

Date: May 17, 2016  
To: Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners  
From: Carlos A. Gimenez  
Mayor   
Subject: Resolution Authorizing Issuance of \$400 million of Miami-Dade County, Florida  
Water and Sewer Commercial Paper Notes

Agenda Item No. 5(C)

Resolution No. R-347-16

**Recommendation**

It is recommended that the Board adopt the accompanying Resolution (CP Award Resolution) which:

- approves the issuance from time to time in an amount not to exceed at any one time \$400 million of commercial paper notes (CP Notes) for the Water and Sewer Department (Department);
- appoints the commercial paper dealers (Dealers) and the letter of credit providers (LOC Providers);
- approves the form and delivery of certain related agreements; and
- delegates certain responsibilities to the Finance Director.

**Scope**

The implementation of a Commercial Paper Program by issuing CP Notes will provide temporary financing to fund a portion of the Department's Capital Projects. Once the full \$400 million of the Commercial Paper Program has been issued, the County anticipates taking out the CP Notes with long-term, fixed rate bonds, thereby allowing additional CP Notes to be issued. The impact of the Commercial Paper Program is countywide.

**Track Record/Monitoring**

Issuance of the CP Notes will be managed by Frances G. Morris, Chief Financial Officer in the Water and Sewer Department.

**Fiscal Impact/Funding Source**

The principal on the CP Notes will be paid solely from (i) funds drawn under each respective Letter of Credit, (ii) proceeds of additional bonds that the County issues, and (iii) a rollover of the maturing series CP Notes, or the issuance of additional CP Notes issued to finance the payment of the principal or interest on the CP Notes and Drawings. Interest shall be payable solely from: (i) funds drawn under each respective Letter of Credit, (ii) capitalized CP Note interest and proceeds of CP Notes refunding the same, (iii) proceeds of Additional Bonds that the County issues, (iv) issuance of additional CP Notes issued to finance the payment of the principal of or interest on the CP Notes, or (v) Net Operating Revenues of the County's water and wastewater utility system. The CP Notes will be structured as a tax-exempt and taxable commercial paper program and will be issued in anticipation of the issuance of bonds. Once the full \$400 million of the Commercial Paper Program has been issued, the County anticipates taking out the CP Notes with long-term, fixed rate bonds, thereby allowing additional CP Notes to be issued.

**Background**

The Department is embarking on a multi-year capital improvement program. The Commercial Paper Program enables the Department to have immediate access to capital funds at short-term interest rates. This program will expedite the Capital Projects, which may lead to savings by taking advantage of historically low short-term rates and favorable construction prices. The Board enacted

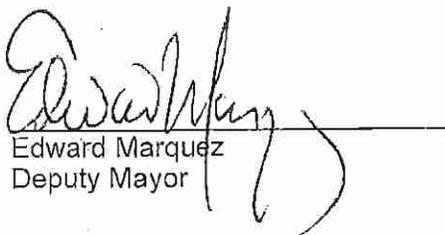
Ordinance No. 09-67 authorizing the Interim Financing in connection with the Department's Capital Projects, including the issuance of CP Notes in an aggregate principal amount not to exceed \$400,000,000 outstanding at any one time, in anticipation of the issuance of Additional Bonds.

A Commercial Paper Program requires the remarketing of the CP Notes for any period from 1 to 270 days. These variable short term periods allows the Dealer to remarket the CP Notes to investors with specific needs, securing an interest rate advantageous to the Department. However, the continuous remarketing requires an available source of funds to repay the investor when the CP Notes mature. In order to provide this available source of funds, a Commercial Paper Program requires a letter of credit (LOC).

After a competitive selection process and based on fees, term, experience and commitment amount, among other factors, the County's water and sewer segment financial advisor, Public Resources Advisory Group, recommends the selection of Barclays Bank PLC and Sumitomo Mitsui Banking Corporation as the initial LOC Providers and Barclays Capital and Citigroup Global Markets Inc. as the initial Dealers. The two LOC Providers were selected and recommended as a result of no one bank submitting a bid for the entire \$400 million LOC Commercial Paper Program.

The County has covenanted to issue Water and Sewer Revenue Bonds, Ordinance No. 09-67 to pay the principal and interest on the CP Notes when due. Below is a breakdown of the fees associated with the Dealer and LOC Providers:

LOC Provider Fees		
Provider	Barclays Bank PLC	Sumitomo Mitsu Banking Corporation
Ratings - ST (M,S,F)	P-1, A2, F1	P1, A1, F1
Ratings - LT (M,S,F)	A1, A-, A	A1, A, A
Type	Direct Pay	Direct Pay
Term	3 - Year	3 - Year
Facility Fee	35.0 bps	45.0 bps-secured & 50.0 bps unsecured
Draw fee per draw	\$250	\$350
Transfer	N/A	\$5,000
Amendment	TBD	\$5,000
Bank Counsel	\$45,000	\$50,000
Dealer Fees		
Provider	Barclays Capital	Citigroup Global Markets Inc.
Annual Fee	5 bps	4.5 bps
Legal Fees	\$25,000	\$15,000

  
 Edward Marquez  
 Deputy Mayor



# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Jean Monestime  
and Members, Board of County Commissioners

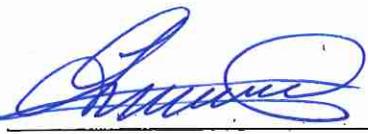
**DATE:** May 17, 2016

**FROM:** Abigail Price-Williams  
County Attorney

**SUBJECT:** Agenda Item No. 5(C)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's \_\_\_\_\_, 3/5's \_\_\_\_\_, unanimous \_\_\_\_\_) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved  Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 5(C)  
5-17-16

RESOLUTION NO. R-347-16

RESOLUTION APPROVING ISSUANCE FROM TIME TO TIME OF NOT TO EXCEED \$400,000,000.00 AGGREGATE PRINCIPAL AMOUNT OF MIAMI-DADE COUNTY, FLORIDA WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES OUTSTANDING AT ANY ONE TIME; APPROVING CERTAIN DETAILS WITH RESPECT TO SUCH COMMERCIAL PAPER NOTES INCLUDING DISTRIBUTION OF OFFERING MEMORANDUM; APPOINTING COMMERCIAL PAPER DEALERS, LETTER OF CREDIT PROVIDERS AND ISSUING AND PAYING AGENT; APPROVING FORMS OF CERTAIN RELATED AGREEMENTS; DELEGATING DETERMINATION OF FINAL TERMS OF SAID COMMERCIAL PAPER NOTES TO COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE; AUTHORIZING COUNTY OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH ISSUANCE, SALE, EXECUTION AND DELIVERY OF COMMERCIAL PAPER NOTES; WAIVING PROVISIONS OF RESOLUTION NO. R-130-06, AS AMENDED; PROVIDING SEVERABILITY AND EFFECTIVE DATE

**WHEREAS**, the Board of County Commissioners (the "Board") of Miami-Dade County, Florida (the "County"), acting pursuant to the authority cited in Section 2, owns and operates water and wastewater treatment plant facilities and a distribution and collection system and pursuant to such authority and Ordinance No. 93-134, enacted by the Board on November 16, 1993 (the "Original Ordinance"), as amended by Ordinance No. 13-47, enacted by the Board on June 4, 2013 (the "2013 Ordinance" and together with the Original Ordinance, the "Master Ordinance"), the County is authorized to issue revenue bonds from time to time; and

**WHEREAS**, on July 23, 2009, the Board enacted Ordinance No. 09-67 (the "Interim Financing Ordinance") authorizing the Interim Financing in connection with the CIP Projects, including the issuance of CP Notes (as all such terms are defined in the Interim Financing

Ordinance), in an aggregate principal amount not to exceed \$400,000,000.00 outstanding at any one time, in anticipation of the issuance of Additional Bonds (as such term is defined in the Master Ordinance), all as more particularly described in the Interim Financing Ordinance; and

**WHEREAS**, the 2013 Ordinance authorized the issuance of not to exceed \$4,245,000,000.00 aggregate principal amount of Additional Bonds pursuant to Section 208 of the Master Ordinance for the purpose, among others, of paying Costs (as such term is defined in the Master Ordinance) of the CIP Projects; and

**WHEREAS**, the County has issued \$340,265,000.00 in Additional Bonds pursuant to the 2013 Ordinance and has remaining capacity under the 2013 Ordinance for the issuance of \$3,904,735,000.00 in Additional Bonds; and

**WHEREAS**, the Board believes that it is in the best interest of the citizens of the County to institute a commercial paper program (the "CP Program") by issuing CP Notes in an aggregate principal amount not to exceed \$400,000,000.00 outstanding at any one time from time-to-time to fund temporarily a part of the Costs of CIP Projects in anticipation of the issuance of Additional Bonds; and

**WHEREAS**, the Interim Financing Ordinance provides that the terms and provisions of the CP Notes shall be set forth or provided for in a subsequent resolution adopted by the Board; and

**WHEREAS**, this Resolution shall constitute such subsequent resolution referred to in the Interim Financing Ordinance; and

**WHEREAS**, the general characteristics of the CP Notes and the market in which they are to be sold precludes the sale of the CP Notes on a competitive basis and necessitates a negotiated

sale to one or more commercial paper dealers and requires additional collateral in the form of one or more letters of credit from one or more letter of credit providers; and

**WHEREAS**, the Board wishes to appoint U.S. Bank National Association as the issuing and paying agent for the CP Notes; and

**WHEREAS**, pursuant to the competitive process described in the related Memorandum of the County Mayor which is incorporated by reference in this Resolution (the "County Mayor's Memorandum"), the Board wishes to appoint commercial paper dealers and letter of credit providers; and

**WHEREAS**, the Board wishes to approve the forms of related agreements and an Offering Memorandum for the sale of the CP Notes; and

**WHEREAS**, the Board has determined that it is in the best interests of the County and its citizens to delegate authority, within certain parameters, with respect to the CP Notes as set forth in this Resolution to the County Mayor or the County Mayor's designee (collectively, the "County Mayor"),

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:**

Section 1. Findings; Definitions.

(a) The recitals to this Resolution and the County Mayor's Memorandum are incorporated as findings.

(b) Terms used in capitalized form and not defined herein have the meanings assigned to such terms in the Interim Financing Ordinance or the Master Ordinance.

Section 2. Issuance of CP Notes. The CP Notes are authorized to be issued from time to time, in four series, to be designated (i) "Miami-Dade County, Florida Water and Sewer System

Commercial Paper Notes, Series A-1 (Tax-Exempt)" (the "Series A-1 CP Notes"), (ii) "Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-2 (Taxable)" (the "Series A-2 CP Notes"), (iii) "Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt)" (the "Series B-1 CP Notes"), and (iv) "Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-2 (Taxable)" (the "Series B-2 CP Notes"), under the authority of the Constitution and laws of the State of Florida, including, but not limited to, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166, Florida Statutes, as amended, the Code of Miami-Dade County, as amended, and other applicable provisions of law, the Interim Financing Ordinance and this Resolution, in an aggregate principal amount outstanding at any one time not to exceed \$400,000,000.00, for the purposes of (A) providing temporary funding for a part of the Costs of the CIP Projects, (B) financing the payment of the principal of, and interest on, any of the CP Notes or obligations owed to any financial institutions that have provided credit support for any of the CP Notes, and (C) paying the costs of issuance of the CP Notes, including, without limitation, the cost of any fees due under the Agreements (as defined in this Resolution below).

The Series A-1 CP Notes and the Series A-2 CP Notes are collectively referred to herein as the "Series A CP Notes." The Series B-1 CP Notes and the Series B-2 CP Notes are collectively referred to herein as the "Series B CP Notes." The Series A-1 CP Notes and the Series B-1 CP Notes are collectively referred to herein as the "Tax-Exempt CP Notes."

The CP Notes shall be issued at such times, in such of the series, in such principal amounts, shall be dated the respective dates on which they are paid for and delivered, shall be payable to the order of the named payee, shall be in denominations of \$100,000.00 or any integral multiple of \$1,000.00 in excess of \$100,000.00, shall be numbered consecutively, shall mature at such time

or times not later than the earliest of (i) 270 days from their respective dates (ii) the second Business Day (as defined in Issuing and Paying Agency Agreement mentioned in this Resolution below) prior to the expiry of the then current applicable Letter of Credit (as defined in this Resolution below), or (iii) May 17, 2021, shall not be subject to prepayment or redemption prior to maturity, shall bear interest at such rate or rates not exceeding the maximum rate then permitted by applicable Florida law and shall be sold at such prices, all as shall be determined by the County Mayor, after consultation with the Director, the Department's Financial Advisor, Bond Counsel (also referred to as Note Counsel) and the County Attorney. Each series of the CP Notes shall be represented by a book-entry master note (collectively, the "CP Master Notes") in substantially the forms of the CP Master Notes on file in the office of the Clerk as Exhibit A to this Resolution, with such changes, modifications, insertions, omissions and filling-in of blanks as shall be determined by the County Mayor, after consultation with the Director, the Department's Financial Advisor, Bond Counsel and the County Attorney. The CP Master Notes shall be deposited with The Depository Trust Company ("DTC"), as described in the Issuing and Paying Agency Agreement. The County Mayor, in consultation with the Director, the Department's Financial Advisor, Bond Counsel and the County Attorney may approve any amendment or supplement to the CP Master Notes or may approve the issuance of separate master notes in the event that CP Notes shall be supported by additional or replacement letters of credit as permitted under Section 3 of this Resolution.

No CP Note shall be issued by the County if: (i) the principal amount of such CP Note, when added to the aggregate principal amount of outstanding CP Notes, would exceed \$400,000,000.00; (ii) the principal amount of such CP Note plus all interest accrued and to accrue on such CP Note on its stated maturity date (the "Maturity Value"), when added to the aggregate

Maturity Value of all outstanding CP Notes supported by the same Letter of Credit, would exceed the stated amount of such Letter of Credit available (computed after giving effect to the issuance of such CP Note and the application of the proceeds of such CP Note, if applied to refinance other CP Notes) for the payment of the Maturity Value of all such CP Notes; or (iii) the County or Paying Agent (as defined in this Resolution below) shall have received a No-Issuance Notice or Final Drawing Notice (each as defined in the applicable Credit Agreement defined in this Resolution below). No CP Note shall be issued by the County unless the Board shall have authorized the issuance of Additional Bonds by ordinance, which have not then been issued; in an aggregate principal amount not less than the aggregate principal amount of the CP Notes that shall be outstanding upon issuance of such CP Note.

Section 3. Letters of Credit; Appointment of Letter of Credit Providers. Barclays Bank PLC ("Barclays Bank") and Sumitomo Mitsui Banking Corporation, acting through its New York Branch ("SMBC"; Barclays Bank and SMBC, together with the providers of any additional or replacement Letters of Credit permitted under this Section 3, collectively, the "Banks"), are appointed as the initial Letter of Credit providers with respect to the CP Notes. The County Mayor, in consultation with the Director, the County Attorney, Bond Counsel and the Department's Financial Advisor, may approve from time to time additional or replacement Letter of Credit providers, provided that (i) there are no material changes in the terms of the letter of credit; (ii) no CP Notes shall be outstanding under the applicable Letter of Credit then in place after giving effect to the additional or replacement Letter of Credit; and (iii) such action complies with the terms and provisions of the Issuing and Paying Agency Agreement. The County Mayor, in consultation with the Director, the County Attorney, Bond Counsel and the Department's Financial Advisor, may approve the establishment of one or more separate additional series or subseries of CP Notes for

each such additional or replacement Letter of Credit providers. The County shall not reduce the stated amount of a Letter of Credit while CP Notes supported under such Letter of Credit remain outstanding to an amount less than the principal of and interest accrued and to accrue on such outstanding CP Notes.

Section 4. Appointment of Commercial Paper Dealers and Issuing and Paying Agent.

Barclays Capital, Inc. ("Barclays") and Citigroup Global Markets Inc. ("Citigroup") are appointed as the initial commercial paper dealers for the CP Notes. U.S. Bank National Association is appointed as the initial Issuing and Paying Agent for the CP Notes (the "Paying Agent"). The County Mayor, in consultation with the Director, the County Attorney, Bond Counsel and the Department's Financial Advisor, is authorized from time to time to approve the appointment of additional or replacement commercial paper dealers or a replacement Issuing and Paying Agent.

Section 5. Agreements and Offering Memorandum Approved. The terms and provisions of the following agreements and documents (collectively, the "Agreements"), including the forms of the CP Master Notes, are approved:

(a) the Reimbursement Agreement by and between the County and Barclays Bank (the "Barclays Credit Agreement"), substantially in the form on file with the Clerk as Exhibit B to this Resolution, pursuant to which Barclays Bank will issue a letter of credit supporting the Series A CP Notes, the form of which letter of credit is attached as an exhibit to the Barclays Credit Agreement, in the amount of \$218,000,000.00 (the "Barclays Letter of Credit");

(b) the Fee Agreement between the County and Barclays Bank (the "Barclays Fee Agreement"), related to the Barclays Credit Agreement, substantially in the form on file with the Clerk as Exhibit C to this Resolution;

(c) the promissory note to be executed and delivered by the County to Barclays Bank, the form of which is attached as an exhibit to the Barclays Credit Agreement;

(d) the Reimbursement Agreement by and between the County and SMBC (the "SMBC Credit Agreement;" the SMBC Credit Agreement, the Barclays Credit Agreement and any additional or replacement agreements of similar import permitted under Section 3 of this Resolution each, a "Credit Agreement" and collectively, the "Credit Agreements"), substantially in the form on file with the Clerk as Exhibit D to this Resolution, pursuant to which SMBC will issue a letter of credit supporting the Series B CP Notes, the form of which letter of credit is attached as an exhibit to the SMBC Credit Agreement, in the amount of \$218,000,000.00 (the "SMBC Letter of Credit;" the SMBC Letter of Credit, the Barclays Letter of Credit and any additional or replacement letters of credit permitted under Section 3 of this Resolution each, a "Letter of Credit" and collectively, the "Letters of Credit");

(e) the Fee Agreement between the County and SMBC (the "SMBC Fee Agreement"), related to the SMBC Credit Agreement, substantially in the form on file with the Clerk as Exhibit E to this Resolution;

(f) the promissory notes to be executed and delivered by the County to SMBC, the forms of which are attached as exhibits to the SMBC Credit Agreement;

(g) the Issuing and Paying Agency Agreement between the County and the Paying Agent (the "Issuing and Paying Agency Agreement"), substantially in the form on file with the Clerk as Exhibit F to this Resolution, which provides for the issuance of the CP Notes pursuant to its term;

(h) the Commercial Paper Dealer Agreement between the County and Barclays (the "Barclays Dealer Agreement"), substantially in the form on file with the Clerk as Exhibit G to this Resolution; and

(i) the Commercial Paper Dealer Agreement between the County and Citigroup (the "Citigroup Dealer Agreement"; the Citigroup Dealer Agreement and the Barclays Dealer Agreement collectively, the "Dealer Agreements"), substantially in the form on file with the Clerk as Exhibit H to this Resolution.

The agreements and documents described in clauses (a), (b), (c), (d), (e) and (f) above are collectively referred to herein as the "Bank Agreements."

The County Mayor, in consultation with the Director, the County Attorney, Bond Counsel and the Department's Financial Advisor, is authorized to negotiate and approve the final terms and conditions of the Agreements and the CP Master Notes. The County Mayor and the Clerk or a Deputy Clerk of the County are authorized and directed to execute and deliver the Agreements, with such appropriate changes, modifications, insertions, omissions and filling-in of blanks as the County Mayor shall approve, such approval to be conclusively evidenced by such execution. The County Mayor and the Clerk or a Deputy Clerk of the County are authorized and directed to execute and deliver the CP Master Notes in substantially the forms attached as Exhibit A to this Resolution, with such appropriate changes, insertions and omissions as the County Mayor shall approve, such approval to be conclusively evidenced by such execution.

The County Mayor, in consultation with the Director, the County Attorney, Bond Counsel and the Department's Financial Advisor, is authorized from time to time to approve additional letters of credit, reimbursement agreements, credit agreements, liquidity facilities, fee agreements or similar agreements and promissory notes and such amendments, restatements, supplements or

other modifications to the Agreements and any certificates or other documents as he or she shall determine to be necessary or desirable in order to facilitate the issuance of CP Notes that shall be supported by additional or replacement letters of credit as permitted under Section 3 of this Resolution.

The Offering Memorandum is approved in substantially the form on file with the Clerk as Exhibit I to this Resolution, subject to such changes, modifications, insertions and omissions and such filling-in of blanks as may be deemed necessary and approved by the County Mayor in consultation with the Director, the County Attorney, Bond Counsel, Disclosure Counsel and the Department's Financial Advisor, with the distribution of the Offering Memorandum on behalf of the County being conclusive evidence of the Board's approval of the Offering Memorandum. The distribution of the Offering Memorandum is approved. The County Mayor, in consultation with the Director, the County Attorney, Bond Counsel, Disclosure Counsel and the Department's Financial Advisor, is authorized from time to time to approve such supplements to the Offering Memorandum as he or she shall determine to be necessary or desirable in connection with the issuance of CP Notes that shall be supported by additional or replacement letters of credit as permitted under Section 3 of this Resolution. The distribution of such supplements is approved.

The County Mayor and the Clerk or a Deputy Clerk of the County are authorized and directed to execute and deliver the Agreements, any amendment or supplements thereto permitted by this Resolution, and such other agreements, instruments and documents as shall be necessary or appropriate to facilitate the issuance of the CP Notes or any additional series or subseries of CP Notes permitted under Section 3 of this Resolution.

Section 6.     Payment of Principal and Interest.

(a)     The principal of each series of CP Notes is payable solely from (i) funds drawn under the applicable Letter of Credit for such purpose, (ii) the proceeds of Additional Bonds that the County issues under the provisions of Section 208 of the Master Ordinance to pay such principal, and (iii) a rollover of the maturing series of CP Notes, or the issuance of additional CP Notes issued to finance the payment of the principal or interest on the CP Notes and Drawings (as defined in the applicable Credit Agreement).

(b)     The interest on each series of CP Notes shall constitute Subordinate Obligations under the Master Ordinance and shall be payable solely from (i) funds drawn under the applicable Letter of Credit for such purpose, (ii) capitalized CP Note interest and proceeds of CP Notes refunding the same, (iii) the proceeds of Additional Bonds that the County issues under the provisions of Section 208 of the Master Ordinance to pay such interest, (iv) the issuance of additional CP Notes issued to finance the payment of the principal of or interest on the CP Notes, or (v) legally available Net Operating Revenues under the provisions of Section 503 (iv) of the Master Ordinance.

(c)     Any and all amounts that the County is required to pay to the Banks under or pursuant to the Bank Agreements shall be payable solely from and secured by the sources specified in and in accordance with the provisions of the related Bank Agreement.

(d)     All fees and other amounts required to be paid by the County under the Issuing and Paying Agency Agreement or the Dealer Agreements that are not paid from proceeds of the CP Notes shall be payable solely from legally available funds of the Department.

Section 7.     Limited Special Obligations. The CP Notes and the Obligations (as defined in the Credit Agreements) shall be limited special obligations of the County secured and payable

as provided in Section 6 of this Resolution. Neither the CP Notes nor the Obligations constitute a general or moral obligation or a pledge of the faith, credit or power of the County, the State of Florida or any political subdivision of the State of Florida, within the meaning of any constitutional, statutory or charter provision. Neither the State of Florida nor any political subdivision of the State of Florida nor the County shall be directly or indirectly or contingently obligated to levy any ad valorem taxes on any property to pay the principal of or the interest on the CP Notes, the Obligations or other related payments or costs, or to pay the same from any other funds of the County except from the sources provided in Section 6 of this Resolution. The acceptance of the CP Notes by the holders from time to time of the CP Notes and the acceptance of the respective Bank Agreements by the respective Bank shall be deemed an agreement between the County and such holders of the CP Notes and the Banks, respectively, that the CP Notes and the Bank Agreements and the indebtedness evidenced thereby shall not constitute a lien upon the Water and Sewer Utility, any part of the Water and Sewer Utility, or any other property of the County, except for any liens as specifically provided pursuant to the Bank Agreements. The County is required to pay the CP Notes and the amounts due under the Bank Agreements only from the sources provided in Section 6 of this Resolution.

Section 8.     Sale and Delivery of CP Notes. The County Mayor is authorized to cause the County to sell and deliver CP Notes from time to time and to perform all acts and things required of officers of the County by the provisions of the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166, Florida Statutes, as amended, the Code of Miami-Dade County, as amended, and other applicable provisions of law, the Interim Financing Ordinance and this Resolution for the full punctual and complete performance of all of

the terms, covenants and agreements of the Interim Financing Ordinance, this Resolution, the CP Notes and the Agreements.

Section 9. Disposition of CP Note Proceeds. The proceeds derived from the issuance of each series of CP Notes, other than the proceeds of CP Notes issued to provide for the payment of the principal of or interest on outstanding CP Notes, shall be deposited to the credit of the "Series A-1 Account," the "Series A-2 Account," the "Series B-1 Account" or the "Series B-2 Account," as applicable, of the "CP Notes Construction Fund" hereby established to be held by the Department (the "Construction Fund") and applied to the payment of the Costs of CIP Projects, including costs of issuance. Payments from the applicable accounts of the Construction Fund shall be made by the Department consistent with the procedures set forth in Article IV of the Master Ordinance. Pending such payment, proceeds derived from the issuance of each series of CP Notes shall be invested in Investment Obligations. The proceeds of CP Notes issued to provide for the payment of the principal of or interest on outstanding CP Notes shall be applied in accordance with the provisions of the Issuing and Paying Agency Agreement.

Section 10. Issuance of Additional Bonds. The County covenants that it will, subject to meeting the requirements of the Master Ordinance for the issuance of Additional Bonds under Section 208 of the Master Ordinance, take such actions and proceedings as are necessary to provide for the issuance and sale of Additional Bonds in sufficient time and principal amount, together with other available moneys of the County, to provide the funds required under clause (a) of Section 6 of this Resolution to pay the principal of the CP Notes, under clause (b) of Section 6 of this Resolution to pay the interest on the CP Notes, and under clause (c) of Section 6 to repay Reimbursement Obligations (as defined in the Credit Agreements) required to be paid by the County from such Additional Bonds under the Credit Agreements. The County further covenants

that the proceeds of any Additional Bonds shall be applied first to provide for the above payments.

The covenants of the County in this Section shall constitute a contract between the County and the holders from time to time of the CP Notes outstanding and the Banks.

Section 11. Negotiated Sales of CP Notes Required. The County specifically finds that the CP Notes can be effectively marketed and periodically renewed only through negotiated sales as contemplated by the Dealer Agreements since the timely and frequent renewals of the CP Notes, which result in realization of interest cost savings, require the ongoing services of dealer banks to supervise the marketing and remarketing process.

