved directing the City to appropriate and pay plaintiff a sum in excess of \$200,000, the City plans to request the Legislature structure such payment over a term of years that would allow the City to cover such liability with currently available operating funds or through a borrowing.