Section 12. No County Liability. Neither the members of the Board nor any person executing the CP Notes or the Agreements nor any officer, employee or agent of the County shall be liable personally or by reason of the issuance of the CP Notes or the entry by the County into the Agreements, and no recourse shall be had for the payment of the principal of or interest on the CP Notes or the amounts due under the Agreements or for any claim based on the CP Notes or the Agreements or this Resolution against any such member, officer, employee or agent, or any person executing the CP Notes or the Agreements.

Section 13. Tax Covenants. The County covenants that, so long as any Tax-Exempt CP Notes remain outstanding, the moneys on deposit in any fund or account maintained in connection with the Tax-Exempt CP Notes, whether or not such moneys were derived from the proceeds of the sale of the Tax-Exempt CP Notes or from any other sources, will not be invested or used in any manner that would cause the Tax-Exempt CP Notes to be "arbitrage bonds" within the meaning of the Code, and the applicable regulations promulgated from time to time under the Code. The County shall not violate the provisions of the Code or any such applicable regulations. The County further covenants that, within forty-five (45) days of the close of any calendar quarter

during which any Tax-Exempt CP Notes are issued which for federal tax information reporting purposes are treated as the initial issuance of a single series of Tax-Exempt CP Notes, the County Mayor (i) shall accurately and fully complete a separate Internal Revenue Service Form 8038 in the case of the initial issuance of a single series of Tax-Exempt CP Notes (or such other information reporting as is then required by the Code) for each such issuance of Tax-Exempt CP Notes which occurs within such calendar quarter and shall send such forms by United States Registered Mail to the Internal Revenue Service Center, Ogden, Utah 84201, or to such other address as shall at the time be required by the Internal Revenue Service, and (ii) shall return proof of sending such forms to the Internal Revenue Service by their required submission dates. For this purpose, a single series of Tax-Exempt CP Notes shall be treated as initially issued on the first day on which Tax-Exempt CP Notes exceeding \$100,000.00 principal amount are issued and thereafter on the first day more than 18 months after the previous initial issuance date on which Tax-Exempt CP Notes exceeding \$100,000.00 principal amount are issued for any purposes other than to pay the principal amount of outstanding Tax-Exempt CP Notes. The County further covenants, to the extent permitted by the Constitution and laws of the State of Florida, to comply with the requirements of the Code in order to maintain the exclusion of interest on the Tax-Exempt CP Notes from gross income for federal income tax purposes.

Section 14. Outstanding Defined. For all purposes of this Resolution, "outstanding", when used with reference to CP Notes and as of any particular date, means the unpaid aggregate principal balance of the CP Master Notes, except any portion of the unpaid aggregate principal balance of the CP Master Notes for the payment of which proceeds of a draw upon the Letters of Credit are on deposit with the Paying Agent or for which there are held in an escrow account created by the Paying Agent either proceeds of draws upon the Letters of Credit in an amount

which shall be sufficient, or Government Obligations, which shall not contain provisions permitting their redemption at the option of the issuer, purchased with proceeds of draws upon the Letters of Credit, or some combination of the foregoing, the principal of and the interest on which when due, and without any reinvestment, will provide moneys which shall be sufficient, to pay when due the principal of and interest on such unpaid aggregate principal balance of the CP Master Notes.

Section 15. Authorization of Further Actions. The County Mayor, the Director, the Finance Director, the County Attorney, the Clerk and other officers, employees and agents of the County are authorized and directed to do all acts and things and to execute, deliver and file any and all documents, agreements and certificates which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of the CP Notes, the Agreements and this Resolution, including any documents, agreements and certificates required by DTC in connection with the book-entry only system for the CP Notes. In the event that the County Mayor, the Director, the Finance Director, the Clerk or the County Attorney is unable to execute and deliver the documents contemplated in this resolution, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the County.

Section 16. Severability. In case any one or more of the provisions of this Resolution, the CP Notes or any of the Agreements shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution, the CP Notes or any of the Agreements and this Resolution, the CP Notes and the Agreements shall be construed and enforced as if such illegal or invalid provision had not been contained in this Resolution, the CP Notes or the Agreements.

Section 17. Controlling Law, Venue. The Laws of the State of Florida shall govern the construction and interpretation of this Resolution. Venue shall lie exclusively in Miami-Dade County, Florida.

Section 18. Headings for Convenience Only. The descriptive headings in this Resolution are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Resolution.

Section 19. Inconsistent Resolutions. All resolutions and parts thereof, which are inconsistent with any of the provisions of this Resolution are hereby declared to be inapplicable to the provisions of this Resolution.

Section 20. Prior Acts. Any and all acts of the County Mayor, the Director, the Finance Director, the County Attorney, the Clerk and other officers, employees and agents of the County in furtherance of the transactions contemplated by this Resolution that were taken prior to the adoption of this Resolution, are hereby ratified, confirmed, approved and adopted.

Section 21. Waivers. The provisions of Resolution No. R-130-06, as amended, requiring that any contracts of the County with third parties be executed and finalized prior to their placement on an agenda of the Board are waived at the request of the County Mayor for the reasons set forth in the County Mayor's Memorandum.

The foregoing resolution was offered by Commissioner **Rebeca Sosa**, who moved its adoption. The motion was seconded by Commissioner **Audrey M. Edmonson** and upon being put to a vote, the vote was as follows:

Jean Monestime, Chairman	<b>absent</b>		
Esteban L. Bovo, Jr., Vice Chairman	<b>aye</b>		
Bruno A. Barreiro	<b>aye</b>	Daniella Levine Cava	<b>aye</b>
Jose "Pepe" Diaz	<b>aye</b>	Audrey M. Edmonson	<b>aye</b>
Sally A. Heyman	<b>absent</b>	Barbara J. Jordan	<b>aye</b>
Dennis C. Moss	<b>absent</b>	Rebeca Sosa	<b>aye</b>
Sen. Javier D. Souto	<b>aye</b>	Xavier L. Suarez	<b>absent</b>
Juan C. Zapata	<b>aye</b>		

The Chairperson thereupon declared the resolution duly passed and adopted this 17<sup>th</sup> day of May, 2016. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Christopher Agrippa**  
Deputy Clerk



Approved by County Attorney as  
to form and legal sufficiency.

JRA

Juliette R. Antoine

EXHIBIT A

CP MASTER NOTES

(On File with the Clerk's Office)

22

EXHIBIT B

BARCLAYS CREDIT AGREEMENT

(On File with the Clerk's Office)

EXHIBIT C

BARCLAYS FEE AGREEMENT

(On File with the Clerk's Office)

EXHIBIT D

SMBC CREDIT AGREEMENT

(On File with the Clerk's Office)

EXHIBIT E

SMBC FEE AGREEMENT

(On File with the Clerk's Office)

EXHIBIT F

ISSUING AND PAYING AGENCY AGREEMENT

(On File with the Clerk's Office)

EXHIBIT G

BARCLAYS DEALER AGREEMENT

(On File with the Clerk's Office)

EXHIBIT H

CITIGROUP DEALER AGREEMENT

(On File with the Clerk's Office)

EXHIBIT I

OFFERING MEMORANDUM

(On File with the Clerk's Office)

# Memorandum



**Date:** May 17, 2016

**To:** Christopher Agrippa, Division Chief  
Clerk of the Board Division

**From:** Frank P. Hinton *Frank P. Hinton*  
Division of Bond Administration

**Subject:** Filing of Certain Documents Relating to the BCC meeting  
of May 17, 2016 – Agenda Item 5C

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Attached please find Exhibits "A" thru "I" in connection with the proposed issuance of Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes Series 2016, on the Board of County Commission Agenda of May 17, 2016 listed as Agenda Item 5C. Please file the attached Exhibits for the record.

If you have any questions please give me a call at extension 5147.

**Item 5C**

- Exhibit "A" CP Master Notes
- Exhibit "B" Barclays Reimbursement Agreement
- Exhibit "C" Barclays Fee Agreement
- Exhibit "D" SMBC Reimbursement Agreement
- Exhibit "E" SMBC Fee Agreement
- Exhibit "F" Issuing and Paying Agency Agreement
- Exhibit "G" Barclays Dealer Agreement
- Exhibit "H" Citigroup Dealer Agreement
- Exhibit "I" Offering Memorandum

Attachments (9)

CLERK OF THE BOARD  
2016 MAY 17 PM 1:44  
CLERK, CIRCUIT & COUNTY OFS  
MIAMI-DADE COUNTY, FLA.  
#1

The Depository Trust Company  
A subsidiary of The Depository Trust & Clearing Corporation

**MUNICIPAL COMMERCIAL PAPER – TECP MASTER NOTE**

\_\_\_\_\_, 2016  
(Date of Issuance)

Miami-Dade County, Florida \_\_\_\_\_ (“Issuer”), for value received, hereby promises to pay to Cede & Co., as nominee of the Depository Trust Company, or to registered assigns (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the “Underlying Records”) as being evidenced by this Master Note, which Underlying Records are maintained by U.S. Bank National Association (“Paying Agent”); (ii) interest on the principal amount of each obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made solely from the sources stated on the Underlying Records by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER NOTE SET FORTH ON THE REVERSE HEREOF.

This Master Note is a valid and binding obligation of Issuer.

Not Valid Unless Countersigned for Authentication of Paying Agent.

U.S. Bank National Association  
(Paying Agent)

Miami-Dade County, Florida  
(Issuer)

By: \_\_\_\_\_  
(Authorized Countersignature)

By: \_\_\_\_\_  
(Authorized Signature)



**MASTER NOTE ANNEX  
MIAMI-DADE COUNTY, FLORIDA  
WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES, SERIES A-1 (TAX-EXEMPT)**

The Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt) (referred to in this Master Note Annex as the "Series A-1 CP Notes") are issuable in an aggregate principal amount which, together with the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-2 (Taxable), shall never exceed \$200,000,000 outstanding at any one time.

The Series A-1 CP Notes are being issued pursuant to: (i) the Constitution and laws of the State of Florida, including, but not limited to, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166, Florida Statutes, as amended, the Code of Miami-Dade County, as amended, and other applicable provisions of law; (ii) Ordinance No. 09-67, duly enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on July 23, 2009 (the "Interim Financing Ordinance"), (iii) Resolution No. R-\_\_\_\_-16, duly adopted by the Board on \_\_\_\_\_, 2016 (together with the Interim Financing Ordinance, the "CP Ordinance"); (iv) the Issuing and Paying Agency Agreement dated as of \_\_\_\_\_, 2016 (the "Issuing and Paying Agency Agreement"), by and between the County and U.S. Bank National Association; and (v) the Reimbursement Agreement dated as of \_\_\_\_\_, 2016 (together with any substitute reimbursement agreements, the "Credit Agreement"), by and between the County and Barclays Bank PLC.

The Series A-1 CP Notes are being issued to (i) provide temporary funding for a part of the Costs (as defined in Ordinance No. 93-134, enacted by the Board on November 16, 1993, as amended by Ordinance No. 13-47, enacted by the Board on June 4, 2013 (collectively, the "Master Ordinance")) of the CIP Projects (as defined in the Interim Financing Ordinance), (ii) finance the payment of the principal of, and interest on, any of the Series A-1 CP Notes or obligations owed by the County under the Credit Agreement, and (iii) paying the costs of issuance of the Series A-1 CP Notes, including, without limitation, the cost of any fees due under the Credit Agreement. The maximum interest rate to be borne by the Series A-1 CP Notes is twelve percent (12%) per annum, and such rate shall be calculated on the basis of a year of 365 days or 366 days, as applicable, and actual number of days elapsed.

The Series A-1 CP Notes shall be dated the respective dates on which they are originally issued and delivered, shall be issued in book-entry only form in denominations of \$100,000 or any integral multiple of \$1,000 in excess of \$100,000, and shall mature at such time or times not later than the earliest of (i) 270 days from their respective dates, (ii) the second Business Day (as defined in the Issuing and Paying Agency Agreement) prior to the expiry of the Letter of Credit issued pursuant to the Credit Agreement (the "Letter of Credit"), or (iii) May 17, 2021. The Series A-1 CP Notes are not subject to prepayment or redemption prior to maturity.

The Series A-1 CP Notes and the interest thereon are special limited obligations of the County. The principal of the Series A-1 CP Notes is payable solely from (i) funds drawn under the Letter of Credit issued for such purpose, (ii) the proceeds of Additional Bonds (as defined in the Master Ordinance) that the County issues under the provisions of Section 208 of the Master Ordinance (the "Section 208 Bonds") to pay such principal, or (iii) a rollover of the maturing Series A-1 CP Notes, or the issuance of additional CP Notes (as defined and set forth in the CP Ordinance) issued to finance the payment of the principal or interest on any Series A-1 CP Notes and Drawings (as defined in the Credit Agreement). The interest on the Series A-1 CP Notes shall be payable solely from (i) funds drawn under the Letter of Credit for such purpose, (ii) capitalized Series A-1 CP Note interest and proceeds of CP Notes refunding the same, (iii) the proceeds of Section 208 Bonds that the County issues to pay such interest, (iv) the issuance of additional CP Notes issued to finance the payment of the principal of or interest on any of the Series A-1 CP Notes, or (v) legally available Net Operating Revenues (as defined in the Master Ordinance) under the provisions of Section 503(iv) of the Master Ordinance. The Series A-1 CP Notes do not constitute a debt of the County for which the faith and credit and taxing power of the County are pledged, and the issuance of the Series A-1 CP Notes will not directly or indirectly or contingently obligate the State of Florida or the County to levy any tax or to pledge any form of taxation whatever therefor.

The Depository Trust Company  
A subsidiary of The Depository Trust & Clearing Corporation

**MUNICIPAL COMMERCIAL PAPER – TECP MASTER NOTE**

\_\_\_\_\_, 2016  
(Date of Issuance)

Miami-Dade County, Florida (“Issuer”), for value received, hereby promises to pay to Cede & Co., as nominee of the Depository Trust Company, or to registered assigns (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the “Underlying Records”) as being evidenced by this Master Note, which Underlying Records are maintained by U.S. Bank National Association (“Paying Agent”); (ii) interest on the principal amount of each obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made solely from the sources stated on the Underlying Records by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER NOTE SET FORTH ON THE REVERSE HEREOF.

This Master Note is a valid and binding obligation of Issuer.

Not Valid Unless Countersigned for Authentication of Paying Agent.

U.S. Bank National Association  
(Paying Agent)

Miami-Dade County, Florida  
(Issuer)

By: \_\_\_\_\_  
(Authorized Countersignature)

By: \_\_\_\_\_  
(Authorized Signature)



The Depository Trust &  
Clearing Corporation

**MASTER NOTE ANNEX  
MIAMI-DADE COUNTY, FLORIDA  
WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES, SERIES A-2 (TAXABLE)**

The Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-2 (Taxable) (referred to in this Master Note Annex as the "Series A-2 CP Notes") are issuable in an aggregate principal amount which, together with the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt), shall never exceed \$200,000,000 outstanding at any one time.

The Series A-2 CP Notes are being issued pursuant to: (i) the Constitution and laws of the State of Florida, including, but not limited to, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166, Florida Statutes, as amended, the Code of Miami-Dade County, as amended, and other applicable provisions of law; (ii) Ordinance No. 09-67, duly enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on July 23, 2009 (the "Interim Financing Ordinance"), (iii) Resolution No. R-\_\_\_\_-16, duly adopted by the Board on \_\_\_\_\_, 2016 (together with the Interim Financing Ordinance, the "CP Ordinance"); (iv) the Issuing and Paying Agency Agreement dated as of \_\_\_\_\_, 2016 (the "Issuing and Paying Agency Agreement"), by and between the County and U.S. Bank National Association; and (v) the Reimbursement Agreement dated as of \_\_\_\_\_, 2016 (together with any substitute reimbursement agreements, the "Credit Agreement"), by and between the County and Barclays Bank PLC.

The Series A-2 CP Notes are being issued to (i) provide temporary funding for a part of the Costs (as defined in Ordinance No. 93-134, enacted by the Board on November 16, 1993, as amended by Ordinance No. 13-47, enacted by the Board on June 4, 2013 (collectively, the "Master Ordinance")) of the CIP Projects (as defined in the Interim Financing Ordinance), (ii) finance the payment of the principal of, and interest on, any of the Series A-2 CP Notes or obligations owed by the County under the Credit Agreement, and (iii) paying the costs of issuance of the Series A-2 CP Notes, including, without limitation, the cost of any fees due under the Credit Agreement. The maximum interest rate to be borne by the Series A-2 CP Notes is twelve percent (12%) per annum, and such rate shall be calculated on the basis of a year of 360 days and actual number of days elapsed.

The Series A-2 CP Notes shall be dated the respective dates on which they are originally issued and delivered, shall be issued in book-entry only form in denominations of \$100,000 or any integral multiple of \$1,000 in excess of \$100,000, and shall mature at such time or times not later than the earliest of (i) 270 days from their respective dates, (ii) the second Business Day (as defined in the Issuing and Paying Agency Agreement) prior to the expiry of the Letter of Credit issued pursuant to the Credit Agreement (the "Letter of Credit"), or (iii) May 17, 2021. The Series A-2 CP Notes are not subject to prepayment or redemption prior to maturity.

The Series A-2 CP Notes and the interest thereon are special limited obligations of the County. The principal of the Series A-2 CP Notes is payable solely from (i) funds drawn under the Letter of Credit issued for such purpose, (ii) the proceeds of Additional Bonds (as defined in the Master Ordinance) that the County issues under the provisions of Section 208 of the Master Ordinance (the "Section 208 Bonds") to pay such principal, or (iii) a rollover of the maturing Series A-2 CP Notes, or the issuance of additional CP Notes (as defined and set forth in the CP Ordinance) issued to finance the payment of the principal or interest on any Series A-2 CP Notes and Drawings (as defined in the Credit Agreement). The interest on the Series A-2 CP Notes shall be payable solely from (i) funds drawn under the Letter of Credit for such purpose, (ii) capitalized Series A-2 CP Note interest and proceeds of CP Notes refunding the same, (iii) the proceeds of Section 208 Bonds that the County issues to pay such interest, (iv) the issuance of additional CP Notes issued to finance the payment of the principal of or interest on any of the Series A-2 CP Notes, or (v) legally available Net Operating Revenues (as defined in the Master Ordinance) under the provisions of Section 503(iv) of the Master Ordinance. The Series A-2 CP Notes do not constitute a debt of the County for which the faith and credit and taxing power of the County are pledged, and the issuance of the Series A-2 CP Notes will not directly or indirectly or contingently obligate the State of Florida or the County to levy any tax or to pledge any form of taxation whatever therefor.

The Depository Trust Company  
A subsidiary of The Depository Trust & Clearing Corporation

**MUNICIPAL COMMERCIAL PAPER – TECP MASTER NOTE**

\_\_\_\_\_, 2016  
(Date of Issuance)

Miami-Dade County, Florida (“Issuer”), for value received, hereby promises to pay to Cede & Co., as nominee of the Depository Trust Company, or to registered assigns (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the “Underlying Records”) as being evidenced by this Master Note, which Underlying Records are maintained by U.S. Bank National Association (“Paying Agent”); (ii) interest on the principal amount of each obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made solely from the sources stated on the Underlying Records by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER NOTE SET FORTH ON THE REVERSE HEREOF.

This Master Note is a valid and binding obligation of Issuer.

Not Valid Unless Countersigned for Authentication of Paying Agent.

U.S. Bank National Association  
(Paying Agent)

Miami-Dade County, Florida  
(Issuer)

By: \_\_\_\_\_  
(Authorized Countersignature)

By: \_\_\_\_\_  
(Authorized Signature)



The Depository Trust &  
Clearing Corporation

**MASTER NOTE ANNEX  
MIAMI-DADE COUNTY, FLORIDA  
WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES, SERIES B-1 (TAX-EXEMPT)**

The Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt) (referred to in this Master Note Annex as the "Series B-1 CP Notes") are issuable in an aggregate principal amount which, together with the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-2 (Taxable), shall never exceed \$200,000,000 outstanding at any one time.

The Series B-1 CP Notes are being issued pursuant to: (i) the Constitution and laws of the State of Florida, including, but not limited to, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166, Florida Statutes, as amended, the Code of Miami-Dade County, as amended, and other applicable provisions of law; (ii) Ordinance No. 09-67, duly enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on July 23, 2009 (the "Interim Financing Ordinance"), (iii) Resolution No. R-\_\_\_\_-16, duly adopted by the Board on \_\_\_\_\_, 2016 (together with the Interim Financing Ordinance, the "CP Ordinance"); (iv) the Issuing and Paying Agency Agreement dated as of \_\_\_\_\_, 2016 (the "Issuing and Paying Agency Agreement"), by and between the County and U.S. Bank National Association; and (v) the Reimbursement Agreement dated as of \_\_\_\_\_, 2016 (together with any substitute reimbursement agreements, the "Credit Agreement"), by and between the County and Sumitomo Mitsui Banking Corporation, acting through its New York Branch.

The Series B-1 CP Notes are being issued to (i) provide temporary funding for a part of the Costs (as defined in Ordinance No. 93-134, enacted by the Board on November 16, 1993, as amended by Ordinance No. 13-47, enacted by the Board on June 4, 2013 (collectively, the "Master Ordinance")) of the CIP Projects (as defined in the Interim Financing Ordinance), (ii) finance the payment of the principal of, and interest on, any of the Series B-1 CP Notes or obligations owed by the County under the Credit Agreement, and (iii) paying the costs of issuance of the Series B-1 CP Notes, including, without limitation, the cost of any fees due under the Credit Agreement. The maximum interest rate to be borne by the Series B-1 CP Notes is twelve percent (12%) per annum, and such rate shall be calculated on the basis of a year of 365 days or 366 days, as applicable, and actual number of days elapsed.

The Series B-1 CP Notes shall be dated the respective dates on which they are originally issued and delivered, shall be issued in book-entry only form in denominations of \$100,000 or any integral multiple of \$1,000 in excess of \$100,000, and shall mature at such time or times not later than the earliest of (i) 270 days from their respective dates, (ii) the second Business Day (as defined in the Issuing and Paying Agency Agreement) prior to the expiry of the Letter of Credit issued pursuant to the Credit Agreement (the "Letter of Credit"), or (iii) May 17, 2021. The Series B-1 CP Notes are not subject to prepayment or redemption prior to maturity.

The Series B-1 CP Notes and the interest thereon are special limited obligations of the County. The principal of the Series B-1 CP Notes is payable solely from (i) funds drawn under the Letter of Credit issued for such purpose, (ii) the proceeds of Additional Bonds (as defined in the Master Ordinance) that the County issues under the provisions of Section 208 of the Master Ordinance (the "Section 208 Bonds") to pay such principal, or (iii) a rollover of the maturing Series B-1 CP Notes, or the issuance of additional CP Notes (as defined and set forth in the CP Ordinance) issued to finance the payment of the principal or interest on any Series B-1 CP Notes and Drawings (as defined in the Credit Agreement). The interest on the Series B-1 CP Notes shall be payable solely from (i) funds drawn under the Letter of Credit for such purpose, (ii) capitalized Series B-1 CP Note interest and proceeds of CP Notes refunding the same, (iii) the proceeds of Section 208 Bonds that the County issues to pay such interest, (iv) the issuance of additional CP Notes issued to finance the payment of the principal of or interest on any of the Series B-1 CP Notes, or (v) legally available Net Operating Revenues (as defined in the Master Ordinance) under the provisions of Section 503(iv) of the Master Ordinance. The Series B-1 CP Notes do not constitute a debt of the County for which the faith and credit and taxing power of the County are pledged, and the issuance of the Series B-1 CP Notes will not directly or indirectly or contingently obligate the State of Florida or the County to levy any tax or to pledge any form of taxation whatever therefor.

The Depository Trust Company  
A subsidiary of The Depository Trust & Clearing Corporation

**MUNICIPAL COMMERCIAL PAPER – TECP MASTER NOTE**

\_\_\_\_\_, 2016  
(Date of Issuance)

Miami-Dade County, Florida \_\_\_\_\_ (“Issuer”), for value received, hereby promises to pay to Cede & Co., as nominee of the Depository Trust Company, or to registered assigns (i) the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of Issuer (the “Underlying Records”) as being evidenced by this Master Note, which Underlying Records are maintained by U.S. Bank National Association (“Paying Agent”); (ii) interest on the principal amount of each obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records; and (iii) the principal amount of each such obligation that is payable in installments, if any, on the due date of each installment, as specified on the Underlying Records. Interest shall be calculated at the rate and according to the calculation convention specified on the Underlying Records. Payments shall be made solely from the sources stated on the Underlying Records by wire transfer to the registered owner from Paying Agent without the necessity of presentation and surrender of this Master Note.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS MASTER NOTE SET FORTH ON THE REVERSE HEREOF.

This Master Note is a valid and binding obligation of Issuer.

Not Valid Unless Countersigned for Authentication of Paying Agent.

U.S. Bank National Association  
(Paying Agent)

Miami-Dade County, Florida  
(Issuer)

By: \_\_\_\_\_  
(Authorized Countersignature)

By: \_\_\_\_\_  
(Authorized Signature)



The Depository Trust &  
Clearing Corporation

**MASTER NOTE ANNEX  
MIAMI-DADE COUNTY, FLORIDA  
WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES, SERIES B-2 (TAXABLE)**

The Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-2 (Taxable) (referred to in this Master Note Annex as the "Series B-2 CP Notes") are issuable in an aggregate principal amount which, together with the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt), shall never exceed \$200,000,000 outstanding at any one time.

The Series B-2 CP Notes are being issued pursuant to: (i) the Constitution and laws of the State of Florida, including, but not limited to, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166, Florida Statutes, as amended, the Code of Miami-Dade County, as amended, and other applicable provisions of law; (ii) Ordinance No. 09-67, duly enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on July 23, 2009 (the "Interim Financing Ordinance"), (iii) Resolution No. R-\_\_-16, duly adopted by the Board on \_\_\_\_\_, 2016 (together with the Interim Financing Ordinance, the "CP Ordinance"); (iv) the Issuing and Paying Agency Agreement dated as of \_\_\_\_\_, 2016 (the "Issuing and Paying Agency Agreement"), by and between the County and U.S. Bank National Association; and (v) the Reimbursement Agreement dated as of \_\_\_\_\_, 2016 (together with any substitute reimbursement agreements, the "Credit Agreement"), by and between the County and Sumitomo Mitsui Banking Corporation, acting through its New York Branch.

The Series B-2 CP Notes are being issued to (i) provide temporary funding for a part of the Costs (as defined in Ordinance No. 93-134, enacted by the Board on November 16, 1993, as amended by Ordinance No. 13-47, enacted by the Board on June 4, 2013 (collectively, the "Master Ordinance")) of the CIP Projects (as defined in the Interim Financing Ordinance), (ii) finance the payment of the principal of, and interest on, any of the Series B-2 CP Notes or obligations owed by the County under the Credit Agreement, and (iii) paying the costs of issuance of the Series B-2 CP Notes, including, without limitation, the cost of any fees due under the Credit Agreement. The maximum interest rate to be borne by the Series B-2 CP Notes is twelve percent (12%) per annum, and such rate shall be calculated on the basis of a year of 360 days and actual number of days elapsed.

The Series B-2 CP Notes shall be dated the respective dates on which they are originally issued and delivered, shall be issued in book-entry only form in denominations of \$100,000 or any integral multiple of \$1,000 in excess of \$100,000, and shall mature at such time or times not later than the earliest of (i) 270 days from their respective dates, (ii) the second Business Day (as defined in the Issuing and Paying Agency Agreement) prior to the expiry of the Letter of Credit issued pursuant to the Credit Agreement (the "Letter of Credit"), or (iii) May 17, 2021. The Series B-2 CP Notes are not subject to prepayment or redemption prior to maturity.

The Series B-2 CP Notes and the interest thereon are special limited obligations of the County. The principal of the Series B-2 CP Notes is payable solely from (i) funds drawn under the Letter of Credit issued for such purpose, (ii) the proceeds of Additional Bonds (as defined in the Master Ordinance) that the County issues under the provisions of Section 208 of the Master Ordinance (the "Section 208 Bonds") to pay such principal, or (iii) a rollover of the maturing Series B-2 CP Notes, or the issuance of additional CP Notes (as defined and set forth in the CP Ordinance) issued to finance the payment of the principal or interest on any Series B-2 CP Notes and Drawings (as defined in the Credit Agreement). The interest on the Series B-2 CP Notes shall be payable solely from (i) funds drawn under the Letter of Credit for such purpose, (ii) capitalized Series B-2 CP Note interest and proceeds of CP Notes refunding the same, (iii) the proceeds of Section 208 Bonds that the County issues to pay such interest, (iv) the issuance of additional CP Notes issued to finance the payment of the principal of or interest on any of the Series B-2 CP Notes, or (v) legally available Net Operating Revenues (as defined in the Master Ordinance) under the provisions of Section 503(iv) of the Master Ordinance. The Series B-2 CP Notes do not constitute a debt of the County for which the faith and credit and taxing power of the County are pledged, and the issuance of the Series B-2 CP Notes will not directly or indirectly or contingently obligate the State of Florida or the County to levy any tax or to pledge any form of taxation whatever therefor.

- Exhibit B

CHAPMAN DRAFT DATED MAY 5, 2016

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REIMBURSEMENT AGREEMENT

by and between

MIAMI-DADE COUNTY, FLORIDA

and

BARCLAYS BANK PLC

Relating to:

\$200,000,000

Miami-Dade County, Florida

Water and Sewer System Commercial Paper Notes,  
Series A-1 (Tax-Exempt) and Series A-2 (Taxable)

Dated as of May 1, 2016

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*"CIP Projects"* means the Capital Improvement Program of the County.

*"Closing Date"* means [May 24, 2016], which is the date on which the Letter of Credit will be issued subject to the satisfaction or waiver by the Bank of all of the conditions precedent set forth in Section 3.01 hereof.

*"Code"* means the Internal Revenue Code of 1986, as amended from time to time, and all rules and regulations from time to time promulgated thereunder.

*"Commercial Paper Indebtedness"* means the Commercial Paper Notes and all other commercial paper notes, debentures, obligations or similar instruments issued by the County and secured by and/or payable from Net Operating Revenues and/or Pledged Funds.

*"Commercial Paper Notes"* means the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt) and Series A-2 (Taxable).

*"Controlled Group"* means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the County, are treated as a single employer under Section 414 of the Code.

*"Credit Facility"* means a letter of credit, credit agreement or any other agreement or instrument that supports the payment of principal of and interest on the Commercial Paper Notes.

*"Credit Facility Provider"* has the meaning set forth in the Master Ordinance.

*"Dealer"* means Citigroup Global Markets Inc. and Barclays Capital Inc., and their permitted successors and assigns.

*"Dealer Agreement"* means the Dealer Agreement dated as of [May 1, 2016], between the County and the Dealer, as amended, supplemented, modified or restated from time to time pursuant to the terms hereof and thereof.

*"Debt"* of any Person means at any date, without duplication: (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all Debt of others secured by a lien on any asset of such Person, whether or not such Debt is assumed by such Person, (f) all Guarantees by such Person of Debt of other Persons, (g) all obligations, contingent or otherwise, of such Person on or with respect to letters of credit, banker's acceptances and other evidences of indebtedness representing extensions of credit whether or not representing obligations for borrowed money and (h) all obligations of such Person under any Swap Contract.

*"Debtor Relief Laws"* means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the

## REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT, dated as of May 1, 2016 (together with any amendments or supplements hereto, this "*Agreement*"), is made by and between the MIAMI-DADE COUNTY, FLORIDA (the "*County*") and BARCLAYS BANK PLC, and its successors and assigns (the "*Bank*").

### WITNESSETH:

WHEREAS, the County is a political subdivision duly organized and existing under and pursuant to the laws of the State of Florida; and

WHEREAS, pursuant to the Constitution of the State of Florida, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166 of the Florida Statutes, as amended; and the Code of Miami-Dade County, Florida, as amended, and other applicable provisions of law (collectively, the "*Acts*"), the County is authorized and empowered to issue bonds, notes and other obligations to finance the cost of CIP Projects (as hereinafter defined), including the refunding of any obligations of the County; and

WHEREAS, the County has authorized and intends to issue its Commercial Paper Notes (as hereinafter defined) from time to time pursuant to the Acts, Ordinance No. 09-67 enacted by the Board (as hereinafter defined) on July 23, 2009 (as amended, supplemented, modified or restated from time to time, the "*CP Ordinance*") and Resolution No. \_\_\_\_\_ adopted by the Board on May 17, 2016 (the "*Authorizing Resolution*" and, together with the CP Ordinance, the "*Ordinance*"); and

WHEREAS, the County has requested the Bank to issue the Letter of Credit (as hereinafter defined) to the Issuing and Paying Agent to support the payment when and as due of the principal of and interest on maturing Commercial Paper Notes; and

WHEREAS, the Bank is willing to issue such Letter of Credit to support the Commercial Paper Notes upon the terms and conditions provided herein;

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained, the County and the Bank agree as follows:

### ARTICLE I

#### DEFINITIONS

As used in this Agreement:

"*Acts*" has the meaning set forth in the recitals hereof.

"*Additional Bonds*" has the meaning set forth in the Master Ordinance.

payment of, or to purchase securities or provide liquidity support or credit enhancement for Debt of the County secured, in whole or in part, by or payable from Pledged Funds or Net Operating Revenues.

*"Bank Note"* has the meaning set forth in Section 2.03(d)(ii) hereof.

*"Bank Note CUSIP"* has the meaning set forth in Section 3.01(l) hereof.

*"Bank Rate"* means the rate of interest per annum with respect to Term Loans, (i) for any day commencing on the date the related Drawing was made to and including the 60<sup>th</sup> day next succeeding the date the related Drawing was made, equal to the Base Rate and (ii) for any day commencing on the 61<sup>st</sup> day next succeeding the date the related Drawing was made to and including the 180<sup>th</sup> day next succeeding the date the related Drawing is made, equal to the sum of the Base Rate from time to time in effect *plus* one percent (1.00%) and (iii) for any day commencing on the 181<sup>st</sup> day next succeeding the date the related Drawing was made and thereafter, equal to the sum of the Base Rate from time to time in effect *plus* two percent (2.00%); *provided, however*, that immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, "Bank Rate" shall mean the Default Rate; and *provided further* that, at no time shall the Bank Rate be less than the highest applicable rate of interest on any outstanding Commercial Paper Notes.

*"Bank's Counsel"* has the meaning set forth in Section 3.01 hereof.

*"Base Rate"* means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time *plus* two and one-half of one percent (2.50%), (ii) the Federal Funds Rate in effect at such time *plus* two and one-half of one percent (2.50%), (iii) one hundred fifty percent (150%) of the yield on the 30-Year United States Treasury bond, and (iv) eight percent (8.00%).

Each determination of the Base Rate by the Bank shall be conclusive and binding on the County absent manifest error.

*"Board"* means the Board of County Commissioners of Miami-Dade County, Florida.

*"Bonds"* has the meaning set forth in the Master Ordinance.

*"Business Day"* has the meaning set forth in the Letter of Credit.

*"Change of Law"* means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation, Risk-Based Capital Guidelines or treaty, (b) any change in any law, rule, regulation, Risk-Based Capital Guidelines or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority and (c) the making or issuance of any rule, guideline, request or directive (whether or not having the force of law) by any Governmental Authority.

*"Affiliate"* of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, (i) "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, membership or otherwise; and (ii) the terms "controlling" and "controlled" have meanings correlative to the foregoing.

*"Agreement"* means this Reimbursement Agreement dated as of May 1, 2016, between the County and the Bank, as amended, supplemented or modified from time to time pursuant to the terms hereof.

*"Amortization End Date"* means, with respect to any Term Loan, the earliest to occur of: (i) the fifth (5th) anniversary of the date on which the related Term Loan was made (or if such day is not a Business Day, the next preceding Business Day), (ii) the date on which an alternate or substitute Credit Facility becomes effective in substitution for the Letter of Credit with respect to the Commercial Paper Notes, and (iii) the date on which the County issues any Commercial Paper Notes (or other commercial paper notes relating the Water and Sewer Utility) or any Additional Bonds (or other bonds issued for such purpose) in an amount sufficient to pay the principal of and accrued interest on the Term Loans in full, subject to and in accordance with Section 5.01(v) hereof.

*"Amortization Period"* has the meaning set forth in Section 2.03(a)(v)(C) hereof.

*"Authorizing Resolution"* has the meaning set forth in the recitals hereof.

*"Bail-In Action"* means the exercise by a resolution authority of any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period and together with any power to terminate and value transactions) under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the United Kingdom relating to the transposition of the Bank Recovery and Resolution Directive, as amended from time to time, including but not limited to, the Banking Act 2009 as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which our obligations (or those of our affiliates) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of ours or any other person.

*"Bank"* has the meaning set forth in the introductory paragraph hereof.

*"Bank Agreement"* means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement, continuing covenant agreement, bond purchase agreement, supplemental indenture or other agreement or instrument (or any amendment, supplement or other modification thereof) under which, directly or indirectly, any Person or Persons undertake(s) to make or provide loans or funds to make

United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

*"Default"* means any condition or event which, with the giving of notice or lapse of time or both, would constitute an Event of Default.

*"Default Rate"* means a fluctuating interest rate per annum equal to the sum of the Base Rate from time to time in effect *plus* four percent (4.00%).

*"Department"* has the meaning set forth in the Master Ordinance.

*"Drawing"* means a draw made under and subject to the conditions set forth in the Letter of Credit.

*"DTC"* means The Depository Trust Company and any successor or replacement thereto as securities depository.

*"Eligible Notes"* means Commercial Paper Notes which are not registered in the name of, or beneficially owned by, the County or any nominee thereof, or any Person who owns such Commercial Paper Notes for the benefit of, the County.

*"EMMA"* means Electronic Municipal Market Access as provided by the Municipal Securities Rulemaking Board.

*"Environmental Claims"* means any and all administrative, regulatory or judicial actions, suits, demand letters, claims, Liens, notices of noncompliance or violation, investigations or proceedings relating in any way to any Environmental Law (hereinafter referred to as "claims") or any permit issued under any such Environmental Law, including, without limitation, (a) any and all claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law, and (b) any and all claims by any third parties seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or arising from alleged injury or threat of injury to health, safety or the environment.

*"Environmental Laws"* means any and all federal, state and local statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

*"Environmental Liability"* means any liability, contingent or otherwise (including any liability for damages, costs of environmental investigation and remediation, costs of administrative oversight, fines, natural resource damages, penalties or indemnities), of the County directly or indirectly resulting from or based upon (a) any actual or alleged violation of any Hazardous Materials Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) any actual or alleged exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials 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 from time to time, and all rules and regulations from time to time promulgated thereunder, or any successor statute.

*"Event of Default"* has the meaning set forth in Section 6.01 hereof.

*"Facility Fees"* has the meaning set forth in the Fee Agreement.

*"Federal Funds Rate"* means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Barclays Bank PLC on such day on such transactions as determined in good faith by the Barclays Bank PLC as a reasonable estimation of the Federal Funds Rate.

*"Fee Agreement"* means the Fee Agreement dated the Closing Date, between the County and the Bank, as the same may be amended, supplemented, modified or restated from time to time in accordance with the terms thereof and hereof.

*"Final Drawing Notice"* has the meaning set forth in the Letter of Credit.

*"Fiscal Year"* means the fiscal year of the County as adopted by the County from time to time, which currently is the year ending September 30 of each calendar year.

*"Fitch"* means Fitch Ratings, Inc., and any successor rating agency.

*"FRB"* means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

*"GAAP"* means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the County and applied by the County on a

basis consistent with the County's most recent financial statements furnished to the Bank pursuant to Section 5.01(d) hereof.

*"General Reserve Fund"* has the meaning set forth in the Master Ordinance.

*"Governmental Approval"* means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

*"Governmental Authority"* means any federal, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including any zoning authority, the Federal Deposit Insurance Corporation or the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law.

*"Greater Remedies"* means any right to (i) require cash collateralization (excluding the right of a Swap Contract counterparty to require cash collateralization) and/or (ii) cause any obligation to become due prior to its stated maturity, including, without limitation, any Payable Provision or any other provision which gives any Person the right to cause any Debt or obligation of the County secured by or payable from all or any portion of Net Operating Revenues and/or Pledged Funds to be payable prior to its stated maturity (whether by mandatory redemption (other than sinking fund redemption), mandatory tender, acceleration or otherwise).

*"Guarantee"* means, as to any Person, any (a) obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Debt or other obligation payable or performable by another Person (the *"primary obligor"*) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Debt or other obligation of the payment or performance of such Debt or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Debt or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Debt or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) Lien on any assets of such Person securing any Debt or other obligation of any other Person, whether or not such Debt or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Debt to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term *"Guarantee"* as a verb has a corresponding meaning.

*"Hazardous Materials"* means any particular product, and any hazardous, toxic or dangerous waste, substance or material defined as such in any Hazardous Materials Law.

*"Hazardous Materials Laws"* means, collectively, all federal, state and local laws, ordinances or regulations, now or hereafter in effect, relating to environmental conditions or Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. § 9601, *et seq.*, (the "RCRA"), the Clean Air Act, 42 U.S.C. § 7401, *et seq.* (the "CAA"), the Toxic Substances Control Act, 15 U.S.C. §§ 2601 through 2929 (the "TSCA"), and all similar federal, state and local laws and ordinances, together with all regulations now or hereafter adopted, published or promulgated pursuant thereto.

*"Interest Drawing"* means the portion of any Drawing under the Letter of Credit for the payment of interest (including, without limitation, any amount of accrued interest on maturing Commercial Paper Notes and the portion of the face amount of discount Commercial Paper Notes representing interest).

*"Interest Payment Date"* means the first Business Day of each calendar month.

*"Interest Swap Agreement"* has the meaning set forth in the Master Ordinance.

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

*"ISP"* means, with respect to the Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc.

*"Issuing and Paying Agent"* means the institution appointed from time to time by the County to act as Issuing and Paying Agent, initially U.S. Bank, National Association.

*"Issuing and Paying Agent Agreement"* means that Issuing and Paying Agency Agreement by and between the County and U.S. Bank, National Association, dated as of May 1, 2016, as amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

*"Laws"* means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

*"Letter of Credit"* means the irrevocable transferable direct-pay letter of credit issued by the Bank for the account of the County in favor of the Issuing and Paying Agent supporting the Commercial Paper Notes, in the form of Appendix I hereto with appropriate insertions, as amended, supplemented, modified or restated pursuant to its terms.

*“Letter of Credit Expiration Date”* means May 23, 2019, which is the date set forth in the Letter of Credit as the date on which the Letter of Credit is stated to expire, as the same may be extended pursuant to the terms of the Letter of Credit and Section 2.12 hereof.

*“Lien”* on any asset means any mortgage, deed of trust, lien, pledge, charge, security interest, hypothecation, assignment, deposit arrangement or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected or effective under applicable law, as well as the interest of a vendor or lessor under any conditional sale agreement, capital or finance lease or other title retention agreement relating to such asset.

*“Margin Stock”* has the meaning ascribed to such term in Regulation U promulgated by the FRB, as now and hereafter from time to time in effect.

*“Master Ordinance”* means, collectively, Ordinance No. 93-134 enacted by the Board on November 16, 1993 and Ordinance No. 13-47 enacted by the Board on June 4, 1993, as amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

*“Material Adverse Change”* or *“Material Adverse Effect”* means the occurrence of any event or change which causes or results in a material and adverse change in the business, condition (financial or otherwise) or operations of the Department or the Water and Sewer Utility or any event that (i) causes or results in a material adverse change in or a material adverse effect on (a) the legality, validity, binding effect or enforceability of any of the Related Documents, (b) the legality, validity, binding effect, enforceability or perfection of (x) the pledge of and lien on the Net Operating Revenues to secure the payment of the Bank Note, any Drawing or any Term Loan or interest on any Drawing or any Term Loan or (y) the pledge of and lien on Pledged Funds to secure the payment of principal of the Bank Note, any Drawing or any Term Loan, (c) any of the rights, security, interest or remedies available to the Bank under this Agreement or the other Related Documents or (ii) could reasonably be expected to have a material adverse effect on the ability of the County to timely perform its respective obligations under any of the Related Documents.

*“Maximum Rate”* means the maximum rate of interest on the relevant obligation permitted by applicable law.

*“Maximum CP Rate”* means twelve percent (12%) per annum.

*“Moody’s”* means Moody’s Investors Service, Inc., and any successor rating agency.

*“Net Operating Revenues”* has the meaning set forth in the Master Ordinance.

*“No Default Certificate”* means a certificate substantially in form of Appendix IV hereto.

*“No-Issuance Notice”* means the written instruction, in the form attached as Appendix V hereto, given by the Bank to the County and the Issuing and Paying Agent pursuant to Section 2.19 hereof or Section 6.02(a) hereof.

*"NOR Payable Debt"* means any Debt of the County payable from, but not secured by, Net Operating Revenues.

*"Note Counsel"* means Squire Patton Boggs (US) LLP and D. Seaton and Associates, P.A., as note counsel, or any other law firm(s) having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal securities and which is reasonably acceptable to the County.

*"Obligations"* means the Reimbursement Obligations (which includes, without limitation, amounts owing to the Bank evidenced by the Bank Note), the Facility Fees, the obligations of the County to pay all fees, charges and expenses payable hereunder, under the Fee Agreement and under the Bank Note, and all other payment obligations of the County owed to the Bank arising under or in relation to this Agreement, the Fee Agreement and the Bank Note.

*"OFAC"* means the Office of Foreign Assets Control.

*"OFAC Sanctions Programs"* means all laws, regulations, and Executive Orders administered by OFAC, including without limitation, the Bank Secrecy Act, anti-money laundering laws (including, without limitation, the Patriot Act), and all economic and trade sanction programs administered by OFAC, any and all similar United States federal laws, regulations or Executive Orders, and any similar laws, regulators or orders adopted by any state within the United States.

*"OFAC SDN List"* means the list of the Specially Designated Nationals and Blocked Persons maintained by OFAC.

*"Offering Memorandum"* means the Offering Memorandum dated May \_\_, 2016, relating to the Commercial Paper Notes, and any amendments or supplements thereto.

*"Ordinance"* has the meaning set forth in the recitals hereof.

*"Original Stated Amount"* has the meaning set forth in Section 2.01 hereof.

*"Other Bank Agreements"* means the Sumitomo Reimbursement Agreement, and all amendments, modifications, restatements and extensions of such agreement, entered into from time to time and any other agreement delivered in substitution or exchange for such agreement and any other agreement entered into by the County to provide liquidity or credit support for Commercial Paper Indebtedness.

*"Other Obligations"* means all of the payment obligations of the County under this Agreement that are not Reimbursement Obligations.

*"Participant"* has the meaning set forth in Section 7.03(b) hereof.

*"Parity Debt"* means Debt payable from and secured by all or any portion of the Net Operating Revenues and/or Pledged Funds on a parity with the Reimbursement Obligations hereunder.

*"Payable Provision"* means any provision which allows a Person the right to cause the payment of the principal of or interest on any NOR Payable Debt or Debt of the County payable from or secured by Pledged Funds to become due prior to its stated maturity.

*"Payment Office"* means the Bank's account at Barclays Bank PLC, New York Branch, ABA Number: 026-002-574, Account Number: 050019104, Reference: Miami-Dade County, or such other office as the Bank may designate from time to time.

*"PBGC"* means the Pension Benefit Guaranty Corporation or any successor thereto.

*"Person"* means any individual, corporation, not for profit corporation, partnership, limited liability company, joint venture, association, professional association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

*"Plan"* means, with respect to the County at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group of which the County is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the County is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

*"Pledged Funds"* means (a) proceeds of the sale of the Commercial Paper Notes from time to time hereafter issued to pay outstanding Commercial Paper Notes and the Bank Note, (b) proceeds from the sale of Bonds (other than Refunding Bonds, *provided* that any proceeds, after providing for the refunding of the refunded Bonds, funding any necessary reserves and providing for the payment of costs of issuance thereof, resulting from the sale of Refunding Bonds shall constitute Pledged Funds), or other Debt of the County payable from or secured by Net Operating Revenues, issued by the County from time to time after the Closing Date; (c) moneys drawn under the Letter of Credit and deposited in the Credit Facility Account, which shall be held only for the holders of the Commercial Paper Notes and (d) other legally available funds as shall be determined by the County in its discretion. All terms used in this definition of *"Pledged Funds"* and not otherwise defined herein shall have the meanings ascribed to such terms in the Ordinance or the Master Ordinance as in effect on the Closing Date, and without regard to any amendment, supplement or modification thereto entered into after the Closing Date, unless otherwise consented in writing by the Bank.

*"Prime Rate"* means on any day, the rate of interest in effect for such day as publicly announced from time to time by Barclays Bank PLC as its "prime rate." The *"prime rate"* is a rate set by Barclays Bank PLC based upon various factors including Barclays Bank PLC's costs

and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Barclays Bank PLC shall take effect at the opening of business on the day specified in the public announcement of such change.

*"Property"* means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

*"Quarterly Principal Payment"* has the meaning set forth in Section 2.03(a)(v)(C) hereof.

*"Rating Agencies"* means, collectively, S&P, Moody's and Fitch.

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

*"Rating Documentation"* has the meaning set forth in Section 3.01(k) hereof.

*"Refunding Bonds"* has the meaning set forth in the Master Ordinance.

*"Reimbursement Obligations"* means any and all obligations of the County to reimburse the Bank for any Drawings under the Letter of Credit and all obligations to repay the Bank for any Drawing and any Term Loan, including in each such instance all accrued interest thereon.

*"Related Documents"* means this Agreement, the Letter of Credit, the Fee Agreement, the Bank Note, the Dealer Agreements, the Commercial Paper Notes, the Ordinance, the Master Ordinance, the Issuing and Paying Agent Agreement and any documents related thereto, and all amendments and supplements thereof in accordance with the respective terms thereof and the terms hereof.

*"Release"* means any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or within any building, structure, facility or fixture.

*"Responsible Officer"* means the \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ of the Department and any person authorized from time to time in writing by the Department, or its successors and assigns, to perform a designated act or execute a designated document.

*"Revenues"* has the meaning set forth in the Master Ordinance.

*"Revenues Debt"* means any Debt of the County secured by or payable from all or any portion of Net Operating Revenues (other than Debt of the County incurred prior to the Closing Date pursuant to the State Revolving Loan Fund Agreement) and/or Pledged Funds.

*"Risk-Based Capital Guidelines"* means (i) the risk-based capital guidelines in effect in the United States including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations.

*"S&P"* means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and any successor rating agency.

*"Senior Lien Debt"* means the Bonds and any other Debt issued or incurred by or on behalf of the County and secured on a basis senior to the Lien on Net Operating Revenues securing the payment of the Reimbursement Obligations.

*"Series B Commercial Paper Notes"* means the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt) and Series B-2 (Taxable).

*"Sewer System"* has the meaning set forth in the Master Ordinance

*"Solvent"* means, with respect to any Person, that as of the date of determination both (i) (a) the sum of such Person's debt (including contingent liabilities) does not exceed all of its property, at a fair valuation; (b) the Person is able to pay the probable liabilities on such Person's then existing debts as they become absolute and matured; (c) such Person's capital is not unreasonably small in relation to its business or any contemplated or undertaken transaction; and (d) such Person does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due; and (ii) such Person is "solvent" within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (discounted to present value at rates believed to be reasonable by such Person acting in good faith).

*"State"* means the State of Florida.

*"State Revolving Fund Loan Agreement"* means has the meaning set forth in the Master Ordinance.

*"Stated Amount"* means, as of any date, the maximum amount which by the terms of the Letter of Credit is available to be drawn under the Letter of Credit as of such date.

*"Sumitomo"* means Sumitomo Mitsui Banking Corporation, acting through its New York Branch, and its successors and assigns.

*"Sumitomo Letter of Credit"* means that certain Letter of Credit dated May 24, 2016, issued by Sumitomo pursuant to that certain Reimbursement Agreement dated as of May 1, 2016, between the County and Sumitomo, relating to the Series B Commercial Paper.

*"Sumitomo Reimbursement Agreement"* means the Reimbursement Agreement dated as of May 1, 2016, between the County and Sumitomo, relating to the Series B Commercial Paper Notes, as amended, supplemented, modified or restated from time to time.

*"Subordinate Obligations"* has the meaning set forth in the Master Ordinance.

*"Swap Contract"* means (a) any Interest Swap Agreement and (b)(i) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (ii) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a *"Master Agreement"*), including any such obligations or liabilities under any Master Agreement.

*"Tax-Exempt Commercial Paper Notes"* means Commercial Paper Notes for which an opinion of Note Counsel relating to the exclusion of the interest thereof from gross income for purposes of federal income taxation has been delivered.

*"Term Loan"* has the meaning set forth in Section 2.03(a)(i) hereof.

*"Termination Date"* has the meaning set forth in the Letter of Credit.

*"Water and Sewer Utility"* has the meaning set forth in the Master Ordinance.

*"Water System"* has the meaning set forth in the Master Ordinance.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms. Any capitalized terms used herein which are not specifically defined herein shall have the same meanings herein as in the Ordinance or the Master Ordinance, as applicable. All references in this Agreement to times of day shall be references to New York City time unless otherwise expressly provided herein. Unless otherwise inconsistent with the terms of this Agreement, all accounting terms shall be interpreted and all accounting determinations hereunder shall be made in accordance with GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Related Document, and either the County or the Bank shall so request, the Bank and the County shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; *provided that*, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the County shall

provide to the Bank financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

Unless otherwise specified herein, the amount of the Letter of Credit at any time shall be deemed to be the maximum amount available to be drawn under the Letter of Credit, whether or not such maximum stated amount is in effect at such time. Without limiting the foregoing, the determination of such maximum amount shall assume compliance with all conditions for drawing and no reduction for (a) any amount drawn by any drawing referred to in the Letter of Credit, the amount of which, in whole or in part, is subject to reinstatement (unless such amount is not reinstated under the Letter of Credit), or (b) any amount not available to be drawn because Notes are held by or for the account of the County or are Bank Note or are otherwise Ineligible Notes.

Any covenants and agreements of the County herein and in the Related Documents which the County is a party and which are incorporated by reference herein (including all such covenants and agreements specified in the exhibits, schedules and defined terms referred to in the Related Document) shall survive any termination, cancellation, discharge or replacement of such Related Document.

## ARTICLE II

### LETTER OF CREDIT

*Section 2.01. Issuance of Letter of Credit.* Upon the terms, subject to the conditions and relying upon the representations and warranties set forth in this Agreement or incorporated herein by reference, the Bank agrees to issue the Letter of Credit (substantially in the form of Appendix I hereto). The Letter of Credit shall be in the original stated amount of \$218,000,000 (calculated as the sum of the maximum principal amount of the Commercial Paper Notes supported by the Letter of Credit (*i.e.*, \$200,000,000) plus interest thereon at a maximum rate of twelve percent (12%) per annum for a period of two hundred seventy (270) days calculated on the basis of a year of 360 days) (the "*Original Stated Amount*").

*Section 2.02. Letter of Credit Drawings.* The Issuing and Paying Agent is authorized to make Drawings under the Letter of Credit in accordance with its terms in respect of Eligible Notes. The County hereby directs the Bank to make payments under the Letter of Credit in the manner therein provided. The County hereby irrevocably approves reductions and reinstatements of the Stated Amount with respect to the Letter of Credit as provided in the Letter of Credit.

*Section 2.03. Reimbursement of Drawings and Term Loans; Mandatory Prepayment; Interest.* (a)(i) Each Drawing made under the Letter of Credit which is not reimbursed on the date of such Drawing shall constitute a term loan ("*Term Loan*") to the County. The County shall be deemed to make all of the representations and warranties contained in Article IV of this Agreement (including, without limitation, that no event would result from such payment which

constitutes a Default or Event of Default) on the date of each such Term Loan. Each Term Loan shall bear interest at the applicable Bank Rate from time to time. On the earlier of (i) the 180th day next following the date of a Term Loan and (ii) the Stated Expiration Date, the County shall be deemed to have represented and warranted on such date that the representations and warranties contained in Article IV of this Agreement are true and correct in all material respects.

(ii) The County promises to pay to the Bank the portion of each Term Loan representing accrued interest on the Commercial Paper Notes paid from the related Drawing on the date of the related Drawing under the Letter of Credit.

(iii) The County promises to pay or cause to be paid to the Bank, subject to and in accordance with Section 5.01(v) hereof, the unpaid principal portion of each Term Loan representing the principal amount of Commercial Paper Notes paid from the related Drawing on the date on which the County issues Commercial Paper Notes (or other commercial paper notes secured by or payable from Net Operating Revenues and/or Pledged Funds) in amount in excess of the principal and/or interest on Commercial Paper Notes and/or other commercial paper notes secured by or payable from Net Operating Revenues and/or Pledged Funds maturing on such date or Additional Bonds (or other bonds or securities secured by or payable from Net Operating Revenues and/or Pledged Funds, other than Refunding Bonds, *provided* that any proceeds resulting from the sale of Refunding Bonds, after providing for the refunding of the refunded Bonds, funding any necessary reserves and providing for the payment of costs of issuance thereof, shall constitute Pledged Funds).

(iv) Subject to Section 2.10 hereof, the County also promises to pay to the Bank interest on the unpaid principal amount of each Term Loan from the date such Term Loan is made until it is paid in full as provided herein, at the interest rate from time to time in effect pursuant to the terms and provisions hereof, and such interest shall be payable monthly in arrears on the first Business Day of each calendar month for the immediately preceding calendar month (commencing on the first Interest Payment Date to occur after the making of the related Term Loan), and on the date that the final principal or interest portion of such Term Loan is payable as herein provided.

(v) The County promises to pay or cause to be paid to the Bank, subject to and in accordance with Section 5.01(v) hereof, an amount equal to the unpaid principal amount of each Term Loan in equal quarterly installments ("*Quarterly Principal Payments*") commencing on the one hundred eightieth day immediately succeeding the date the related Term Loan is made, and on the first Business Day of each third calendar month thereafter, with the final installment in an amount equal to the entire then outstanding principal amount of such Term Loan due and payable on the Amortization End Date (the period commencing on the date such installment is initially payable and ending on the Amortization End Date is referred to as the "*Amortization Period*"). Each Quarterly Principal Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Quarterly Principal Payments over the applicable Amortization Period.

(b) Any Term Loan may be prepaid in whole or in part on the day such Term Loan is made. Any Term Loan may also be prepaid in whole or in part without premium or penalty on any other Business Day upon one Business Day's prior written notice to the Bank.

(c) Upon the Bank's receipt of any payment or prepayment of any Term Loan, the amount of such Term Loan shall be reduced by the amount of such payment or prepayment, with the Bank crediting any such prepayment, first to the payment of any outstanding interest accrued on the related Term Loan and second to the payment of the principal of such Term Loan. Any such payment or prepayment to be applied to principal of Term Loan hereunder shall be applied to the prepayment of related Term Loan in chronological order of their issuance hereunder, and within each Term Loan in inverse order of the principal installments payable thereon. Following the occurrence of an Event of Default, any payments received by the Bank hereunder shall be applied by the Bank to the payment of the Obligations in such order as the Bank shall in its sole discretion determine.

(d) All Reimbursement Obligations shall be made against and evidenced by the County's promissory note payable to the order of the Bank in the principal amount of the Original Stated Amount, such note to be executed by the County and delivered by the County to the Bank on the Closing Date in the form of Appendix II attached hereto with appropriate insertions (the "*Bank Note*"). All Reimbursement Obligations due and owing to the Bank and all payments and prepayments on the account of the principal of and interest on each Reimbursement Obligation by or on behalf of the County shall be recorded by the Bank on its books and records, which books and records shall, absent manifest error, be conclusive as to amounts due and owing by the County hereunder, under the Fee Agreement and under the Bank Note. The Bank may, but shall not be required to, complete the schedule attached to the Bank Note to reflect the making and status of unreimbursed Reimbursement Obligations due and owing hereunder and thereunder; *provided* that the failure to make or any error in making any such endorsement on such schedule shall not limit, extinguish or in any way modify the obligation of the County to repay unreimbursed Reimbursement Obligations. The County shall pay principal and interest on the Bank Note on the dates and at the rates provided for in Section 2.03 hereof.

(e) The County's obligations to repay each Reimbursement Obligation and to pay interest thereon as provided herein shall be evidenced and secured by the Bank Note, and the County shall, without limitation or duplication, (i) make a principal payment on the Bank Note on each date on which the County is required to make a principal payment on a Term Loan, as applicable, in an amount equal to the principal payment due on such date and (ii) pay interest on the Bank Note on each date on which the County is required to make an interest payment with respect to a Term Loan in an amount equal to the interest payment due on such date. The payment of the principal of and interest on the Bank Note shall constitute payment of the principal of and interest on the Term Loan and the payment of the principal of and interest on the Term Loan shall constitute the payment of and principal and interest on the Bank Note and the failure to make any payment on any Term Loan when due shall be a failure to make a payment on the Bank Note and the failure to make any payment on the Bank Note when due shall be a failure to make a payment on the Term Loan.

*Section 2.04. Reserved.*

*Section 2.05. Fees.* The County hereby agrees to perform the obligations provided for in the Fee Agreement, including, without limitation, the payment of any and all fees, expenses and other amounts provided for therein, at the times and in the amounts set forth in the Fee Agreement. Without limiting the generality of the foregoing, in the event that the Letter of Credit is terminated or the Stated Amount is reduced and is not subject to reinstatement, the County shall pay to the Bank the fees and expenses, if any, at the times and in the amounts set forth in and as required by the Fee Agreement. The terms and provisions of the Fee Agreement are hereby incorporated herein by reference as if fully set forth herein. All references to amounts or obligations due hereunder or in this Agreement shall be deemed to include all amounts and obligations (including without limitation all fees and expenses) under the Fee Agreement. All fees paid under this Agreement and the Fee Agreement shall be fully earned when due and nonrefundable when paid.

*Section 2.06. Method of Payment; Etc.* All payments to be made by the County under this Agreement and the Fee Agreement shall be made at the Payment Office of the Bank, not later than 3:00 p.m., New York City time, on the date when due and shall be made by wire transfer in lawful money of the United States of America in freely transferable and immediately available funds. Any payment received by the Bank after 3:00 p.m., New York City time, shall be deemed to have been received by the Bank on the next Business Day.

*Section 2.07. Termination of Letter of Credit by the County.* Notwithstanding any provisions of this Agreement, the Letter of Credit or any Related Document to the contrary, the County agrees not to terminate the Letter of Credit except upon (i) the payment by the County to the Bank of the fees and expenses, if any, in the amount set forth in the Fee Agreement, (ii) the payment to the Bank of all fees, expenses and other Obligations payable hereunder and under the Fee Agreement, including, without limitation, all principal and accrued interest due and owing on any Drawing, Term Loan or any amount due under the Bank Note and (iii) the County providing the Bank with thirty (30) days prior written notice of its intent to terminate or reduce the Letter of Credit. All payments from the County to the Bank referred to in this Section 2.07 shall be made with immediately available funds on or before the date of termination.

*Section 2.08. Computation of Interest and Fees.* Fees payable hereunder and under the Fee Agreement shall be calculated on the basis of a year of 360 days and the actual number of days elapsed. All computations of interest payable by the County under this Agreement shall be made on the basis of a year of 365 days and actual number of days elapsed. Interest shall accrue during each period during which interest is computed from and including the first day thereof to but excluding the last day thereof.

*Section 2.09. Payment Due on Non-Business Day To Be Made on Next Business Day.* If any sum becomes payable pursuant to this Agreement or the Fee Agreement on a day which is not a Business Day, the date for payment thereof shall be extended, without penalty, to the next succeeding Business Day, and such extended time shall be included in the computation of interest and fees.

*Section 2.10. Late Payments.* If the principal amount of any Obligation is not paid when due, such Obligation shall bear interest until paid in full at a rate per annum equal to the Default Rate, payable upon demand.

*Section 2.11. Source of Funds.* All payments made by the Bank pursuant to the Letter of Credit shall be made from funds of the Bank, and not from the funds of any other Person.

*Section 2.12. Extension of Letter of Credit Expiration Date.* If the County on any date not earlier than one hundred eighty (180) days prior and not later than sixty (60) days prior to the then current Letter of Credit Expiration Date, submits to the Bank a written request for an extension of the Letter of Credit Expiration Date in the form of Appendix III hereto for a period as specified in such written request, the Bank will make reasonable efforts to respond to such request in writing within thirty (30) days after receipt of all information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision. In the event the Bank fails to definitively respond to such request within such period of time, the Bank shall be deemed to have refused to grant the extension requested. The Bank may, in its sole and absolute discretion, decide to accept or reject any such proposed extension and no extension shall become effective unless the Bank shall have consented thereto in writing. The consent of the Bank, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance reasonably satisfactory to the Bank and consistent with this Agreement and the Letter of Credit (including the term, commitment and other fees, interest rates and other provisions) as shall be mutually acceptable to the Bank and the County. If such an extension request is accepted by the Bank in its sole and absolute discretion, the then current Letter of Credit Expiration Date shall be extended to the date agreed to by the County and the Bank.

*Section 2.13. Net of Taxes, Etc.*

(a) *Taxes.* Any and all payments to the Bank by the County hereunder and under the Fee Agreement shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges, withholdings or liabilities imposed thereon, excluding, however, taxes imposed on or measured by the net income or capital of the Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection between the Bank and such jurisdiction or political subdivision (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "*Taxes*"). If the County shall be required by law to withhold or deduct any Taxes imposed by the United States of America or any political subdivision thereof (or any other jurisdiction from which or through which payments are made) from or in respect of any sum payable hereunder or under the Fee Agreement to the Bank or any Participant, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.13), the Bank or such Participant receives an amount equal to the sum it would have received had no such deductions been made; (ii) the County shall make such deductions; and (iii) the County shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If the County shall make any payment under this Section 2.13 to or for the benefit of the Bank with respect to Taxes and if the Bank shall claim any credit or deduction for such Taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United

States then the Bank shall pay to the County an amount equal to the amount by which such other taxes are actually reduced; *provided* that the aggregate amount payable by the Bank pursuant to this sentence shall not exceed the aggregate amount previously paid by the County to the Bank with respect to such Taxes. In addition, the County agrees to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America, the State of New York, the State of Florida or any other taxing jurisdiction from any payment made hereunder or under the Fee Agreement or from the execution or delivery or otherwise with respect to this Agreement (hereinafter referred to as "*Other Taxes*"). The Bank shall provide to the County within a reasonable time a copy of any written notification it receives with respect to Taxes or Other Taxes owing by the County to the Bank hereunder; *provided* that the Bank's failure to send such notice shall not relieve the County of its obligation to pay such amounts hereunder. The County may conduct a reasonable contest of any such Taxes with the prior written consent of the Bank which consent shall not be unreasonably withheld.

(b) *Indemnity.* The County shall, to the fullest extent permitted by law and subject to the provisions hereof, indemnify the Bank for the full amount of Taxes and Other Taxes including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.13 paid by the Bank or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted; *provided* that the County shall not be obligated to indemnify the Bank for any penalties, interest or expenses relating to Taxes or Other Taxes arising from the Bank's gross negligence or willful misconduct. The Bank agrees to give notice to the County of the assertion of any claim against the Bank relating to such Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided* that the Bank's failure to notify the County promptly of such assertion shall not relieve the County of its obligation under this Section 2.13. Payments by the County pursuant to this indemnification shall be made within thirty (30) days from the date the Bank makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Bank agrees to repay to the County any refund actually received by the Bank (including that portion of any interest that was included as part of such refund) with respect to Taxes or Other Taxes paid by the County pursuant to this Section 2.13 received by the Bank for Taxes or Other Taxes that were paid by the County pursuant to this Section 2.13 and to contest, with the cooperation and at the expense of the County, any such Taxes or Other Taxes which the Bank or the County reasonably believes not to have been properly assessed.

(c) *Notice.* Within thirty (30) days after the date of any payment of Taxes or Other Taxes by the County, the County shall furnish to the Bank, the original or a certified copy of a receipt evidencing payment thereof.

(d) *Survival of Obligations.* Without prejudice to the survival of any other agreement of the County hereunder, the agreements and obligations of the County contained in this Section shall survive the termination of this Agreement and the payment in full of the Bank Note and the Obligations and the obligations of the County thereunder and hereunder.

*Section 2.14. Increased Costs.* (a) If the Bank shall have determined in good faith that a Change of Law shall (1) subject the Bank to any Taxes or change the basis of taxation of payments to the Bank of any amounts payable hereunder or under the Fee Agreement (except for taxes on the overall net income of the Bank), (2) impose, modify or deem applicable any reserve, liquidity or capital ratio, special deposit, compulsory loan, insurance premium, fee, financial charge, monetary burden or similar requirement against making or maintaining its obligations under this Agreement, the Fee Agreement or the Letter of Credit or assets held by, or deposits with or for the account of, the Bank or (3) impose on the Bank any other condition regarding this Agreement, the Fee Agreement or the Letter of Credit, and the result of any event referred to in clause (1), (2) or (3) above shall be to increase the cost to the Bank of making or maintaining its obligations hereunder or under the Letter of Credit or the Fee Agreement, or to reduce the amount of any sum received or receivable by the Bank hereunder or under the Fee Agreement, then the County shall pay to the Bank, at such time as is set forth in Section 2.14(d) hereof, such additional amount or amounts as will compensate the Bank for such increased costs or reduction in amount received or receivable as relates to the Letter of Credit, this Agreement and the Fee Agreement.

(b) If the Bank shall have determined in good faith that a Change of Law either (1) affects or would affect the amount of capital or liquidity required or expected to be maintained by the Bank or (2) reduces or would reduce the rate of return on the Bank's capital or liquidity or reserves to a level below that which the Bank could have achieved but for such circumstances (taking into consideration the Bank's or any corporation controlling the Bank's policies with respect to capital or liquidity adequacy and liquidity or the maintenance of reserves, as applicable), then the County shall pay to the Bank at such time as is set forth in Section 2.14(d) hereof, such additional amount or amounts as will compensate the Bank for such cost of maintaining such increased capital or liquidity or such reduction in the rate of return on the Bank's capital or liquidity as reasonably relates to the Letter of Credit, this Agreement and the Fee Agreement.

(c) Notwithstanding anything in the foregoing to the contrary, for purposes of this Section 2.14, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith shall be deemed to be a Change of Law, regardless of the date enacted, adopted or issued, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States financial regulatory authorities or any other Governmental Authority shall be deemed a Change of Law regardless of the date enacted, adopted, promulgated, implemented or issued.

(d) All payments of amounts referred to in Sections 2.14(a) and (b) hereof shall be due and payable within thirty (30) days of demand by the Bank (or such entity controlling the Bank) or such Participant, as applicable. Interest on the sums due as described in Sections 2.14(a) and (b) hereof and in the preceding sentence shall begin to accrue from the date when the payments were first due at a rate per annum equal to the Default Rate until such delinquent payments have been paid in full. A certificate as to such increased cost, increased capital or liquidity or reduction in return incurred by the Bank as a result of any event mentioned in Section 2.14(a) or

(b) hereof setting forth, in reasonable detail, the basis for calculation and the amount of compensation due to the Bank shall be submitted by the Bank to the County and shall be conclusive (absent manifest error) as to the amount thereof. In making the determinations contemplated by such certificate, the Bank may make such reasonable estimates, assumptions, allocations and the like as the Bank in good faith determines to be appropriate. All references to the Bank in this Section 2.14 shall be deemed to also refer to any Person controlling the Bank and any Participant and such person's parent.

(e) The County shall not be required to compensate the Bank or any Participant pursuant to this Section 2.14 in respect of a period occurring more than six (6) months prior to the date the above-described written demand is given to the County with respect thereto (the "Cut-Off Date"), except where (i) the Bank (or such entity controlling the Bank) or Participant, as applicable, had no actual knowledge of the action resulting in such increased costs, increased capital or liquidity or reduction in return, as applicable, as of the Cut-Off Date or (ii) such increased costs, increased capital or liquidity or reduction in return apply to the Bank (or such entity controlling the Bank) or Participant retroactively to a date prior to the Cut-Off Date.

(f) Without prejudice to the survival of any other agreement of the County hereunder, the agreements and obligations of the County contained in this Section shall survive the termination of this Agreement and the payment in full of the Bank Note and the Obligations and the obligations of the County thereunder and hereunder.

*Section 2.15. Reserved.*

*Section 2.16. Reimbursement of Obligations are Special Obligations; Other Obligations.*

(a) All Reimbursement Obligations are payable from, and secured by a Lien, which is hereby granted on (i) the Net Operating Revenues subordinate solely to the Lien on Net Operating Revenues securing the payment of Senior Lien Debt and (ii) the Pledged Funds, to the fullest extent necessary to pay all Reimbursement Obligations at any time outstanding hereunder (excluding from Pledged Funds any Drawings under the Letter of Credit except with respect to the proceeds of Drawings not used by the Issuing and Paying Agent to pay the principal of or interest on the Commercial Paper Notes). The County hereby acknowledges and agrees that the Reimbursement Obligations constitute Subordinate Obligations and are payable from and secured by a Lien on Net Operating Revenues which is subordinate solely to the payment of Senior Lien Debt.

(b) *No Debt or Full Faith and Credit.* Neither this Agreement, the Fee Agreement nor the Bank Note constitute a general or moral obligation, or a pledge of the faith, credit or power of the County, the State of Florida or any political subdivision of the State of Florida, within the meaning of any constitutional, statutory or charter provision. Neither the State of Florida nor any political subdivision of the State of Florida nor the County shall be directly or indirectly or contingently obligated to levy any ad valorem taxes on any property to pay the principal of or the interest or other related payments or costs hereunder or under the Fee Agreement, the Bank Note, or to pay the same from any other funds of the County except from the sources provided under this Agreement.

(c) *Other Obligations are Subordinate Obligations.* The Other Obligations constitute Subordinate Obligations.

*Section 2.17. Applicability of ISP.* The rules of ISP shall apply to the Letter of Credit.

*Section 2.18. Issuance Generally.* The County may issue Commercial Paper Notes only in accordance with the terms of and subject to the conditions set forth in the Issuing and Paying Agent Agreement and this Agreement.

*Section 2.19. No-Issuance Notices; Final Drawing Notice.* (a) Commercial Paper Notes may be issued from time to time prior to the Letter of Credit Expiration Date in accordance herewith and with the terms of and subject to the conditions set forth in the Issuing and Paying Agent Agreement so long as the Issuing and Paying Agent is not in receipt of (i) a No-Issuance Notice then in effect given by the Bank pursuant to this Section 2.19 or Section 6.02(a) hereof and not rescinded and/or (ii) a Final Drawing Notice.

(b) The Bank may deliver a No-Issuance Notice in the form of Appendix II attached hereto at any time when: (i) an Event of Default shall have occurred and be continuing; or (ii) any representation or warranty of the County set forth herein or in any Related Document shall, in the reasonable opinion of the Bank, no longer be true and correct in any material respect. The Bank may deliver the Final Drawing Notice at any time when an Event of Default shall have occurred and be continuing. A No-Issuance Notice or the Final Drawing Notice shall be effective when received by the Issuing and Paying Agent; *provided, however*, that a No-Issuance Notice or the Final Drawing Notice received by the Issuing and Paying Agent after 10:30 A.M. New York City time, on any day on which Commercial Paper Notes are being issued shall be effective on the next succeeding day. A No-Issuance Notice or the Final Drawing Notice may be given by facsimile, confirmed in writing within twenty-four (24) hours, but the failure to so confirm such No-Issuance Notice or the Final Drawing Notice in writing shall not render such No-Issuance Notice or the Final Drawing Notice ineffective. The Bank will furnish a copy of any No-Issuance Notice or the Final Drawing Notice to the County and the Dealer promptly following delivery thereof to the Issuing and Paying Agent, but the failure to furnish any such copy shall not render ineffective such No-Issuance Notice or the Final Drawing Notice.

### ARTICLE III

#### CONDITIONS PRECEDENT

*Section 3.01. Conditions Precedent to Issuance of the Letter of Credit.* As conditions precedent to the obligation of the Bank to issue the Letter of Credit, the County shall provide to the Bank on the Closing Date, each in form and substance satisfactory to the Bank and the Bank's counsel, Chapman and Cutler LLP (hereinafter, "*Bank's Counsel*"):

(a) *Approvals.* The Bank shall have received (1) executed originals of this Agreement and the Fee Agreement duly executed by the County and certified copies of all action taken by the County (including, without limitation, the Ordinance and the

Master Ordinance) approving the execution and delivery by the County of this Agreement, the Fee Agreement and the Bank Note, in each case, certified by an authorized official of the County as complete and correct as of the Closing Date and (2) executed or certified copies, as applicable, of each of the other Related Documents (except the Commercial Paper Notes) to which the County is a party, together with a certificate of an Authority Representative, dated the Closing Date, stating that such Related Documents and approvals are in full force and effect on the Closing Date and have not been amended, repealed, rescinded, or supplemented in any manner, except for such amendments made in accordance with the express terms of such Related Documents for which the County has provided notice to the Bank prior to the Closing Date.

(b) *Certificate and Incumbency of County Officials.* The Bank shall have received (1) a certificate in respect of the incumbency and signature identification of each of the officials of the County who is authorized to (i) sign this Agreement, the Fee Agreement and the Bank Note on behalf of the County and (ii) take actions for the County under this Agreement, the Fee Agreement, the Bank Note and the other Related Documents (to which the County is a party) with respect to the Commercial Paper Notes and (2) a certificate of the Finance Director and the Director (as such terms are defined in the Master Ordinance) of the County, dated the Closing Date, certifying that (A) each of the County's representations and warranties contained herein and the other Related Documents to which the County is a party is true and correct on and as of the Closing Date as though made on and as of such date, (B) no Default or Event of Default has occurred and is continuing or will result from the execution, delivery, and performance by the County of this Agreement, the Fee Agreement or the issuance of the Letter of Credit, (C) since September 30, 201[4][5], except as disclosed to the Bank in writing, there has been no Material Adverse Change and there has been no material adverse change in the laws, rules, guidelines or regulations (or their interpretation or administration) and no material litigation is ongoing with respect to the County, in any case, that may adversely affect the consummation of the transactions contemplated hereby or by any Related Document or result in a Material Adverse Effect, (D) all conditions precedent set forth in the Ordinance and the Master Ordinance, if any, with respect to issuance of the Commercial Paper Notes shall have been satisfied, (E) the County has not received notice from the Rating Agencies that the long-term unenhanced ratings of any Senior Lien Debt so rated have been withdrawn, reduced or suspended since the dated date of the Rating Documentation, (F) the County is in compliance with all covenants set forth herein on the Closing Date and (G) neither the making of any Drawings or Term Loans nor the consummation of any of the transactions contemplated by the Ordinance, the Commercial Paper Notes or this Agreement will violate any law, rule, guideline or regulation (or their interpretation) applicable to the County with respect to this Agreement.

(c) *Opinion of Note Counsel.* The Bank shall have received a written opinion of Note Counsel, addressed to the Bank, dated the Closing Date to the effect that (i) this Agreement, the Fee Agreement and the Related Documents to which the County is a party have been duly authorized, executed and delivered by the County and are the valid and binding obligations of the County enforceable in accordance with their respective

terms, except as may be limited by the valid exercise of judicial discretion and the constitutional powers of the United States of America and to valid bankruptcy, insolvency, reorganization or moratorium or other similar laws applicable to the County and equitable principles relating to or affecting creditors' rights generally from time to time and (ii) the pledge of and Lien on Net Operating Revenues and Pledged Funds as set forth in this Agreement securing the Reimbursement Obligations and the Bank Note is the valid and binding obligation of the County. In addition, the Bank shall have received a letter from Note Counsel authorizing the Bank to rely on the Favorable Opinion of Note Counsel delivered to the County in respect of the Tax-Exempt Commercial Paper Notes.

(d) *Opinion of County Attorney.* The Bank shall have received a written opinion of the County Attorney, addressed to the Bank, dated the Closing Date in the form and substance agreed to by counsel and the Bank, including, without limitation, language to the effect that (i) the execution and delivery by the County of this Agreement, the Fee Agreement and the Related Documents to which the County is a party does not violate the constitution or laws of the State; and (ii) the Board on behalf of the County has taken all actions, and has obtained any approvals, necessary to the authorization, execution, delivery and performance by the County of this Agreement, the Fee Agreement and the Related Documents.

(e) *Bank Note.* The Bank shall have received an executed copy of each Bank Note, payable to the Bank.

(f) *No Default, Etc.* No Default or Event of Default shall have occurred and be continuing as of the date hereof or will result from the execution, delivery, and performance by the County of this Agreement, the Fee Agreement and the Related Documents or the issuance of the Letter of Credit. The representations and warranties and covenants made by the County in Article IV hereof shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date.

(g) *Financial Information.* The Bank shall have received a copy of the County's audited financial statements for the Fiscal Year ended September 30, 2015.

(h) *Legality; Material Adverse Change.* The Bank shall have determined (in its reasonable discretion) that (i) none of the making of any Drawings or Term Loans, the issuance of the Letter of Credit or the consummation of any of the transactions contemplated by the Authorizing Resolution, the Commercial Paper Notes, the Bank Note, this Agreement or the Fee Agreement will violate any law, rule, guideline or regulation applicable to the County, the Bank, this Agreement or any other Related Document; and (ii) no material adverse change in the ratings, financial condition, business, assets, liabilities or prospects of the County shall have occurred since September 30, 2014, except as disclosed in writing to the Bank prior to the Closing Date, which would be reasonably likely to result in a Material Adverse Effect; and (iii) there has been no material adverse change in the laws, rules or regulations (or their interpretation or administration) that, in any case, may adversely affect the consummation of the transactions contemplated hereby or by any Related Document.

(i) *Litigation.* Prior to the Closing Date, the Bank shall have received a written description of all actions, suits or proceedings pending or, to the County's knowledge, threatened in writing against the County that are payable from Pledged Funds or Net Operating Revenues in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a Material Adverse Effect, if any, and such other statements, certificates, agreements, documents and information with respect thereto as the Bank may reasonably request, and all such matters shall be acceptable to the Bank in its sole discretion.

(j) *Fees, Etc.* The Bank shall have received payment of the fees, costs and expenses to be paid on or prior the Closing Date referred to in Section 7.06 hereof and the Fee Agreement.

(k) *Ratings.* The Bank shall have received written confirmation that (i) the Commercial Paper Notes have been rated at least "P-1" (or its equivalent) by Moody's and "A-2" (or its equivalent) by S&P and "F1" (or its equivalent) by Fitch and (ii) the unenhanced Bonds are rated at least "Aa3" (or its equivalent) by Moody's, "A+" (or its equivalent) by S&P and "A+" (or its equivalent) by Fitch (referred to herein as the "Rating Documentation").

(l) *Bank Note CUSIP and Rating.* The Bank shall have received written confirmation that (i) a CUSIP Number has been obtained from Standard and Poor's CUSIP Services for the Bank Note (a "Bank Note CUSIP"), (ii) a long term rating of at least Investment Grade has been obtained for the Bank Note (and their related CUSIP number) from any Rating Agency and (iii) any additional documentation the Bank may request that will allow the Bank Note to be pledged as collateral to the federal banking regulators.

(m) *Other Documents.* The Bank shall have received such other documents, certificates and opinions as the Bank's Counsel shall have reasonably requested.

#### ARTICLE IV

#### REPRESENTATIONS AND WARRANTIES

In order to induce the Bank to enter into this Agreement and the Fee Agreement and to issue the Letter of Credit, the County represents and warrants to the Bank as follows:

*Section 4.01. Organization, Powers, Etc.* The County is a political subdivision duly organized and validly existing under and pursuant to the laws of the State, including the Acts, and had, at all relevant times, and has the full power and authority (a) to operate the Water and Sewer Utility as now being operated; (b) to borrow money pursuant to the Acts for the purposes specified in the Ordinance and this Agreement and to issue the Commercial Paper Notes; (c) to carry out its corporate purposes in the manner now conducted and proposed to be conducted; and

(d) to execute, deliver and perform and observe all of the terms and provisions of the Related Documents.

*Section 4.02. Authorized, Absence of Conflicts, Etc.* (a) The issuance, execution and delivery of the Commercial Paper Notes, and the execution, delivery and performance of each Related Document (i) were, have been and will be duly authorized by all necessary action on the part of the County; (ii) did not, do not and will not conflict with, or result in a violation of, any provision of law, including the Acts, or any rule, regulation, order, writ, judgment, injunction, decree, determination or award of any court or governmental agency or instrumentality binding upon or applicable to the County; and (iii) did not, do not and will not conflict with, result in a violation of, or constitute a default or create a Lien, security interest or other charge under any other resolution, agreement, lease or instrument to which the County was or is a party or by which the County or any of its property was or is bound; and no further approvals, authorizations or consents are required by law or otherwise. The Ordinance and the Master Ordinance are in full force and effect. The County has full corporate power and authority to enter into this Agreement and the Fee Agreement, to have Drawings made under the Letter of Credit on its behalf, to execute and deliver the Related Documents to which it is a party, to consummate the transactions contemplated hereby and thereby, to incur the obligations provided for herein and therein, all of which have been duly authorized by resolution adopted by the Board of the County.

(b) The County is duly authorized to own its Property required for the consummation of the transactions contemplated by the Related Documents and to operate its business required for the consummation of the transactions contemplated by the Related Documents under the laws, rulings, regulations and ordinances of all Governmental Authorities having the jurisdiction to regulate such Property or business activity and the departments, agencies and political subdivisions thereof, and the County has obtained all requisite approvals of all such governing bodies required to be obtained for such purposes.

*Section 4.03. Binding Obligation.* Each Related Document to which the County is a party was, is and will be a valid obligation of the County, and this Agreement, the Fee Agreement and each Bank Note are the legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws or equitable principles relating to or limiting creditors' rights generally.

*Section 4.04. Noncontravention; Compliance with Law.* (a) The execution, delivery and performance of this Agreement and each of the other Related Documents in accordance with their respective terms do not and will not (i) contravene the County's authorizing legislation, (ii) require any consent or approval of any creditor of the County, (iii) violate any Laws (including, without limitation, Regulations T, U or X of the FRB, or any successor regulations), (iv) conflict with, result in a breach of or constitute a default under any contract to which the County is a party or by which it or any of its Property required for the consummation of the transactions contemplated by the Related Documents may be bound or (v) result in or require the creation or imposition of any Lien upon or with respect to any Property required for the consummation of the transactions contemplated by the Related Documents now owned or

hereafter acquired by the County thereof except such Liens, if any, expressly created by any Related Document.

*Section 4.05. Security.* (a) The Reimbursement Obligations of the County under this Agreement and the Bank Note are payable from and secured by a Lien on the Net Operating Revenues; *provided however*, that such Lien shall be subordinate solely to the Lien on Net Operating Revenues securing the payment of the County's Senior Lien Debt. The Reimbursement Obligations of the County under this Agreement and the Bank Note are further payable from and secured by a senior Lien on the Pledged Funds and there is no Lien on the Pledged Funds which is senior to or on a parity with the Lien on Pledged Funds securing the Reimbursement Obligations and the Bank Note, other than the parity Lien on Pledged Funds securing certain obligations under the Sumitomo Reimbursement Agreement. The County has covenanted in this Agreement that it will not, and will not permit any other Person, to issue Debt secured by the Pledged Funds that ranks senior to the Reimbursement Obligations of the County under this Agreement and the Bank Note.

(b) This Agreement creates, for the benefit of the Bank with respect to the Bank Note and Reimbursement Obligations, a legal, valid and binding Lien on, pledge of, and security interest in, the Net Operating Revenues and the Reimbursement Obligations of the County hereunder and the Bank Note are payable from and secured by a Lien on Net Operating Revenues; *provided however*, that in each case such Lien shall be subordinate solely to the Lien on Net Operating Revenues securing the payment of the County's Senior Lien Debt.

(c) No further consent, approval, permit, authorization or order of, or registration or filing with, any court or governmental agency, authority or instrumentality, or recording or filing of any Related Documents, any financing statement or any other certificate, resolution, instrument or agreement, was, is or will be necessary to create or perfect the liens, pledges and security interests in favor of the Bank as the holder of the Bank Note, in the Net Operating Revenues and the Pledged Funds, respectively.

*Section 4.06. Governmental Consent or Approval.* (a) No consent, approval, permit, authorization or order of, or registration or filing with, any Governmental Authority not already obtained, given or made was or is required on the part of the County for the execution, delivery and performance of Related Documents. No further action on the part of the County and no consent or approval of the State or consent or approval of, notice to or filing with any Governmental Authority or other Person is required as a condition to the validity of this Agreement or any of the other Related Documents.

(b) All consents, approvals, permits, authorizations and orders of, and registrations and filings with, any Governmental Authority required for the issuance, sale, execution, delivery and performance of each Related Document have been or will be obtained prior to the delivery thereof. The County is in compliance with all of the terms and conditions of each such consent, authorization, approval or action already obtained, has applied for each such consent, authorization, approval or action that may be applied for at this time and has met or has made provisions adequate for meeting all requirements for each such consent, authorization, approval or action not yet obtained.

*Section 4.07. Litigation.* Except as disclosed in writing to the Bank prior to the Closing Date, no litigation is pending or, to the knowledge of the County, threatened (a) seeking to restrain or enjoin the execution of this Agreement, the Fee Agreement or any of the other Related Documents, (b) in any way contesting or affecting any authority for the issuance of the Commercial Paper Notes or the validity or enforceability, or the authority or ability of the County to perform its obligations under, any of the Commercial Paper Notes, the Ordinance, this Agreement or any other Related Document, (c) in any way contesting the creation, existence or powers of the County or the validity or effect of the Acts or any provision thereof or the application of the proceeds of the Commercial Paper Notes, (d) if adversely determined, could reasonably be expected to result in a material adverse effect on the financial position of the County or the transactions contemplated by the Authorizing Resolution or the other Related Documents, (e) which would adversely affect the ability of the County to carry out its purposes in the manner now conducted or as proposed to be conducted, or (f) which would adversely affect the exclusion of interest on any Tax-Exempt Commercial Paper Note from gross income for Federal income tax purposes or the exemption of any Tax-Exempt Commercial Paper Note or the interest thereon from personal income taxation by the State or any political subdivision thereof. In addition to the foregoing, there are no actions, suits or proceedings at law or in equity (including any Environmental Claims) pending or, to the knowledge of the County, threatened against or affecting it before any court or arbitrator or any governmental or nongovernmental body, agency or official in which an adverse decision could result in a Material Adverse Effect.

*Section 4.08. No Defaults.* No Default or Event of Default has occurred and is continuing. The County is not in default under (a) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to the County, (b) any constitutional provision or law or regulation, (c) any Debt of the County secured by or payable from Net Operating Revenues, or (d) any contract, agreement or instrument to which the County is a party or by which it or any of its properties is bound, in each case, which default could result in a Material Adverse Effect; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default.

*Section 4.09. Immunity from Jurisdiction.* The County has no immunity from the jurisdiction of any court of competent jurisdiction or from any legal process therein which could be asserted in any action to enforce the obligations of the County under any of the Related Documents or the transactions contemplated hereby or thereby, including the Obligations of the County hereunder and thereunder.

*Section 4.10. Environmental Compliance.* Except as disclosed in writing to the Bank prior to the Closing Date, the County has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a Material Adverse Effect. The County is in compliance in all material respects with all Environmental Laws, including, without limitation, all Hazardous Materials Laws to the extent that the failure to do so could result in a Material Adverse Effect or otherwise affect the consummation of the transactions contemplated by the Related Documents. Except as

disclosed to the Bank in writing prior to the Closing Date, the County (a) has not become subject to any Environmental Liability that has resulted or could result in a Material Adverse Effect or otherwise affect the consummation of the transactions contemplated by the Related Documents, (b) has received no notice of any claim with respect to any Environmental Liability and (c) knows of no basis for any Environmental Liability.

*Section 4.11. Financial Condition.* The audited financial statements for the period ended September 30, 201[4][5], including the balance sheet as of such date of said period, all examined and reported on by Marcum, LLP, the independent public accountants for the Department, as heretofore delivered to the Bank correctly and fairly present the financial condition of the Department as of said date and the results of the operations of the Department for such period, and have been prepared in accordance with Generally Accepted Accounting Principles consistently applied, except as stated in the notes thereto. Since September 30, 201[4][5], no Material Adverse Effect has occurred. The unaudited statement of net assets of the Department as of \_\_\_\_\_, 201\_, and the related statement of revenues, expenses and changes in net assets for the twelve-month period then ended, heretofore delivered to the Bank are, to the best of the County's knowledge and belief, complete and correct and fairly present the financial condition of the Department and the results of its operations as of the date and for the periods referred to therein subject to year-end adjustments. There are no material liabilities, direct or indirect, fixed or contingent, of the Department, as of the date of such statement of net assets that are not reflected therein or in the notes thereto. The Department is, and upon the incurrence of any Obligation by the County on any date on which this representation and warrant is made will be, Solvent.

*Section 4.12. Disclosures.* To the best of the County's knowledge and belief, as of the date hereof, no information, exhibit or report, including, without limitation, the audited financial statements and statement of net assets, furnished by or on behalf of the County to the Bank, contains any untrue statement of a material fact or omits any statement of a material fact necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading, and there are no facts that the County has not disclosed in writing to the Bank that, individually or in the aggregate, materially adversely affect, or, so far as the County can now foresee, could reasonably be expect to result in a Material Adverse Effect.

*Section 4.13. No Limitation on Interest Rate.* The Obligations of the County under this Agreement are not subject to any law, rule or regulation of the State of Florida prescribing a maximum rate of interest, except for Section 687.02, Florida Statutes, as amended, which prescribes a maximum rate of interest of 25% per annum. Neither this Agreement nor any of the Related Documents in effect on the Closing Date provide for any payments in excess of that allowed by law.

*Section 4.14. No Proposed Legal Changes.* There is no amendment, or to the knowledge of the County, proposed amendment certified for placement on any ballot in the State, or any legislation that has passed either house of the State's legislature or the United States Congress, or any published judicial decision interpreting any of the foregoing, the effect of which could result in a Material Adverse Effect.

*Section 4.15. ERISA.* The County does not maintain or contribute to, and has not maintained or contributed to, any Plan that is subject to Title IV of ERISA.

*Section 4.16. Tax-Exempt Status.* The County has not taken any action or omitted to take any action, and has no actual knowledge of any action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Tax-Exempt Commercial Paper Notes from gross income for federal income tax purposes or the exemption of interest on the Tax-Exempt Commercial Paper Notes from Commonwealth personal income taxes.

*Section 4.17. Incorporation of Representations and Warranties.* Each Related Document to which the County is a party is a legal, valid and binding obligation of the County, has not been terminated, canceled or waived in any material respect and is in full force and effect, and the County is not in default under any such document. Except for those representations and warranties which due to the passage of time are no longer true, the County hereby makes to the Bank the same representations and warranties made by the County in each Related Document, which representations and warranties, together with the related definitions of terms contained therein, are incorporated herein by this reference with the same effect as if each and every such representation and warranty and definition were set forth herein in its entirety. No amendment to or waiver of such representations, warranties or definitions made pursuant to the relevant Related Documents shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Bank.

*Section 4.18. Margin Regulations; Investment Company Act.* (a) The County is not engaged in the business of extending credit for the purpose of purchasing or carrying any Margin Stock and the County will not use the proceeds of any of the Commercial Paper Notes so as to violate Regulation T, U or X of the Board of Governors of the Federal Reserve System, as the same may be amended or interpreted from time to time.

(b) The County does not intend to use any part of the proceeds of the Commercial Paper Notes or the funds advanced hereunder and has not incurred any indebtedness to be reduced, retired or purchased by the County out of such proceeds, for the purpose of purchasing or carrying any Margin Stock, and the County does not own and has no intention of acquiring any such Margin Stock.

(c) The County is not required to be registered as an "investment company" under the Investment Company Act of 1940.

*Section 4.19. Compliance with Laws.* Except as disclosed in writing to the Bank, the County is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties required to consummate the transactions contemplated by the Related Documents, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

*Section 4.20. No Material Restrictions.* The County is not subject to any charter, corporate or other legal restriction, or any contract, lease or other agreement, or any judgment, decree, order, law, rule or regulation which in the judgment of the County has or is expected in the future to have a Material Adverse Effect.

*Section 4.21. Licenses and Permits.* The County is in all material respects in compliance with all applicable regulatory licensing requirements.

*Section 4.22. Insurance.* The County currently maintains an insurance program for the Water and Sewer Utility, including self-insurance and insurance with insurance companies believed by the County to be capable of performing their obligations under the respective insurance policies issued by such insurance companies to the County (as determined in its reasonable discretion) and in full compliance with Section 609 of the Master Ordinance.

*Section 4.23. Taxes.* To the extent necessary to consummate the transactions contemplated by the Related Documents, the County has filed all Federal, state and other material tax returns and reports required to be filed, and have paid all Federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon the County or its properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against the County that would, if made, have a Material Adverse Effect.

*Section 4.24. Labor Relations.* There are no strikes, lockouts or other material labor disputes or grievances against the County with respect to the Water and Sewer Utility or, to the County's knowledge, threatened against or affecting the County with respect to the Water and Sewer Utility, and no significant unfair labor practice, charges or grievances are pending against the County with respect to the Water and Sewer Utility, or to the County's knowledge, threatened against it with respect to the Water and Sewer Utility before any governmental authority which could reasonably be expected to have a Material Adverse Effect.

*Section 4.25. OFAC Sanctions.* To the best of the County's knowledge and belief, after due inquiry, the County (i) is in compliance with the requirements of all OFAC Sanctions Programs to the extent applicable to the County, and (ii) the County is not, as of the date hereof, named on the current OFAC SDN List.

*Section 4.26. Use of Proceeds.* The proceeds of the Commercial Paper Notes will be used solely for the purposes set forth in the Ordinance.

*Section 4.27. Issuing and Paying Agent; Dealer.* U.S. Bank National Association is the duly appointed and acting Issuing and Paying Agent and Citigroup Global Markets Inc. and Barclays Capital Inc. are the duly appointed and acting Dealers.

*Section 4.28. No Existing Right to Accelerate.* No Person (other than the Florida Water Pollution Control Financing Corporation under the State Revolving Fund Loan Agreements and certain counterparties to Swap Contracts in effect on the Closing Date), including, without

limitation, a credit facility provider, liquidity provider or holder of Revenues Debt, any of which who has purchased Revenues Debt or provides credit enhancement or liquidity support to any Revenues Debt, or any other holder of Revenues Debt, has a right under any Bank Agreement, indenture, ordinance, resolution or any supplement to any of the foregoing relating to any Revenues Debt or any other document or agreement relating to any Revenues Debt to declare or direct any trustee to declare the principal of and interest on any Revenues Debt to be immediately due and payable prior to its stated maturity date.

*Section 4.29. Permitted Investments.* All investments of the Borrower have been and will be made in accordance with the terms of the Investment Policy.

*Section 4.30. Survival of Representations.* All representations and warranties made by or on behalf of the County in this Agreement are made as of the date hereof, but shall survive the delivery of this Agreement, and any investigation at any time made by or on behalf of the Bank shall not diminish its rights to rely upon such representations and warranties as having been true as of the date hereof or the date such representations and warranties are deemed to be updated pursuant to the terms of this Agreement.

## ARTICLE V

### COVENANTS

The County will do the following so long as any amounts may be drawn under the Letter of Credit or any Obligations remain outstanding under this Agreement and/or the Fee Agreement, unless the Bank shall otherwise consent in writing:

*Section 5.01. Affirmative Covenants of the County.* So long as any of the Commercial Paper Notes shall be outstanding or any other Obligation remains unpaid hereunder the County will:

(a) *Performance of This and Other Agreements.* Punctually pay or cause to be paid all amounts payable under this Agreement, the Commercial Paper Notes and the other Related Documents and observe and perform all of the conditions, covenants and requirements set forth in this Agreement, the Commercial Paper Notes and the other Related Documents, which covenants in said Related Documents are incorporated by reference herein as and to the same extent as if set forth herein in full.

(b) *Further Assurances.* Execute, acknowledge where appropriate, and deliver, and cause to be executed, acknowledged where appropriate, and delivered, from time to time promptly at the request of the Bank all such instruments and documents as are usual and customary or advisable to carry out the intent and purpose of this Agreement, the Commercial Paper Notes and the other Related Documents.

(c) *Books and Records; Inspection Rights.* Keep adequate records and books of account, in which complete entries will be made, reflecting all financial transactions of

the County; and at any reasonable time and from time to time, permit the Bank or any agents or representatives thereof to examine and make copies of and abstracts from the records and books of account of, and visit the properties of the County or any of the transactions contemplated by the Related Documents and to discuss the affairs, finances and accounts of the County and the transactions contemplated by the Related Documents with any of the County's officers, trustees and independent auditors (and by this provision, the County authorizes said auditors to discuss with the Bank or its agents or representatives, the affairs, finances and accounts of the County).

(d) *Reporting Requirements.* Furnish to the Bank:

(i) as soon as available and in any event within two hundred seventy (270) days after the end of each Fiscal Year, the comprehensive annual audited financial report of the Department accompanied by a certificate of compliance signed by a Responsible Officer of the Department that includes the computation of all financial covenants required by the Ordinance and the Master Ordinance, if any;

(ii) as soon as available and in any event within forty-five (45) days after the end of each quarter of each Fiscal Year, the unaudited financial statements of the Department for such quarter, in the form customarily prepared by the County and distributed to the members of the Board of the County;

(iii) concurrently with each delivery of the comprehensive annual audited financial report referred to in clause (i) above, a No Default Certificate of the County;

(iv) within fourteen (14) Business Days after the same shall have become publicly available, copies of all final official statements or other final disclosure statements prepared with respect to any Debt relating to the Water and Sewer Utility;

(v) promptly after an official of the County has actual knowledge thereof, notice of (A) any action, suit, proceeding, inquiry or investigation before or by any arbitrator, governmental authority, court, public authority or body pending or threatened wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or the other Related Documents, or which would adversely affect the validity or enforceability of, or the authority or ability of the County to perform its obligations under, this Agreement or the other Related Documents to which it is a party (*provided*, that this clause (A) shall not require the County to inform the Bank of actions, suits, proceedings, inquiries or investigations which are unrelated to the Water and Sewer Utility and/or the transactions contemplated by this Agreement or the other Related Documents), (B) any consent decree or similar remedial action entered into by, or imposed upon, the County by or with any Governmental Authority, including, without limitation, the United States

Environmental Protection Agency (*provided*, that this clause (B) shall not require the County to inform the Bank of the commencement of an investigation by a Governmental Authority, including, without limitation, the United States Environmental Protection Agency) and (C) any materially adverse developments in any item described in clauses (A) and (B) of this paragraph (v);

(vi) promptly after the occurrence of each Default or Event of Default under this Agreement or under any ordinance, indenture, lease, loan or credit agreement, instrument or other contract or agreement relating to the Water and Sewer Utility to which the County is a party, continuing on the date of such statement, a statement of the Finance Director (as defined in the Master Ordinance) setting forth details of such Default or Event of Default and the action which the County is taking or proposes to take with respect thereto;

(vii) promptly after the receipt or giving thereof, copies of all notices of resignation by or removal of the Issuing and Paying Agent and/or the Dealer which are received and/or given by the County;

(viii) upon request of the Bank, the County shall confirm, or cause to be confirmed to the Bank, the amount of funds and securities on deposit in any fund or account established under the Ordinance and/or the Master Ordinance;

(ix) furnish to the Bank, promptly after the same becomes known to any Responsible Officer of the Department, copies of all state, local or federal legislation which has been introduced in any legislative body of the State, any local jurisdiction therein or the federal government and any other event which, in the reasonable judgment of the County, is likely to have a Material Adverse Effect or could materially adversely affect the Revenues, the County, the Net Operating Revenues, the Pledged Funds, the security or sources of repayment for the Commercial Paper Notes, or the transactions contemplated by this Agreement or by any of the other Related Documents;

(x) promptly after the receipt or giving thereof, notice of any "event of default" that the County is required by the terms of the Master Ordinance or the Ordinance to any holder of Debt of the County, a trustee or other fiduciary of any Debt of the County, any Credit Facility Provider or any Rating Agency;

(xi) deliver to the Bank copies of any and all notices, financial statements or other information or materials required to be delivered by the County to any Credit Facility Provider under the provisions of the Master Ordinance or the Issuing and Paying Agent under the Issuing and Paying Agent Agreement to the extent such notices, financial statements or other information are not otherwise provided to the Bank under this Agreement;

(xii) promptly, and in any event within ten (10) days after the County has knowledge thereof, notice of any withdrawal, suspension or change of any

long-term unenhanced rating assigned to any Senior Lien Debt or Subordinate Obligations;

(xiii) during any period of time the County is subject to continuing disclosure requirements under Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240-15c2-12), or any successor or similar legal requirement, with respect to Senior Lien Debt, promptly following any dissemination, distribution or provision thereof to any Person, and in any event within ten (10) calendar days following the date thereof, (A) a copy of any reportable event notice (as described in b(5)(i)(C) of Rule 15c2-12) disseminated, distributed or provided in satisfaction of or as may be required pursuant to such requirements (other than notices generated as a result of (1) a defeasance, (2) tender offers (other than tender offers sent as a result of a liquidity, credit or direct purchase provider directing a mandatory tender as a result of an event of default), (3) redemption notices (other than redemption notices sent as a result of a liquidity, credit or direct purchase provider directing a mandatory redemption as a result of an event of default), and (4) substitution of credit or liquidity providers not related to the Commercial Paper Notes) or (B) notice that such event notice has been filed with EMMA as provided by the Municipal Securities Rulemaking Board and is publicly available; and

(xiv) with reasonable promptness, such other information and data with respect to the business, properties, condition (financial or other), operations or prospects of the County relating to the transactions contemplated by the Related Documents as from time to time may be reasonably requested by the Bank.

(e) *Compliance with Laws, Documents, Etc.* Comply with all applicable documents, laws, rules, regulations, guidelines and orders of any governmental authority having jurisdiction over the County (including, without limitation, compliance with Environmental Laws and ERISA, where applicable) and duly observe and conform to all valid orders, regulations or requirements of any governmental authority relative to the conduct of its business and the ownership of its property, except that this subsection (e) shall not apply if non-compliance with the foregoing would not, singly or in the aggregate, have a Material Adverse Effect.

(f) *Existence.* Except as otherwise expressly provided herein, the County will preserve its corporate or other separate legal existence and will remain qualified to do business and conduct its affairs in each jurisdiction where its ownership of Property or the conduct of its business or affairs requires such qualifications or where the failure to do so could result in a Material Adverse Effect or otherwise affect the consummation of the transactions contemplated by the Related Documents.

(g) *Incorporation by Reference.* Perform and comply with each and every covenant and agreement to be performed or observed by it in each of the Related Documents to which it is a party and each such covenant, together with the related definitions of terms contained therein, is hereby incorporated by reference herein with the

same effect as if it were set forth herein in its entirety, it being understood that no amendment or waiver with respect to such covenants and agreements or defined terms shall be effective as to this Agreement unless and until specifically agreed to in writing by the Bank with reference to this Agreement.

(h) *Taxes.* Pay and discharge, or cause to be paid and discharged, all taxes, assessments and governmental charges lawfully imposed upon the County or upon any part thereof, or upon the revenues from the operation thereof prior to the date on which penalties are attached thereto, unless and to the extent only that such taxes, assessments and governmental charges shall be contested by it in good faith and by appropriate proceedings, and the County shall have set aside on its books adequate reserves with respect to any such tax, assessment or charge so contested.

(i) *Use of Proceeds.* Use the proceeds of the Commercial Paper Notes solely as provided for in the Ordinance and not in contravention of any Law.

(j) *Insurance.* Comply with the terms and provisions set forth in Section 609 of the Master Ordinance.

(k) *ERISA.* Will, and will require all Affiliates to, comply in all material respects with Title IV of ERISA, if or to the extent applicable.

(l) *Payment of Debts.* Pay and discharge all its Debt secured by or payable from Net Operating Revenues as and when due, except when the same may be contested in good faith and by appropriate proceedings, and the County shall have set aside on its books adequate reserves with respect to any such obligation or liability.

(m) *Rate Covenant.* Maintain Net Operating Revenues in each Fiscal Year equal to an amount at least sufficient to satisfy the provisions of Section 602 of the Master Ordinance and the State Revolving Fund Loan Agreement.

(n) *Issuing and Paying Agent and Dealer.* At all times maintain a Dealer and an Issuing and Paying Agent pursuant to the terms of the Ordinance, that are acceptable to the Bank. The County agrees to (x) issue Commercial Paper Notes and (y) cause the Dealer (subject to the terms of the Dealer Agreement) to use its best efforts to sell Commercial Paper Notes, in each case, up to the Maximum CP Rate applicable to the Commercial Paper Notes in order to repay maturing Commercial Paper Notes. If any Term Loan remains outstanding for a period of thirty (30) consecutive calendar days or the Dealer fails to sell Commercial Paper Notes, the proceeds of which are intended to be used to pay any Term Loan, after being directed to do so by the County (subject to the provisions of the Dealer Agreement), at the written direction of the Bank the County shall cause the Dealer (that has been unable to sell Notes or fails to perform its duties) to be replaced with a Dealer satisfactory to the Bank within thirty (30) calendar days of the receipt of such written directions. The Dealer Agreement shall provide that the Dealer may not resign until the earlier to occur of: (i) upon at least sixty (60) days' prior written notice to the County, the Issuing and Paying Agent and the Bank and (ii) the date on

which a successor dealer has been appointed and accepted its appointment. Any Dealer (or its parent company) or Issuing and Paying Agent must have minimum capital of \$500,000,000 and shall be rated at least "A-" (or its equivalent) by S&P or Fitch or "A3" (or its equivalent) by Moody's (unless, in each instance, the Bank at its discretion provides in writing an exception for a Dealer for a particular subseries under specified circumstances).

(o) *Ratings.* Maintain, at all times, (i) at least two unenhanced long-term ratings from any of Fitch, Moody's or S&P assigned to the Bonds, (ii) at least two unenhanced short-term ratings from any of Fitch, Moody's or S&P assigned to the Commercial Paper Notes, and (iii) at least one long-term rating of at least Investment Grade for each Bank Note from any Rating Agency. The County covenants and agrees that it shall not at any time cause to be withdrawn any long-term unenhanced rating on its Bonds from any of Fitch, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement or reduce the Facility Fees.

(p) *Book-Entry Eligibility.* Cause, at all times from and including the Closing Date until and including the Letter of Credit Expiration Date, the Commercial Paper Notes to be eligible for, and to be registered with, DTC's book-entry delivery services (or a successor security depository's services) and that such registration with DTC (or any successor security depository) shall not be discontinued without the Bank's prior written consent.

(q) *Substitute Credit Facility or Refinancing.*

(i) The County agrees to use its best efforts to obtain an alternate or substitute Credit Facility to replace the Letter of Credit or otherwise refinance, redeem or defease the Commercial Paper Notes in the event (A) the Bank decides not to extend the Letter of Credit Expiration Date or if the County fails to request such an extension (such replacement, refinancing, redemption or defeasance to occur on or before the Letter of Credit Expiration Date), (B) the Letter of Credit is terminated, (C) the County terminates this Agreement in accordance with the terms hereof or (D) the Bank issues a No-Issuance Notice and/or a Final Drawing Notice.

(ii) The County agrees that any alternate or substitute Credit Facility will require, as a condition to the effectiveness of the alternate or substitute Credit Facility, that the provider of such alternate or substitute Credit Facility provide funds to the extent necessary, on the date the alternate or substitute Credit Facility becomes effective, for payment of all Reimbursement Obligations (including, without limitation, all interest to accrue at the applicable rate pursuant to the terms hereof) through the date repaid. On the effective date of such alternate or substitute Credit Facility or refinancing, redemption or defeasance, as the case may be, the County shall pay in full all other amounts due under this Agreement, the Fee Agreement and the Bank Note (including, without limitation, all unpaid

interest thereon) and the County shall provide for the surrender (and cancellation) of the Letter of Credit to the Bank.

(iii) The County shall not permit an alternate or substitute Credit Facility to become effective with respect to less than all of the Commercial Paper Notes without the prior written consent of the Bank.

(r) *Operation and Maintenance of Water System and Sewer System.* Operate and maintain the Water System and the Sewer System as a revenue-producing enterprise in accordance with Sections 601, 602 and 606 of the Master Ordinance, and in a manner which will entitle it at all times to charge and collect fees, charges and rentals, or as otherwise permitted by law and take all reasonable measures permitted by law to enforce prompt payment to it of such fees, charges and rentals when and as due.

(s) *Other Obligations.* To the extent the County should issue other obligations, incur additional Debt payable from or secured by the Net Operating Revenues or Pledged Funds or has or shall enter into or otherwise consent to any Bank Agreement or Swap Contract with any Person (other than Swap Contracts in effect on the Closing Date), which provides the holder of such Debt or obligation or any Person with Greater Remedies, such Greater Remedies shall be deemed automatically incorporated into this Agreement and the County shall also deliver a copy of such agreement or obligation to the Bank. In the event that any Bank Agreement or Swap Contract referenced in the immediately preceding sentence contains a Payable Provision, then the Bank shall have the right, upon the occurrence of an Event of Default, to immediately declare the Bank Note and all Obligations hereunder and under the Fee Agreement to be, and such amounts shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the County; *provided* that upon the occurrence of an Event of Default under Section 6.01(g) hereof, such prepayment obligation or acceleration shall automatically become due and payable or automatically occur, as applicable, and without any notice; *provided, however,* that for the purposes of this Section 5.01(s), any Payable Provision contained in a State Revolving Loan Agreement shall not be incorporated into this Agreement and the Bank shall not gain the benefit of such Payable Provision unless the County's obligations under such State Revolving Loan Fund Agreement are caused to become due prior to their stated maturity.

(t) *Commercial Paper Notes.* If the long-term unenhanced rating by Moody's, Fitch or S&P on any Bonds is reduced below "A2" (or its equivalent), "A" (or its equivalent) or "A" (or its equivalent), respectively, then at any time the County issues or causes to be issued Commercial Paper Notes that are supported by the Letter of Credit, it shall also issue or cause to be issued an corresponding equal principal amount of Series B Commercial Paper Notes that are to be supported by the Sumitomo Letter of Credit or any substitute or alternate letter of credit supporting such Series B Commercial Paper Notes or any credit facility issued pursuant to any Other Bank Agreement (to the extent of any available capacity thereunder); *provided, further,* that if the County has issued Commercial Paper Notes supported by the Letter of Credit prior to such rating reduction,

it shall not issue further Commercial Paper Notes supported by the Letter of Credit until the principal amount of each series of Commercial Paper Indebtedness outstanding supported by the Sumitomo Letter of Credit or other banking arrangement entered into by the County in support of such other Commercial Paper Indebtedness equals the principal amount of Commercial Paper Notes supported by the Letter of Credit.

(u) *Repayment of Unreimbursed Drawings.* On and after the date of any unreimbursed Drawing on the Letter of Credit or unreimbursed Term Loan, to the extent that the County is permitted to issue additional Debt under the Master Ordinance, use its best efforts to cause the Dealer to sell Commercial Paper Indebtedness or Bonds or other Revenues Debt as soon as practicable and to use the proceeds of the sale of such Commercial Paper Indebtedness or Bonds or other Revenues Debt to repay the amount of such unreimbursed or Term Loan; *provided, however,* that such repayment shall be subject to and in accordance with Section 5.01(w) hereof.

(v) *Additional Debt Proceeds.* Use the proceeds of any Revenues Debt issued or incurred after the Closing Date (other than the proceeds of Commercial Paper Indebtedness issued solely to pay the amount of Commercial Paper Indebtedness maturing on the issuance date thereof and Revenues Debt issued to refund other Revenues Debt, *provided* that any proceeds, after providing for the refunding of the refunded Revenues Debt, funding any necessary reserves and providing for the payment of costs of issuance thereof, resulting from the sale of such Revenues Debt shall be included as proceeds of any Revenues Debt for the purposes of this Section 5.01(v)) to pay, on a *pro rata* basis, Term Loans hereunder and the advances and term loans outstanding under each Other Bank Agreement; *provided, however,* that if the advances and term loans under the Sumitomo Reimbursement Agreement or Other Bank Agreement have previously been repaid in whole or in part, the County shall not repay or reimburse Sumitomo or such other financial institution for the outstanding advances and term loans under the Sumitomo Reimbursement Agreement or Other Bank Agreement, as applicable, until the principal amount of outstanding Term Loans hereunder have been repaid or reimbursed so that the outstanding Term Loans hereunder equal the lower of the outstanding advances and term loans under the Sumitomo Reimbursement Agreement and any Other Bank Agreement, if any.

(w) *Reduction of Commitments.* If the long-term unenhanced rating by Moody's, Fitch or S&P on any Bonds is reduced below "A2" (or its equivalent), "A" (or its equivalent) or "A" (or its equivalent), respectively, (x) use the proceeds, to the extent such proceeds exceed the amounts required to be paid pursuant to Section 5.01(v) hereof, of any Revenues Debt issued or incurred after the Closing Date (other than the proceeds of Commercial Paper Indebtedness issued solely to pay the amount of Commercial Paper Indebtedness maturing on the issuance date thereof and Revenues Debt issued to refund other Revenues Debt, *provided* that any proceeds, after providing for the refunding of the refunded Revenues Debt, funding any necessary reserves and providing for the payment of costs of issuance thereof, resulting from the sale of such Revenues Debt shall be included as proceeds of any Revenues Debt for the purposes of this Section 5.01(x)) to pay on a *pro rata* basis, the principal amount of all Commercial Paper Indebtedness

outstanding and (y) reduce, on a *pro rata* basis to the extent such *pro rata* payments are made on such Commercial Paper Indebtedness, *pro tanto* the Stated Amount of the Letter of Credit and the stated amount or commitments under each Other Bank Agreement (or any credit facility issued pursuant to any Other Bank Agreement) entered into by the County, including, without limitation, the stated amount of the Sumitomo Letter of Credit supporting the Series B Commercial Paper Notes (in each case, without regard to any unreimbursed drawings and/ or advances and/or term loans thereunder and in proportion to the maximum amount available to be drawn or issued hereunder and thereunder, without regard to any unreimbursed drawings and/ or advances and/or term loans thereunder of under the Letter of Credit); *provided, however*, that if the stated amount of the Sumitomo Letter of Credit or the stated amount or commitment under each Other Bank Agreement (or any credit facility issued pursuant to any Other Bank Agreement) has been reduced, the County shall not reduce the stated amount of the Sumitomo Letter of Credit or the stated amount or commitment under each Other Bank Agreement (or any credit facility issued pursuant to any Other Bank Agreement) in accordance with this clause (y) until the Stated Amount of the Letter of Credit has been reduced by the County to equal the lower of the stated amount of the Sumitomo Letter of Credit and the stated amount or commitment under each Other Bank Agreement (or any credit facility issued pursuant to any Other Bank Agreement), if any.

*Section 5.02. Negative Covenants of the County.* So long as any of the Commercial Paper Notes shall be outstanding or any other Obligation remains unpaid hereunder, the County will not, without the prior written consent of the Bank:

(a) *No Adverse Effect.* Take any action or omit to take any action that adversely affects the (i) rights, interests, remedies or security of the Bank under this Agreement, the Bank Note or under any other Related Document (including, without limitation, the right to receive timely and sufficient payment hereunder or thereunder), (ii) the Lien, pledge and security interest in favor of the Bank in and to the Net Operating Revenues, (iii) the Lien, pledge and security interest in favor of the Bank in and to the Pledged Funds, and (iv) the rights of the holders of the Commercial Paper Notes (including, without limitation, the right to receive timely and sufficient payment thereunder); *provided, however*, that nothing contained in this section shall impair, limit or restrict the right of the County to issue Bonds in accordance with, and subject to the fulfillment of the conditions precedent contained in, Sections 208, 209 and 210, as applicable, of the Master Ordinance so long as the proceeds of Additional Bonds are used to repay the Commercial Paper Notes, the Series B Commercial Paper Notes, the Bank Note, the Term Loans and the obligations under the Sumitomo Reimbursement Agreement in accordance with Section 5.02(j) hereof.

(b) *Official Statements and Other Documents.* Except as may be required by law (including, but limited to, federal and state securities laws), the County shall not use the Bank's name or any material or reference relating to the Bank in any offering memorandum, tombstone, published materials or any other document (other than the County's staff reports, annual statements, audited financial statements, rating agency presentations) without the prior written consent of the Bank (which consent shall not be

unreasonably withheld) or distribute, or permit to be distributed or used, any offering memorandum unless a copy of such offering memorandum has been furnished to the Bank; *provided* that, without the prior written consent of the Bank, the County may identify the Bank as a party to this Agreement and as the issuer of the Letter of Credit, the stated amount of the Letter of Credit, the expiration date of the Letter of Credit and that the County's obligations under this Agreement and the Bank Note are secured by the Net Operating Revenues and the Pledged Funds, in offering documents with respect to any Bonds, so long as no other information relating to the Agreement, the Fee Agreement or the Bank is disclosed in such offering documents without the prior written consent of the Bank.

(c) *Alternate Credit Facility.* Authorize, permit or consent to any substitution of an alternate or substitute Credit Facility for the Letter of Credit unless there shall be paid to the Bank, prior to or simultaneously with such substitution, any and all amounts and other Obligations due and owing and to become due and owing to the Bank (including, without limitation, any unpaid Bank Note and the termination fee, if any, due under the Fee Agreement).

(d) *Dealers and Issuing and Paying Agent.* Appoint, consent to or permit or suffer to be appointed any successor Issuing and Paying Agent or Dealer, other than any such successor succeeding by operation of law, without the prior written approval of the Bank (which approval shall not be unreasonably withheld); or enter into any successor Dealer Agreements without the prior written approval of the Bank (which approval shall not be withheld if and so long as such Dealer Agreement affords protection to the rights and interests of the Bank that is substantially the same as that afforded by, the predecessor Dealer Agreement). Any approval required from the Bank hereunder shall be given or denied within 10 days of the request therefore, accompanied in the case of a successor Dealer Agreement, by a proposed successor Dealer Agreement in final form, and the failure of the Bank to respond to such request by the close of business on the tenth day shall be deemed, on the eleventh day, to constitute consent by the Bank hereunder.

(e) *Issuance of Additional Notes.* Permit the issuance of additional Commercial Paper Notes if a No-Issuance Notice or a Final Drawing Notice shall be in effect in accordance with the terms hereof or the Letter of Credit.

(f) *Consolidation, Merger, etc.* Dissolve or otherwise dispose of all or substantially all of the assets of the Water System or the Sewer System or consolidate with or merge the Water System or the Sewer System into another Person or permit one or more other Persons to consolidate with or merge into the Water System or the Sewer System; *provided, however,* that the County may consolidate with or merge the Water System and/or the Sewer System into another Person or permit one or more other Persons to consolidate with or merge into the County if each of the following conditions shall have been fulfilled: (i) such merger or consolidation shall be with or into another governmental entity which shall assume in writing, satisfactory in form and substance to the Bank, or by operation of law the due and punctual performance and observance of all

of the covenants, agreements and conditions of this Agreement and the other Related Documents; (ii) such merger or consolidation shall not adversely affect or impair to any extent or in any manner (a) the Net Operating Revenues or the Pledged Funds, (b) the availability of the Net Operating Revenues or the Pledged Funds for the payment and security of the Commercial Paper Notes and the obligations of the County under this Agreement, the Fee Agreement and the Bank Note, or (c) the pledge or the security afforded by the Ordinance, the Master Ordinance or this Agreement, and the County shall have furnished to the Bank an opinion, reasonably satisfactory in form and content, of counsel, reasonably satisfactory to the Bank's Counsel, to such effect; (iii) such merger or consolidation (as evidenced by, among other things, pro forma financial statements and projections) will not result in a Material Adverse Effect; and (iv) the County shall have given the Bank not less than 60 days' prior notice of such disposition, merger or consolidation and furnished to the Bank all such information concerning such disposition, merger or consolidation as shall have been reasonably requested by counsel to the Bank.

(g) *Amendments.* (i) Modify, amend or supplement any of the Related Documents, (ii) give any consent to any modification, amendment or supplement of any of the Related Documents or the Ordinance or (iii) make any waiver with respect to any of the Related Documents or the Ordinance, without the prior written consent of the Bank; *provided, however,* that amendments, modifications, supplements and waivers of any Related Document (other than this Agreement, the Letter of Credit and the Fee Agreement) or the Ordinance shall be effective without the prior written consent of the Bank, to the extent, and only to the extent, that (x) such amendments, modifications, supplements and waivers would not have any adverse effect on the Revenues, the Net Operating Revenues, the Pledged Funds, the Bank or the rights, interests, security or remedies of the Bank hereunder or under any other Related Document or the Lien in respect of the Net Operating Revenues or the ability of the County to meet its obligations hereunder or under any other Related Document and (y) such amendments, modifications, supplements and waivers would not have a Material Adverse Effect. Notwithstanding the foregoing, in no event shall the County modify, amend and supplement any of Section 208, 501, 503 or 703 or any provision of Article VI of the Master Ordinance or the definitions of the terms contained therein without the prior written consent of the Bank. In connection with any such amendment, modification or waiver, the County agrees to deliver to the Bank copies of all such amendments, modifications or waivers at least fifteen (15) calendar days prior to the effective date thereof. The Bank shall, within ten (10) calendar days after receiving such copies, inform the County in writing if, in the Bank's reasonable discretion, such amendment, modification or waiver requires the prior written consent of the Bank in accordance with this Section 5.02(g). In addition, the County promptly will supply the Bank with one fully executed copy of any modification, amendment, supplement or waiver of any Related Document. The County will obtain the consent of the Bank before taking any action under any Related Document that requires the consent of the Credit Facility Provider, including, but not limited to, taking any action with respect to any Swap Contract.

(h) *Exempt Status.* Take any action, omit to take any action or cause or permit another Person to take any action or omit to take any action or suffer any action taken by others, which, if taken or omitted or suffered, would adversely affect the excludability of interest on the Tax-Exempt Commercial Paper Notes from the gross income of the holders thereof for purposes of Federal income taxation.

(i) *Additional Liens.* Create, incur, assume or suffer to exist (i) any Lien on all or any portion of the Net Operating Revenues other than the Lien securing Senior Lien Debt and the Lien described in Section 2.16 hereof and in the Sumitomo Reimbursement Agreement, (ii) any Lien on all or any portion of the Net Operating Revenues inferior to the Lien on Net Operating Revenues securing Senior Lien Debt but superior to the Lien on Net Operating Revenues securing the Reimbursement Obligations of the County under this Agreement and the Bank Note or (iii) any Lien on all or any portion of the Pledged Funds other than the Lien provided for in and described in Section 2.16 hereof and in the Sumitomo Reimbursement Agreement.

(j) *Additional Debt.* (i) Issue or incur any Debt of the County payable from or secured by the Net Operating Revenues and/or Pledged Funds unless (A) the applicable conditions contained in Section 208, 209 or 210 of the Master Ordinance have been satisfied and (B) the proceeds of such Debt issued under Section 208 of the Master Ordinance shall be used as set forth in Sections 5.01(u), (v) and (x) hereof, as applicable, and (ii) in no event issue or incur any Debt payable from or secured by a lien on the Net Operating Revenues or the Pledged Funds which is subordinate to the Senior Lien Debt and senior to the Bank Note.

(k) *Other Agreements.* Enter into any agreement containing any provision which would be violated or breached by the performance of its obligations hereunder or under the other Related Documents.

(l) *Environmental Compliance.* Use any Hazardous Materials at any place of business of the County related to the transactions contemplated by the Related Documents, or permit any other Person to use any Hazardous Materials at any place of business of the County, except such materials as are incidental to the normal course of business, maintenance and repair of the County and are used in strict accordance with applicable laws. The County agrees to permit the Bank and its respective agents, contractors and employees to enter and inspect County facilities and any other places of business of the County at any reasonable times upon three (3) days' prior notice for the purposes of conducting an environmental investigation and audit (including taking physical samples) to ensure that the County is complying with this covenant. The County shall provide the Bank and its agents, contractors, employees and representatives with access to and copies of any and all data and documents relating to or dealing with any Hazardous Materials used, generated, manufactured, stored or disposed of by the business operations of the County or in any way related to the transactions contemplated by the Related Documents within five (5) days of the request therefor.

(m) *Use of Proceeds.* Use the proceeds of any credit extension, (i) whether directly or indirectly, for any purpose that would cause the Tax-Exempt Commercial Paper Notes to be "arbitrage bonds" within the meaning of Section 148(a) of the Code, or (ii) whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System.

(n) *Immunity.* If and to the extent permitted by applicable law, the County agrees that it will not assert any immunity it may have as a governmental entity from lawsuits with respect to the enforcement of any of the obligations of the County under this Agreement, the Fee Agreement or the other Related Documents.

(o) *Swap Termination Payments.* (i) Allow any Lien on all or any portion of Net Operating Revenues securing any termination payment under any Swap Contract entered into on or after the Closing Date to be senior in priority to the payment of the Bank Note or the Reimbursement Obligations or (ii) allow any Lien on the Pledged Funds securing any termination payment under any Swap Contract entered into on or after the Closing Date to be senior in priority to the payment of the Bank Note or and the Reimbursement Obligations.

## ARTICLE VI

### DEFAULTS

*Section 6.01. Events of Default.* If any of the following events shall occur, each such event shall be an "Event of Default":

(a) the County fails to pay, or cause to be paid, when due (i) any principal of or interest on any unreimbursed Drawing or any Term Loan, (ii) any Facility Fee within five (5) calendar days of the date such Facility Fee is due or (iii) any other Obligation (other than the Obligations described in clause (i) or (ii) of this Section 6.01(a)) within five (5) Business Days of the date such Obligation after written notice of such failure shall have been given to the County by the Bank;

(b) any representation, warranty or statement made by or on behalf of the County herein or in any Related Document to which the County is a party or in any certificate delivered pursuant hereto or thereto shall prove to be incorrect or untrue in any material respect on the date as of which made or deemed made or delivered;

(c) (i) the County fails to perform or observe any term, covenant or agreement contained in Sections 5.01(c), 5.01(d), 5.01(f), 5.01(i), 5.01(m), 5.01(n), 5.01(o),

5.01(q)(ii), 5.01(q)(iii), 5.01(r), 5.01(r), 5.01(s), 5.01(t), 5.01(u), 5.01(v), 5.01(w), 5.01(x) or Section 5.02 hereof; or (ii) the County fails to perform or observe any other term, covenant or agreement contained in this Agreement or the Fee Agreement (other than those referred to in any other Event of Default hereunder) and any such failure remains uncured for thirty (30) calendar days after the occurrence thereof;

(d) the County shall (i) default in any payment of any Senior Lien Debt or Parity Debt, beyond the period of grace, if any, provided in the instrument or agreement under which such Senior Lien Debt or Parity Debt was created or any amounts due under a Swap Contract which is secured by or payable from the Net Operating Revenues or the Pledged Funds senior to or on a parity with the Senior Lien Debt or Parity Debt (a "*Senior or Parity Swap Contract*"); or (ii) default in the observance or performance of any agreement or condition relating to any Senior Lien Debt or Parity Debt or Senior or Parity Swap Contract or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to permit the holder or holders of such Senior Lien Debt or Parity Debt (or a trustee or agent on behalf of such holder or holders) to cause (in each case, determined without regard to whether any notice is required) or cause, any such Senior Lien Debt or Parity Debt to become due prior to its stated maturity;

(e) (i) any material provision of this Agreement or any other Related Document, including, without limitation, any provision of the Ordinance relating to the security for the Commercial Paper Notes or the Obligations, the County's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, shall cease to be valid and binding for any reason, (ii) the County shall contest the validity or enforceability of this Agreement or any other Related Document or any material provision thereof, including, without limitation, any provision of the Ordinance relating to the security for the Commercial Paper Notes or the Obligations, the County's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, or (iii) the County shall deny that it has any further liability under this Agreement or any of the other Related Documents or with respect to its obligations to pay any Senior Lien Debt or Parity Debt;

(f) one or more final judgments or orders for the payment of money which, individually or in the aggregate, equal or exceed \$25,000,000 (irrespective of any available insurance) shall have been rendered against the County, the Department or the Water and Sewer Utility and, in any case, be payable from all or any portion of the Net Operating Revenues and such judgment(s) or order(s) shall not have been satisfied, stayed, vacated, discharged or bonded pending appeal within a period of thirty (30) calendar days from the date on which it was first so rendered;

(g) (i) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any Debt (including, without limitation, amounts due under any Bank Agreement) secured by a lien, charge or encumbrance upon or payable from all or any portion of the Net Operating Revenues or the Pledged Funds; (ii) under any existing or

future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, the County seeks to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, termination, composition or other relief with respect to it or its debts (or the existence of the County is dissolved or terminated by any other means); (iii) a receiver, trustee, custodian, examiner, liquidator or other similar official shall be appointed for the County or for any substantial part of the County's Property, or the County shall make a general assignment for the benefit of its creditors; (iv) there shall be commenced against the County any case, proceeding or other action of a nature referred to in clause (ii) above and the same shall remain undismissed; (v) there shall be commenced against the County any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its Property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within 60 calendar days from the entry thereof; (vi) a financial control board, or its equivalent, shall be imposed upon the County by a Governmental Authority and such financial control board has the ability to exercise authority or control over the Net Operating Revenues or the Pledged Funds; (vii) the County takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), (iii), (iv), (v) or (vi) above or fails to contest in good faith any appointment or proceeding described in clause (i), (ii), (iii), (iv), (v) or (vi) above; or (viii) the County shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(h) (i) any of Fitch, Moody's or S&P shall downgrade their respective ratings of any Bonds to below "BBB-" (or its equivalent) "Baa3" (or its equivalent) or "BBB-" (or its equivalent), respectively, (ii) any of Fitch, Moody's or S&P shall suspend or withdraw their respective ratings of any Bonds or (iii) any of Fitch, Moody's or S&P shall downgrade their respective ratings of any Bonds to below "BBB+" (or its equivalent) "Baa1" (or its equivalent) or "BBB+" (or its equivalent), respectively and such rating shall remain in effect for one hundred twenty (120) calendar days after the date of such downgrade;

(i) any funds or accounts or investments on deposit in, or otherwise to the credit of, any of the funds or accounts established pursuant to the Ordinance or the other Related Documents, that have been pledged to or a lien granted thereon to secure the Notes, the Bank Note or the Obligations, shall become subject to any writ, judgment, warrant or attachment, execution or similar process which shall not have been vacated, discharged, or stayed or bonded pending appeal within thirty (30) calendar days from the entry thereof;

(j) any "event of default" shall have occurred and be continuing under any Related Document beyond the expiration of any applicable grace period;

(k) except as permitted by this Agreement, dissolution or termination of the existence of the County;

(l) the County shall (i) default in any payment of any NOR Payable Debt aggregating in excess of \$10,000,000, beyond the period of grace, if any, provided in the instrument or agreement under which such NOR Payable Debt was created or any amounts due under a Swap Contract which is NOR Payable Debt (an "*NOR Payable Swap Contract*"); or (ii) default in the observance or performance of any agreement or condition relating to any NOR Payable Debt or NOR Payable Swap Contract aggregating in excess of \$10,000,000 or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to permit the holder or holders of such NOR Payable Debt (or a trustee or agent on behalf of such holder or holders) to cause (in each case, determined without regard to whether any notice is required) or cause any such NOR Payable Debt to become due prior to its stated maturity; or

(m) any "Event of Default" as defined in any of the Other Bank Agreements shall have occurred.

*Section 6.02. Remedies.* Upon the occurrence of any Event of Default, all Obligations shall bear interest at the Default Rate and the Bank may exercise any one or more of the following rights and remedies in addition to any other remedies herein or by law provided:

(a) by notice of the occurrence of any Event of Default to the Issuing and Paying Agent, which may be in the form of the No-Issuance Notice, prohibit, until such time, if any, as the Bank shall withdraw (in writing) such notice, the issuance of additional Commercial Paper Notes, reduce the Stated Amount of the Letter of Credit to the amount of the then Outstanding Commercial Paper Notes supported by the Letter of Credit and interest payable thereon at maturity of such Commercial Paper Notes and/or terminate and/or permanently reduce such Stated Amount as the then Outstanding Commercial Paper Notes are paid;

(b) issue the Final Drawing Notice (the effect of which shall be to cause the Termination Date of the Letter of Credit to occur on the 15th calendar day after the date of receipt thereof by the Issuing and Paying Agent);

(c) pursue any rights and remedies it may have under the Related Documents;  
or

(d) pursue any other action available at law or in equity; *provided* that to the extent that the same would be available under law or equity, such action available at law or in equity shall not include acceleration, except to the extent such remedy is incorporated herein pursuant to Section 5.01(s) hereof.

## ARTICLE VIII

### MISCELLANEOUS

*Section 7.01. Amendments, Waivers, Etc.* No modification, amendment or waiver of any provision of this Agreement, the Fee Agreement or the Bank Note or consent to any departure by the County therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank and the County and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided, further,* that no amendment to or waiver of any term or provision of any Related Document incorporated herein by reference shall have the effect of amending or otherwise modifying any corresponding term or provision incorporated into this Agreement unless the Bank has consented to such amendment or waiver, as applicable, in writing.

*Section 7.02. Notices.* All notices and other communications provided for hereunder shall be in writing (including required copies) and sent by receipted hand delivery (including Federal Express or other receipted courier service), facsimile transmission, or regular mail, as follows:

to the County:	Miami-Dade County, Florida [Address] Facsimile: Telephone: Email:
with a copy to:	
to the Bank with respect to credit matters:	Barclays Bank PLC 745 Seventh Avenue, 19th Floor New York, New York 10019 Attention: James Saakvitne Facsimile: (917) 254-1353 Email: james.saakvitne@barclays.com
to the Bank, with respect to Drawings under the Letter of Credit:	Barclays Bank PLC, New York Branch 745 Seventh Avenue New York, NY 10019 Attention: Letters of Credit Department Telephone: (212) 526-2961 Facsimile: (212) 412-5011 Email: xraletterofcredit@barclays.com



consent of the County; *provided* that (i) the County has received written notice from each Rating Agencies then rating the Commercial Paper Notes that the transfer shall not cause the lowering, withdrawal or suspension of any ratings then existing on the Commercial Paper Notes; and (ii) the Bank shall be responsible for all costs resulting from the transfer. This Agreement, the Fee Agreement and the Bank Note are made solely for the benefit of the County and the Bank, and no other Person (including, without limitation, the Issuing and Paying Agent, the Dealer or any holder of Notes) shall have any right, benefit or interest under or because of the existence of this Agreement, the Fee Agreement or the Bank Note. Notwithstanding anything herein to the contrary, the Bank may at any time pledge or grant a security interest in all or any portion of its rights under the Bank Note to secure its obligations, including any such pledge or grant to a Federal Reserve Bank or the United States Treasury, and the foregoing restrictions shall not apply to any such pledge or grant of a security interest; *provided* that no such pledge or grant of a security interest shall release the Bank from any of its obligations hereunder or under the Letter of Credit or substitute any such pledgee or secured party for the Bank as a party hereto or under the Letter of Credit; *provided further*, however, the right of any such pledgee or grantee (other than any Federal Reserve Bank) to further transfer all or any portion of the rights pledged or granted to it shall be at all times subject to the terms of this Agreement.

(b) Notwithstanding the foregoing, the Bank shall be permitted to grant to one or more financial institutions (each a "*Participant*") a participation or participations in all or any part of the Bank's rights and benefits under this Agreement, the Fee Agreement and the Bank Note on a participating basis but not as a party to this Agreement, the Fee Agreement or the Bank Note (a "*Participation*") without the consent of the County; *provided however*, the Bank shall provide notice to the County of any such participation. In the event of any such grant by the Bank of a Participation to a Participant, the Bank shall remain responsible for the performance of its obligations hereunder and under the Letter of Credit, and the County shall continue to deal solely and directly with the Bank in connection with the Bank's rights and obligations under this Agreement and the Bank Note. The County agrees that each Participant shall, to the extent of its Participation, be entitled to the benefits of this Agreement, the Fee Agreement and the Bank Note as if such Participant were the Bank; *provided* that no Participant shall have the right to declare, or to take actions in response to, an Event of Default under Section 6.01 hereof; and *provided further* that no such Participant shall be entitled to receive payment pursuant to Section 2.13 or 2.14 hereof in an amount greater than the amount which would have been payable had the Bank not granted a Participation to such Participant.

*Section 7.04. Unconditional Obligations.* The obligations of the County under this Agreement, the Fee Agreement and the Bank Note shall be absolute, unconditional, irrevocable and payable strictly in accordance with the terms of the Ordinance, this Agreement, the Fee Agreement and the Bank Note, under all circumstances whatsoever, including, without limitation, the following:

(a) any lack of validity or enforceability of this Agreement, the Fee Agreement, the Letter of Credit, the Bank Note or, to the extent permitted by law, the Commercial Paper Notes, the Ordinance or any other Related Document;

(b) any amendment or waiver of or any consent to departure from the terms of the Ordinance or all or any of the other Related Documents to which the Bank have not consented in writing;

(c) the existence of any claim, counterclaim, set off, recoupment, defense, or other right which any Person may have at any time against the Bank, the County, the Issuing and Paying Agent, the Dealer, or any other Person, whether in connection with this Agreement, the Fee Agreement, the Bank Note, the Ordinance, the other Related Documents, or any other transaction related thereto;

(d) any statement or any other document presented pursuant hereto or pursuant to the Letter of Credit which the Bank in good faith determines to be valid, sufficient or genuine and which subsequently proves to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; and

(e) payment by the Bank of a Drawing or an Term Loan against presentation of a request which the Bank in good faith determines to be valid, sufficient or genuine and which subsequently is found not to comply with the terms of this Agreement.

Notwithstanding this Section, the Bank acknowledges the County may have the right to bring a collateral action with respect to one or more of the foregoing circumstances. The County's payment obligations shall remain in full force and effect pending the final disposition of any such action.

SECTION 7.05. LIABILITY OF BANK: INDEMNIFICATION. (a) TO THE FULLEST EXTENT PERMITTED BY LAW, THE COUNTY ASSUMES ALL RISKS OF THE ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT WITH RESPECT TO THE USE OF THE LETTER OF CREDIT AND THE USE OF PROCEEDS THEREUNDER; *PROVIDED* THAT THIS ASSUMPTION WITH RESPECT TO THE BANK IS NOT INTENDED TO AND SHALL NOT PRECLUDE THE COUNTY FROM PURSUING SUCH RIGHTS AND REMEDIES AS IT MAY HAVE AGAINST THE ISSUING AND PAYING AGENT UNDER ANY OTHER AGREEMENTS. NEITHER THE BANK NOR ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS SHALL BE LIABLE OR RESPONSIBLE FOR (I) THE USE OF THE LETTER OF CREDIT, THE DRAWINGS OR TERM LOANS THEREUNDER OR HEREUNDER, THE PROCEEDS OF THE COMMERCIAL PAPER NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY AND BY THE RELATED DOCUMENTS OR FOR ANY ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT OR ANY DEALER; (II) THE VALIDITY, SUFFICIENCY OR GENUINENESS OF ANY DOCUMENTS DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, EVEN IF SUCH DOCUMENTS SHALL, IN FACT, PROVE TO BE IN ANY OR ALL RESPECTS INVALID, FRAUDULENT, FORGED OR INSUFFICIENT; (III) PAYMENTS BY THE BANK AGAINST PRESENTATION OF REQUESTS FOR DRAWINGS OR REQUESTS FOR WHICH THE BANK IN GOOD FAITH HAS DETERMINED TO BE VALID, SUFFICIENT OR GENUINE AND WHICH SUBSEQUENTLY ARE FOUND NOT TO COMPLY WITH THE TERMS OF THIS AGREEMENT OR THE LETTER OF CREDIT; OR (IV) ANY OTHER CIRCUMSTANCES WHATSOEVER IN MAKING OR FAILING IN GOOD FAITH TO MAKE PAYMENT HEREUNDER OR UNDER THE LETTER OF CREDIT; *PROVIDED* THAT THE COUNTY SHALL NOT BE REQUIRED TO INDEMNIFY THE BANK FOR ANY CLAIMS, LOSSES, LIABILITIES, COSTS OR EXPENSES TO THE EXTENT, BUT ONLY TO THE EXTENT, SOLELY AND

DIRECTLY CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE BANK AS DETERMINED BY A COURT OF COMPETENT JURISDICTION IN A FINAL, NON-APPEALABLE JUDGMENT THEREOF.

(b) TO THE EXTENT PERMITTED BY THE LAWS OF THE STATE, THE COUNTY HEREBY INDEMNIFIES AND HOLDS HARMLESS THE BANK AND ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS OR EXPENSES (INCLUDING SPECIFICALLY REASONABLE ATTORNEYS' FEES) WHICH THE BANK MAY INCUR (OR WHICH MAY BE CLAIMED AGAINST THE BANK BY ANY PERSON WHATSOEVER) BY REASON OF OR IN CONNECTION WITH (I) THE EXECUTION AND DELIVERY OF THIS AGREEMENT, THE FEE AGREEMENT, THE LETTER OF CREDIT AND THE COMMERCIAL PAPER NOTES AND THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY; AND (II) THE STATEMENTS CONTAINED IN THE OFFERING MEMORANDUM PREPARED AND DISTRIBUTED IN CONNECTION WITH THE COMMERCIAL PAPER NOTES; PROVIDED THAT THE COUNTY SHALL NOT BE REQUIRED TO INDEMNIFY THE BANK, AND THE COUNTY SHALL HAVE A CAUSE OF ACTION AGAINST THE BANK, AND THE BANK SHALL BE LIABLE, FOR ANY CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS OR EXPENSES (A) TO THE EXTENT, BUT ONLY TO THE EXTENT, SOLELY AND DIRECTLY CAUSED BY THE BANK'S WILLFUL OR GROSSLY NEGLIGENT FAILURE TO MAKE LAWFUL PAYMENT UNDER THE LETTER OF CREDIT AFTER THE PROPER PRESENTATION TO THE BANK BY THE ISSUING AND PAYING AGENT OR A SUCCESSOR ISSUING AND PAYING AGENT UNDER THE ORDINANCE OF A DRAWING STRICTLY COMPLYING WITH THE TERMS AND CONDITIONS OF THE LETTER OF CREDIT, AS DETERMINED BY A COURT OF COMPETENT JURISDICTION IN A FINAL, NON-APPEALABLE JUDGMENT THEREOF; OR (B) INCURRED IN CONNECTION WITH THE STATEMENTS CONTAINED IN APPENDIX B TO THE OFFERING MEMORANDUM UNDER THE HEADING "CERTAIN INFORMATION REGARDING THE BANKS — BARCLAYS BANK PLC" AS SET FORTH IN THE OFFERING MEMORANDUM.

(c) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by applicable law, the County shall not assert, and hereby waives, any claim against the Bank, its officers, directors, employees and agents, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, or the Letter of Credit or the use of the proceeds thereof. The Bank, its officers, directors, employees and agents shall not be liable to the County for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such person through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(d) *Payments.* All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(e) *Survival.* The agreements in this Section shall survive the termination of the Letter of Credit, this Agreement and the repayment, satisfaction or discharge of all the other Obligations.

*Section 7.06. Expenses and Taxes.* The County will promptly pay (a) the fees and expenses of counsel to the Bank and the fees and expenses of foreign counsel to the Bank, in each case, in the amount set forth in the Fee Agreement, incurred in connection with the preparation, execution and delivery of this Agreement, the Fee Agreement and the Letter of Credit as set forth in the Fee Agreement; (b) the fees and disbursements of counsel to the Bank with respect to advising the Bank as to the rights and responsibilities under this Agreement and the Fee Agreement after the occurrence of an Event of Default; and (c) all costs and expenses, if any, in connection with the enforcement of this Agreement and the Fee Agreement and any other documents which may be delivered in connection herewith or therewith, including in each case the fees and disbursements of counsel to the Bank. In addition, the County shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement and the Fee Agreement and the security contemplated by the Related Documents and any Related Documents and agrees to hold the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees. In addition, the County agrees to pay, after the occurrence of an Event of Default, all costs and expenses (including attorneys' fees and costs of settlement) incurred by the Bank in enforcing any obligations or in collecting any payments due from the County hereunder or under the Fee Agreement or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement or the Fee Agreement in the nature of a "workout" or of any insolvency or bankruptcy proceedings of the County.

*Section 7.07. No Waiver; Conflict.* Neither any failure nor any delay on the part of the Bank in exercising any right, remedy, power or privilege hereunder or any Related Document, nor any course of dealing with respect to any of the same, shall operate as a waiver thereof, preclude any other or further exercise thereof nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative, and not exclusive of any rights, remedies, powers and privileges provided by law. To the extent of any conflict between this Agreement, the Letter of Credit, the Ordinance and any other Related Documents, this Agreement shall control solely as between the County and the Bank.

*Section 7.08. No Advisory or Fiduciary Responsibility.* In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the County acknowledges and agrees, that: (i) each of the County and the Bank has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (ii) each of the County and the Bank is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents.

*Section 7.09. Severability.* Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such

prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction, and all other remaining provisions hereof will be construed to render them enforceable to the fullest extent permitted by law.

*Section 7.10. Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but when taken together shall constitute but one agreement and any of the parties hereto may execute this Agreement by signing any such counterpart. This Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by e-mail with a pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered will have the same force and effect as an originally signed version of such signature page.

*Section 7.11. Table of Contents; Headings.* The table of contents and the section and subsection headings used herein have been inserted for convenience of reference only and do not constitute matters to be considered in interpreting this Agreement.

*Section 7.12. ENTIRE AGREEMENT.* THIS AGREEMENT AND THE FEE AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES HERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO.

*Section 7.13. Governing Law; Submission to Jurisdiction; Jury Trial.* (a) THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK; THE CAPACITY, POWER AND AUTHORITY OF THE COUNTY TO EXECUTE, DELIVER AND PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF FLORIDA, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

(b) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN MIAMI-DADE COUNTY IN THE STATE OF FLORIDA, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATED DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) 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 OTHER RELATED DOCUMENTS. IT IS HEREBY ACKNOWLEDGED THAT THE WAIVER OF A JURY TRIAL IS A MATERIAL INDUCEMENT FOR THE BANK TO ENTER INTO THIS AGREEMENT AND THAT THE EXECUTION AND

DELIVERY OF THIS AGREEMENT BY THE COUNTY AND THE BANK 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.

*Section 7.14. Waiver of Automatic or Supplemental Stay.* In the event that a petition for relief under any chapter of the United States Bankruptcy Code is filed by or against the County, the County promises and covenants that it will not seek a supplemental stay pursuant to United States Bankruptcy Code §§ 105 or 362 or any other relief pursuant to United States Bankruptcy Code § 105 or any other provision of the United States Bankruptcy Code, whether injunctive or otherwise, which would stay, interdict, condition, reduce or inhibit the Bank's ability to enforce any rights it has, at law or in equity, to collect the Obligations from any Person other than the County.

*Section 7.15. USA Patriot Act; Government Regulations.* The Bank hereby notifies the County that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "*Patriot Act*"), the Bank is required to obtain, verify and record information that identifies the County, which information includes the name and address of the County and other information that will allow the Bank to identify the County in accordance with the Patriot Act. The County shall, promptly following a request by the Bank, provide all documentation and other information that the Bank reasonably requests in order to comply with its ongoing obligations under applicable law or regulation, including, without limitation, "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, and shall comply with all applicable Bank Secrecy Act ("*BSA*") laws and regulations, as amended.

The County hereby represents and warrants and covenants and agrees (a) that it is not and shall not be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the Office of Foreign Assets Control ("*OFAC*"), the Department of the Treasury or included in any Executive Orders, that prohibits or limits the Bank from making any advance or extension of credit to the County or from otherwise conducting business with the County and (b) to ensure that the proceeds of the Commercial Paper Notes shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto.

*Section 7.16. Dealing with the County, the Issuing and Paying Agent, and/or the Dealer.* The Bank and its affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with the County, the Issuing and Paying Agent, and/or the Dealer regardless of the capacity of the Bank hereunder.

*Section 7.17. Arm's Length Transaction.* The transaction described in this Agreement is an arm's length, commercial transaction between the County and the Bank in which: (i) the Bank is acting solely as a principal (*i.e.*, as a lender) and for its own interest; (ii) the Bank is not acting as a municipal advisor or financial advisor to the County; (iii) the Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the County with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of

whether the Bank or any of its affiliates has provided other services or is currently providing other services to the Authority on other matters); (iv) the only obligations the Bank has to the County with respect to this transaction are set forth in this Agreement and the Letter of Credit; and (v) the Bank is not recommending that the County take an action with respect to the transaction described in this Agreement and the other Related Documents, and before taking any action with respect to this transaction, the County should discuss the information contained herein with the County's own legal, accounting, tax, financial and other advisors, as the County deems appropriate.

*Section 7.18. Bail-In Action.* By entering into this Agreement, the County acknowledges and agrees that notwithstanding any other term of this Agreement or any other agreement, arrangement or understanding with us, any liability arising under or in connection with this Agreement (including, without limitation, any liability arising out of or in connection with the Letter of Credit) may be subject to Bail-In Action and you accept to be bound by the effect of:

- (a) any Bail-In Action in relation to such liability, including (without limitation):
  - (i) a reduction, in full or in part, of any amount due in respect of any such liability;
  - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, you; and
  - (iii) a cancellation of any such liability; and
- (b) a variation of any term of this Agreement or the Letter of Credit to the extent necessary to give effect to Bail-In Action in relation to any such liability.”

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the County and the Bank have duly executed this Agreement as of the date first above written.

MIAMI-DADE COUNTY, FLORIDA

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

Name:

Title:

ATTEST:

\_\_\_\_\_

Name:

Title:

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: James Saakvitne  
Title: Authorized Signatory for and on  
Behalf of Barclays Bank PLC

**APPENDIX I**

**FORM OF IRREVOCABLE TRANSFERABLE LETTER OF CREDIT**

**APPENDIX II-A**  
**[FORM OF INTEREST BANK NOTE]**

**APPENDIX II-B**  
**[FORM OF PRINCIPAL BANK NOTE]**

APPENDIX III

[FORM OF REQUEST FOR EXTENSION]

Barclays Bank PLC  
745 Seventh Avenue, 19th Floor  
New York, New York 10019  
Attention: James Saakvitne  
Facsimile: (917) 254-1353  
Email: james.saakvitne@barclays.com

Re: Request for Extension of Irrevocable Transferable  
Letter of Credit No. [LOC #]

Ladies and Gentlemen:

Pursuant to Section 2.12 of that certain Reimbursement Agreement, dated as of May 1, 2016 (the "*Reimbursement Agreement*"), by and between the Miami-Dade County, Florida (the "*County*") and Barclays Bank PLC (the "*Bank*"), the County hereby requests that the Letter of Credit Expiration Date be extended for a [\_\_\_\_\_-year] extension. All capitalized terms contained herein which are not specifically defined herein shall be deemed to have the definition set forth in the Reimbursement Agreement.

The Bank is requested to notify the County of its decision with respect to this request for extension within 30 days of the date of receipt of all information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision. If the Bank fails to notify the County of its decision within such 30-day period, the Bank shall be deemed to have rejected such request.

Very truly yours,

MIAMI-DADE COUNTY, FLORIDA

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

cc: [U.S. Bank National Association],  
as Issuing and Paying Agent

## APPENDIX IV

### FORM OF NO DEFAULT CERTIFICATE

This No Default Certificate (this "*Certificate*") is furnished to Barclays Bank PLC (the "*Bank*"), pursuant to that certain Reimbursement Agreement dated as of May 1, 2016 (the "*Agreement*"), by and between the County of Miami-Dade (the "*County*") and the Bank. Unless otherwise defined herein, the terms used in this Certificate shall have the meanings assigned thereto in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly appointed Finance Director of the County;
2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the County during the accounting period covered by the attached financial statements;
3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below;
4. To the best of my knowledge the financial statements required by Section 5.01(d) of the Agreement and being furnished to you concurrently with this certificate fairly represent the consolidated financial condition of the County in accordance with GAAP (subject to year end adjustments, as applicable) as of the dates and for the periods covered thereby; and
5. If the County were to make the representations and warranties set forth in the Agreement as of the date hereof, such representations and warranties would be true and correct in all material respects, or, if such representations and warranties would not be true and correct in all material respects, please see below a description of the events or circumstances which would cause any of such representation or warranties to not be true and correct in all material respect.

Described below are the exceptions, if any, to paragraph 3 or 5, as applicable, by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the County has taken, is taking, or proposes to take with respect to each such condition or event:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The foregoing certifications and the financial statements delivered with this Certificate in support hereof, are made and delivered this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

MIAMI-DADE COUNTY, FLORIDA

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

APPENDIX V

[FORM OF NO-ISSUANCE NOTICE]

[Dated Date]

Miami-Dade County, Florida

\_\_\_\_\_

Attention: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**[Issuing and Paying Agent],**  
as Issuing and Paying Agent

\_\_\_\_\_

Attention: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Re: Miami-Dade County, Florida  
Water and Sewer System Commercial Paper Notes,  
Series A-1 (Tax-Exempt) and Series A-2 (Taxable)

Ladies and Gentlemen:

Pursuant to Section 6.02(a) or Section 2.19 of that certain Reimbursement Agreement, dated as of May 1, 2016 (the "*Reimbursement Agreement*"), by and between the Miami-Dade County, Florida (the "*County*") and the undersigned, as Bank, you are hereby notified that (a) either (1) an "Event of Default" under Section 6.01( ) of the Reimbursement Agreement has occurred and is now continuing or (2) one or more of the representations and warranties of the County set forth in the Reimbursement Agreement, are in the reasonable opinion of the Bank, no longer true and correct in all material respects and; (b) upon receipt of this notice, (i) no new Commercial Paper Notes, as defined in the Reimbursement Agreement, shall be issued or authenticated (ii) the Stated Amount of the Letter of Credit shall be permanently reduced to \$ \_\_\_\_\_, representing the principal amount of Commercial Paper Notes currently outstanding and interest thereon, and shall be further permanently reduced following the maturity

of any such Commercial Paper Notes, and (iii) the Stated Amount shall no longer be reinstated following payment by the Bank of any Drawings.

This No-Issuance Notice shall remain in effect unless you have received written notification from us that this No-Issuance Notice has been rescinded.

Very truly yours,

BARCLAYS BANK PLC, as Bank

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

cc: [DEALER]  
[RATING AGENCIES]

**FEE AGREEMENT  
DATED MAY \_\_, 2016**

Reference is made to (i) the Reimbursement Agreement dated as of April 1, 2016 (as amended, supplemented or otherwise modified from time to time, the "*Agreement*"), by and between Miami-Dade County, Florida (the "*County*") and Barclays Bank PLC (the "*Bank*"), relating to the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt) and Series A-2 (Taxable) (collectively, the "*Notes*"), and (ii) the Irrevocable Transferable Direct-Pay Letter of Credit dated May \_\_, 2016, issued pursuant to the Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "*Letter of Credit*"), supporting the Notes.

The purpose of this Fee Agreement is to confirm the agreement between the Bank and the County with respect to the Facility Fees (as defined below) and certain other fees payable by the County to the Bank. This Fee Agreement is the Fee Agreement referenced in the Agreement and the terms of this Fee Agreement are incorporated by reference into the Agreement. This Fee Agreement and the Agreement are to be construed as one agreement between the County and the Bank, and all obligations hereunder are to be construed as obligations thereunder payable solely from the sources set forth in Agreement. All references to amounts due and payable under the Agreement will be deemed to include all amounts, fees and expenses payable under this Fee Agreement.

ARTICLE I. DEFINITIONS.

As used in this Fee Agreement:

- (a) "*Facility Fee*" has the meaning set forth in Section 2.1 hereof.
- (b) "*Facility Fee Rate*" has the meaning set forth in Section 2.1 hereof.
- (c) "*Gross Available Amount*" means, for any day, the Stated Amount, without taking into account any temporary reductions thereof.
- (d) "*Gross Stated Amount*" means the Original Stated Amount reduced by any permanent reductions thereof in accordance with the terms of the Letter of Credit, but in any event without taking into account any unreimbursed Drawings thereunder.
- (e) "*Quarterly Payment Date*" has the meaning set forth in Section 2.1 hereof.
- (f) "*Reduction Fee*" has the meaning set forth in Section 2.5(b) hereof.
- (g) "*Termination Fee*" has the meaning set forth in Section 2.5(a) hereof.

Any capitalized terms used herein that are not specifically defined herein shall have the same meanings herein as in the Agreement or the Letter of Credit, as the case may be.

ARTICLE II. FEES.

*Section 2.1. Facility Fees.* The County hereby agrees to pay or cause to be paid to the Bank on July 1, 2016, for the period commencing on and including the Closing Date, and ending on and including June 30, 2016, and in arrears on the first Business Day of each October, January, April and July (each a "Quarterly Payment Date") occurring thereafter to the Termination Date, and on the Termination Date, a non-refundable fee (the "Facility Fee") in an amount, for each day during the related fee period, equal to the product of the Gross Available Amount for such day and the applicable rate per annum (the "Facility Fee Rate") specified below for such day. Such Facility Fee shall be payable in immediately available funds and computed on a basis of a year of 360 days and the actual number of days elapsed.

LEVEL	S&P RATING	FITCH RATING	MOODY'S RATING	FACILITY FEE RATE
Level 1	A+ or above	A+ or above	A1 or above	____%
Level 2	A	A	A2	____%
Level 3	A-	A-	A3	____%
Level 4	BBB+	BBB+	Baa1	____%
Level 5	BBB	BBB	Baa2	____%
Level 6	BBB-	BBB-	Baa3	____%

The term "Rating" as used above shall mean the long-term unenhanced debt rating assigned by S&P, Fitch or Moody's, as applicable, to any Bonds (without giving effect to any bond insurance policy or other credit enhancement supporting such Bonds). In the event of a split Rating (i.e., one of the foregoing Rating Agency's Rating is at a different Level than the Rating of either of the other Rating Agencies), the Facility Fee Rate shall be based upon the Level in which the lowest Rating appears. Any change in the Facility Fee Rate resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to ratings above are references to rating categories as determined by the Rating Agencies at the date hereof, and, in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration or realignment of the long-term unenhanced rating assigned to any Senior Lien Debt in connection with the adoption of a "global" rating scale, each of the Ratings referred to above from the agency in question shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The County represents that, as of the Closing Date, the Facility Fee Rate is that specified above for Level 1. Upon the occurrence and during the continuance of an Event of Default, the Facility Fee Rate shall immediately and without notice increase by 2.00% per annum above the Facility

Fee Rate then in effect. To the extent any Facility Fee is not paid when due, such Facility Fee shall accrue interest from the date payment is due until payment in full at a per annum rate of interest equal to the Default Rate, such interest to be payable on demand.

*Section 2.2. Drawing Fee.* The County hereby agrees to pay to the Bank a non-refundable drawing fee of \$250 for each Drawing under the Letter of Credit, payable on the date such Drawing is made without notice or invoice.

*Section 2.3. Transfer Fee.* The County hereby agrees to pay to the Bank a non-refundable transfer fee of \$5,000, payable upon each transfer of the Letter of Credit to any successor issuing and paying agent plus, in each case, the reasonable fees of any legal counsel retained by the Bank in connection therewith.

*Section 2.4. Amendment Fee.* The County hereby agrees to pay to the Bank on the date of any amendment, modification, supplement, waiver or consent with respect to the Agreement, this Fee Agreement, the Letter of Credit or any other Related Document a non-refundable amendment, modification, supplement, waiver or consent fee, as applicable, in an amount to be determined by the Bank at the time of such amendment, modification, or supplement, plus, in each case, the reasonable fees of any legal counsel retained by the Bank in connection therewith.

*Section 2.5. Termination Fee.* (a) Notwithstanding anything set forth herein or in the Agreement to the contrary, the County agrees not to terminate, or cause the termination of, the Letter of Credit prior to the one-year anniversary of the Closing Date, except upon (i) the payment by the County to the Bank of a termination fee (the "*Termination Fee*") in an amount equal to the product of (1) the Facility Fee Rate on the date of such termination, (2) the Gross Stated Amount on the date of such termination and (3) a fraction, the numerator of which is equal to the number of days from and including the date of such termination to and including the first anniversary of the Closing Date and the denominator of which is 360 and (ii) compliance with the provisions of Section 2.07 of the Agreement; *provided, however*, that no Termination Fee shall become payable if the Letter of Credit is terminated or replaced as a result of (A) a reduction of the Bank's senior unsecured short-term debt ratings which are applied to the Commercial Paper Notes by any Rating Agency below "A-2" by S&P, "P-1" by Moody's or "F1" by Fitch, (B) a refunding or refinancing of the Notes in full that does not require or involve credit enhancement, liquidity support or bank direct purchase from a bank, financial institution or other third party or (C) the Bank imposing increased costs on the County pursuant to Section 2.13 or 2.14 of the Agreement.

(b) Notwithstanding anything set forth herein or in the Agreement to the contrary, the County agrees not to permanently reduce the Gross Stated Amount of the Letter of Credit prior to the one-year anniversary of the Closing Date, without the payment by the County to the Bank of a reduction fee (the "*Reduction Fee*") in connection with each and every permanent reduction of the Gross Stated Amount in an amount equal to the product of (A) the Facility Fee Rate in effect on the date of such permanent reduction, (B) the difference between the Gross Stated Amount prior to such permanent reduction and the Gross Stated Amount after such permanent reduction and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such permanent reduction to and including the first anniversary of the Closing Date and

the denominator of which is 360; *provided, however*, that no Reduction Fee shall become payable if the Gross Stated Amount of the Letter of Credit is permanently reduced as a result of (A) a reduction of the Bank's senior unsecured short-term debt ratings which are applied to the Commercial Paper Notes by any Rating Agency below "A-2" by S&P, "P-1" by Moody's or "F1" by Fitch, (B) a refunding or refinancing of the Notes in part that does not require or involve credit enhancement, liquidity support or bank direct purchase from a bank, financial institution or other third party or (C) the Bank imposing increased costs on the County pursuant to Section 2.13 or 2.14 of the Agreement.

### ARTICLE III. MISCELLANEOUS.

*Section 3.1. Legal Fees.* The County shall pay the reasonable legal fees and expenses (for both domestic and foreign counsel) of the Bank incurred in connection with the preparation and negotiation of the Agreement, this Fee Agreement and certain other Related Documents in an amount not to exceed \$50,000 for domestic counsel, plus disbursements, and \$5,000 for foreign counsel. Domestic legal fees must be paid directly to the Bank's domestic counsel, Chapman and Cutler LLP, in accordance with the instructions provided by Chapman and Cutler LLP. Foreign legal fees must be paid directly to the Bank's foreign counsel, McDermott Will & Emery UK LLP, in accordance with the instructions provided by McDermott Will & Emery UK LLP.

*Section 3.2. Amendments.* No amendment to this Fee Agreement shall become effective without the prior written consent of the County and the Bank.

*Section 3.3. Governing Law.* THIS FEE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK; *PROVIDED* THAT THE CAPACITY, POWER AND AUTHORITY OF THE COUNTY TO EXECUTE, DELIVER AND PERFORM ITS OBLIGATIONS UNDER THIS FEE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE INTERNAL LAWS OF THE STATE OF FLORIDA, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

*Section 3.4. Counterparts.* This Fee Agreement may be executed in two or more counterparts, each of which shall constitute an original, but when taken together shall constitute but one agreement and any of the parties hereto may execute this Fee Agreement by signing any such counterpart. This Fee Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by attaching a pdf copy to an email, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

*Section 3.5. Severability.* Any provision of this Fee 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 non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

*Section 3.6. No Disclosure.* Unless required by law, the County shall not deliver or permit, authorize or consent to the delivery of this Fee Agreement to a Dealer or any other Person for delivery to the Municipal Securities Rulemaking Board unless the Bank provides its prior written consent.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Fee Agreement to be duly executed and delivered by their respective representatives thereunto duly authorized as of the date first set forth above.

MIAMI-DADE COUNTY, FLORIDA

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

BARCLAYS BANK PLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Authorized Signatory for and on  
behalf of Barclays Bank PLC

---

REIMBURSEMENT AGREEMENT

by and between

MIAMI-DADE COUNTY, FLORIDA

and

SUMITOMO MITSUI BANKING CORPORATION,  
acting through its New York Branch

Relating to:

\$200,000,000  
Miami-Dade County, Florida  
Water and Sewer System Commercial Paper Notes,  
Series B-1 (Tax-Exempt) and Series B-2 (Taxable)

Dated as of May 1, 2016

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APPENDIX III —	Form of Request For Extension
APPENDIX IV —	Form of No Default Certificate
APPENDIX V —	Form of No-Issuance Notice

## REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT, dated as of May 1, 2016 (together with any amendments or supplements hereto, this "*Agreement*"), is made by and between the MIAMI-DADE COUNTY, FLORIDA (the "*County*") and SUMITOMO MITSUI BANKING CORPORATION, acting through its New York Branch, and its successors and assigns (the "*Bank*").

### WITNESSETH:

WHEREAS, the County is a political subdivision duly organized and existing under and pursuant to the laws of the State of Florida; and

WHEREAS, pursuant to the Constitution of the State of Florida, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166 of the Florida Statutes, as amended; and the Code of Miami-Dade County, Florida, as amended, and other applicable provisions of law (collectively, the "*Acts*"), the County is authorized and empowered to issue bonds, notes and other obligations to finance the cost of CIP Projects (as hereinafter defined), including the refunding of any obligations of the County; and

WHEREAS, the County has authorized and intends to issue its Commercial Paper Notes (as hereinafter defined) from time to time pursuant to the Acts, Ordinance No. 09-67 enacted by the Board (as hereinafter defined) on July 23, 2009 (as amended, supplemented, modified or restated from time to time, the "*CP Ordinance*") and Resolution No. \_\_\_\_\_ adopted by the Board on May 17, 2016 (the "*Authorizing Resolution*" and, together with the CP Ordinance, the "*Ordinance*"); and

WHEREAS, the County has requested the Bank to issue the Letter of Credit (as hereinafter defined) to the Issuing and Paying Agent to support the payment when and as due of the principal of and interest on maturing Commercial Paper Notes; and

WHEREAS, the Bank is willing to issue such Letter of Credit to support the Commercial Paper Notes upon the terms and conditions provided herein;

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained, the County and the Bank agree as follows:

### ARTICLE I

#### DEFINITIONS

As used in this Agreement:

"*Acts*" has the meaning set forth in the recitals hereof.

"*Additional Bonds*" has the meaning set forth in the Master Ordinance.

*"Affiliate"* of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, (i) "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, membership or otherwise; and (ii) the terms "controlling" and "controlled" have meanings correlative to the foregoing.

*"Agreement"* means this Reimbursement Agreement dated as of May 1, 2016, between the County and the Bank, as amended, supplemented or modified from time to time pursuant to the terms hereof.

*"Authorizing Resolution"* has the meaning set forth in the recitals hereof.

*"Bank"* has the meaning set forth in the introductory paragraph hereof.

*"Bank Agreement"* means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement, continuing covenant agreement, bond purchase agreement, supplemental indenture or other agreement or instrument (or any amendment, supplement or other modification thereof) under which, directly or indirectly, any Person or Persons undertake(s) to make or provide loans or funds to make payment of, or to purchase securities or provide liquidity support or credit enhancement for Debt of the County secured, in whole or in part, by or payable from Pledged Funds or Net Operating Revenues.

*"Bank Notes"* has the meaning set forth in Section 2.03(e)(ii) hereof.

*"Bank Note CUSIP"* has the meaning set forth in Section 3.01(l) hereof.

*"Bank Rate"* means the rate of interest per annum with respect to Term Loans, (i) for any day commencing on the date the related Drawing is made to and including the 30<sup>th</sup> day next succeeding the date the related Drawing is made, equal to the Base Rate from time to time in effect, (ii) for any day commencing on the 31<sup>st</sup> day next succeeding the date the related Drawing is made to and including the 90<sup>th</sup> day next succeeding the date the related Drawing is made, equal to the sum of the Base Rate from time to time in effect *plus* one percent (1.00%) and (iii) for any day commencing on the 91<sup>st</sup> day next succeeding the date the related Drawing is made and thereafter, equal to the sum of the Base Rate from time to time in effect *plus* two percent (2.00%); *provided, however*, that immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, "Bank Rate" shall mean the Default Rate; and *provided further* that, at no time shall the Bank Rate be less than the highest applicable rate of interest on any outstanding Commercial Paper Notes.

*"Bank's Counsel"* has the meaning set forth in Section 3.01 hereof.

*"Barclays"* means Barclays Bank PLC.

“*Barclays Letter of Credit*” means the Letter of Credit dated May 24, 2016, as amended, supplemented, modified or restated from time to time, issued by Barclays pursuant to the Barclays Reimbursement Agreement.

“*Barclays Reimbursement Agreement*” means the Reimbursement Agreement dated as of May 1, 2016, between the County and Barclays, relating to the Series A Commercial Paper Notes, as amended, supplemented, modified or restated from time to time.

“*Base Rate*” means, for any day, a fluctuating rate of interest per annum equal to the greatest of: (i) the Prime Rate *plus* two percent (2.00%), (ii) the Federal Funds Rate *plus* three percent (3.00%), (iii) the One Month USD LIBOR Rate in effect at such time *plus* three percent (3.00%), (iv) the SIFMA Rate in effect at such time *plus* three percent (3.00%) and (v) seven and one-half percent (7.50%). Each determination of the Base Rate by the Bank shall be conclusive and binding on the County absent manifest error.

“*Board*” means the Board of County Commissioners of Miami-Dade County, Florida.

“*Bonds*” has the meaning set forth in the Master Ordinance.

“*Business Day*” has the meaning set forth in the Letter of Credit.

“*Change of Law*” means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation, Risk-Based Capital Guidelines or treaty, (b) any change in any law, rule, regulation, Risk-Based Capital Guidelines or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority and (c) the making or issuance of any rule, guideline, request or directive (whether or not having the force of law) by any Governmental Authority.

“*CIP Projects*” means the Capital Improvement Program of the County.

“*Closing Date*” means May 24, 2016, which is the date on which the Letter of Credit will be issued subject to the satisfaction or waiver by the Bank of all of the conditions precedent set forth in Section 3.01 hereof.

“*Code*” means the Internal Revenue Code of 1986, as amended from time to time, and all rules and regulations from time to time promulgated thereunder.

“*Commercial Paper Indebtedness*” means the Commercial Paper Notes and all other commercial paper notes, debentures, obligations or similar instruments issued by the County and secured by and/or payable from Net Operating Revenues and/or Pledged Funds.

“*Commercial Paper Notes*” means the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt) and Series B-2 (Taxable).

“*Controlled Group*” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the County, are treated as a single employer under Section 414 of the Code.

“*Credit Facility*” means a letter of credit, credit agreement or any other agreement or instrument that supports the payment of principal of and interest on the Commercial Paper Notes.

“*Credit Facility Provider*” has the meaning set forth in the Master Ordinance.

“*Dealer*” means Citigroup Global Markets Inc. and Barclays Capital Inc., and their permitted successors and assigns.

“*Dealer Agreement*” means the Dealer Agreement dated as of [May 1, 2016], between the County and the Dealer, as amended, supplemented, modified or restated from time to time pursuant to the terms hereof and thereof.

“*Debt*” of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all Debt of others secured by a lien on any asset of such Person, whether or not such Debt is assumed by such Person, (f) all Guarantees by such Person of Debt of other Persons, (g) all obligations, contingent or otherwise, of such Person on or with respect to letters of credit, banker’s acceptances and other evidences of indebtedness representing extensions of credit whether or not representing obligations for borrowed money and (h) all obligations of such Person under any Swap Contract.

“*Debtor Relief Laws*” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“*Default*” means any condition or event which, with the giving of notice or lapse of time or both, would constitute an Event of Default.

“*Default Rate*” means a fluctuating interest rate per annum equal to the sum of the Base Rate from time to time in effect *plus* six percent (6.00%).

“*Department*” has the meaning set forth in the Master Ordinance.

“*Drawing*” means a draw made under and subject to the conditions set forth in the Letter of Credit.

“*DTC*” means The Depository Trust Company and any successor or replacement thereto as securities depository.

*“Eligible Notes”* means Commercial Paper Notes which are not registered in the name of, or beneficially owned by, the County or any nominee thereof, or any Person who owns such Commercial Paper Notes for the benefit of, the County.

*“EMMA”* means Electronic Municipal Market Access as provided by the Municipal Securities Rulemaking Board.

*“Environmental Claims”* means any and all administrative, regulatory or judicial actions, suits, demand letters, claims, Liens, notices of noncompliance or violation, investigations or proceedings relating in any way to any Environmental Law (hereinafter referred to as “claims”) or any permit issued under any such Environmental Law, including, without limitation, (a) any and all claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law, and (b) any and all claims by any third parties seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or arising from alleged injury or threat of injury to health, safety or the environment.

*“Environmental Laws”* means any and all federal, state and local statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

*“Environmental Liability”* means any liability, contingent or otherwise (including any liability for damages, costs of environmental investigation and remediation, costs of administrative oversight, fines, natural resource damages, penalties or indemnities), of the County directly or indirectly resulting from or based upon (a) any actual or alleged violation of any Hazardous Materials Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) any actual or alleged exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials 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 from time to time, and all rules and regulations from time to time promulgated thereunder, or any successor statute.

*“Event of Default”* has the meaning set forth in Section 6.01 hereof.

*“Facility Fees”* has the meaning set forth in the Fee Agreement.

*"Federal Funds Rate"* means, for any day, the rate of interest per annum as determined by the Bank at which overnight Federal Funds are offered to the Bank for such day by major banks in the interbank market, with any change in such rate to become effective as to the County on the date of any change in such rate. Each determination of the Federal Funds Rate by the Bank shall be deemed conclusive and binding on the County absent manifest error.

*"Fee Agreement"* means the Fee Agreement dated the Closing Date, between the County and the Bank, as the same may be amended, supplemented, modified or restated from time to time in accordance with the terms thereof and hereof.

*"Final Drawing Notice"* has the meaning set forth in the Letter of Credit.

*"Fiscal Year"* means the fiscal year of the County as adopted by the County from time to time, which currently is the year ending September 30 of each calendar year.

*"Fitch"* means Fitch Ratings, Inc., and any successor rating agency.

*"FRB"* means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

*"GAAP"* means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the County and applied by the County on a basis consistent with the County's most recent financial statements furnished to the Bank pursuant to Section 5.01(d) hereof.

*"General Reserve Fund"* has the meaning set forth in the Master Ordinance.

*"Governmental Approval"* means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

*"Governmental Authority"* means any federal, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including any zoning authority, the Federal Deposit Insurance Corporation or the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law.

*"Greater Remedies"* means any right to (i) require cash collateralization (excluding the right of a Swap Contract counterparty to require cash collateralization) and/or (ii) cause any obligation to become due prior to its stated maturity, including, without limitation, any Payable Provision or any other provision which gives any Person the right to cause any Debt or obligation of the County secured by or payable from all or any portion of Net Operating Revenues and/or Pledged Funds to be payable prior to its stated maturity (whether by mandatory redemption (other than sinking fund redemption), mandatory tender, acceleration or otherwise).

“*Guarantee*” means, as to any Person, any (a) obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Debt or other obligation payable or performable by another Person (the “*primary obligor*”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Debt or other obligation of the payment or performance of such Debt or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Debt or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Debt or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) Lien on any assets of such Person securing any Debt or other obligation of any other Person, whether or not such Debt or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Debt to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term “Guarantee” as a verb has a corresponding meaning.

“*Hazardous Materials*” means any particular product, and any hazardous, toxic or dangerous waste, substance or material defined as such in any Hazardous Materials Law.

“*Hazardous Materials Laws*” means, collectively, all federal, state and local laws, ordinances or regulations, now or hereafter in effect, relating to environmental conditions or Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. § 9601, *et seq.*, (the “*RCRA*”), the Clean Air Act, 42 U.S.C. § 7401, *et seq.* (the “*CAA*”), the Toxic Substances Control Act, 15 U.S.C. §§ 2601 through 2929 (the “*TSCA*”), and all similar federal, state and local laws and ordinances, together with all regulations now or hereafter adopted, published or promulgated pursuant thereto.

“*Interest Drawing*” means the portion of any Drawing under the Letter of Credit for the payment of interest (including, without limitation, any amount of accrued interest on maturing Commercial Paper Notes and the portion of the face amount of discount Commercial Paper Notes representing interest).

“*Interest Payment Date*” means the first Business Day of each calendar month.

“*Interest Swap Agreement*” has the meaning set forth in the Master Ordinance.

“*Investment Grade*” means a rating of “*Baa3*” (or its equivalent) or better by Moody’s and “*BBB-*” (or its equivalent) or better by S&P or Fitch.

*“Investment Policy”* means the investment policy of the County delivered to the Bank, pursuant to Section 3.01(g)(iii) hereof.

*“ISP”* means, with respect to the Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc.

*“Issuing and Paying Agent”* means the institution appointed from time to time by the County to act as Issuing and Paying Agent, initially U.S. Bank, National Association.

*“Issuing and Paying Agent Agreement”* means that Issuing and Paying Agency Agreement by and between the County and U.S. Bank, National Association, dated as of May 1, 2016, as amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

*“Laws”* means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

*“Letter of Credit”* means the irrevocable transferable direct-pay letter of credit issued by the Bank for the account of the County in favor of the Issuing and Paying Agent supporting the Commercial Paper Notes, in the form of Appendix I hereto with appropriate insertions, as amended, supplemented, modified or restated pursuant to its terms.

*“Letter of Credit Expiration Date”* means May 23, 2019, which is the date set forth in the Letter of Credit as the date on which the Letter of Credit is stated to expire, as the same may be extended pursuant to the terms of the Letter of Credit and Section 2.12 hereof.

*“Lien”* on any asset means any mortgage, deed of trust, lien, pledge, charge, security interest, hypothecation, assignment, deposit arrangement or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected or effective under applicable law, as well as the interest of a vendor or lessor under any conditional sale agreement, capital or finance lease or other title retention agreement relating to such asset.

*“Margin Stock”* has the meaning ascribed to such term in Regulation U promulgated by the FRB, as now and hereafter from time to time in effect.

*“Master Ordinance”* means, collectively, Ordinance No. 93-134 enacted by the Board on November 16, 1993 and Ordinance No. 13-47 enacted by the Board on June 4, 1993, as amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

*"Material Adverse Change"* or *"Material Adverse Effect"* means the occurrence of any event or change which causes or results in a material and adverse change in the business, condition (financial or otherwise) or operations of the Department or Water and Sewer Utility or any event that (i) causes or results in a material adverse change in or a material adverse effect on (a) the legality, validity, binding effect or enforceability of any of the Related Documents, (b) the legality, validity, binding effect, enforceability or perfection of (x) the pledge of and lien on the Net Operating Revenues to secure the payment of the Secured Bank Note or any Secured Reimbursement Obligation or (y) the pledge of and lien on Pledged Funds to secure the payment of the Bank Notes or any Reimbursement Obligations, (c) any of the rights, security, interest or remedies available to the Bank under this Agreement or the other Related Documents or (ii) could reasonably be expected to have a material adverse effect on the ability of the County to timely perform its respective obligations under any of the Related Documents.

*"Maximum Rate"* means the maximum rate of interest on the relevant obligation permitted by applicable law.

*"Maximum CP Rate"* means twelve percent (12%) per annum.

*"Moody's"* means Moody's Investors Service, Inc., and any successor rating agency.

*"Net Operating Revenues"* has the meaning set forth in the Master Ordinance.

*"No Default Certificate"* means a certificate substantially in form of Appendix IV hereto.

*"No-Issuance Notice"* means the written instruction, in the form attached as Appendix V hereto, given by the Bank to the County and the Issuing and Paying Agent pursuant to Section 2.19 hereof or Section 6.02(a) hereof.

*"NOR Payable Debt"* means any Debt of the County payable from, but not secured by, Net Operating Revenues.

*"Note Counsel"* means Squire Patton Boggs (US) LLP and D. Seaton and Associates, P.A., as note counsel, or any other law firm(s) having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal securities and which is reasonably acceptable to the County.

*"Obligations"* means the Reimbursement Obligations (which includes, without limitation, amounts owing to the Bank evidenced by the Bank Notes), the Facility Fees, the obligations of the County to pay all fees, charges and expenses payable hereunder, under the Fee Agreement and under the Bank Notes, and all other payment obligations of the County owed to the Bank arising under or in relation to this Agreement, the Fee Agreement and the Bank Notes.

*"OFAC"* means the Office of Foreign Assets Control.

*"OFAC Sanctions Programs"* means all laws, regulations, and Executive Orders administered by OFAC, including without limitation, the Bank Secrecy Act, anti-money

laundering laws (including, without limitation, the Patriot Act), and all economic and trade sanction programs administered by OFAC, any and all similar United States federal laws, regulations or Executive Orders, and any similar laws, regulators or orders adopted by any state within the United States.

“*OFAC SDN List*” means the list of the Specially Designated Nationals and Blocked Persons maintained by OFAC.

“*Offering Memorandum*” means the Offering Memorandum dated May \_\_, 2016, relating to the Commercial Paper Notes, and any amendments or supplements thereto.

“*One Month USD LIBOR Rate*” means, for any day, the rate per annum equal to the rate on deposits in United States dollars of amounts equal to or comparable to the principal amount of the Commercial Paper Notes paid or purchased with the proceeds of a Drawing under the Letter of Credit, offered for a term of one month, which rate appears on the display designated as Reuters Screen LIBOR01 Page (or such other page as may replace Reuters Screen LIBOR01 Page or such other service or services as may be nominated by the British Bankers’ Association for the purpose of displaying London interbank offered rates for United States dollar deposits), determined as of approximately 11:00 a.m., London time, on such day. In the event that the One Month USD LIBOR Rate is less than zero, it shall be deemed to be zero for purposes of this Agreement.

“*Ordinance*” has the meaning set forth in the recitals hereof.

“*Original Stated Amount*” has the meaning set forth in Section 2.01 hereof.

“*Other Bank Agreements*” means the Barclays Reimbursement Agreement, and all amendments, modifications, restatements and extensions of such agreement, entered into from time to time and any other agreement delivered in substitution or exchange for such agreement and any other agreement entered into by the County to provide liquidity or credit support for Commercial Paper Indebtedness.

“*Other Obligations*” means all of the payment obligations of the County under this Agreement that are not Reimbursement Obligations.

“*Participant*” has the meaning set forth in Section 7.03(b) hereof.

“*Parity Debt*” means, as applicable, any Secured Parity Debt and any Unsecured Parity Debt.

“*Payable Provision*” means any provision which allows a Person the right to cause the payment of the principal of or interest on any NOR Payable Debt or Debt of the County payable from or secured by Pledged Funds to become due prior to its stated maturity.

“*Payment Office*” means the Bank’s account at Citibank, N.A., New York, ABA #: 021 000 089, F/O Sumitomo Mitsui Banking Corporation, New York Branch, Account Number: 360

23 837, Attention: Trade Credit Services Department, Reference: Letter of Credit No. [LOC #]], or such other office as the Bank may designate in writing to the County and the Issuing and Paying Agent from time to time.

“*PBGC*” means the Pension Benefit Guaranty Corporation or any successor thereto.

“*Person*” means any individual, corporation, not for profit corporation, partnership, limited liability company, joint venture, association, professional association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

“*Plan*” means, with respect to the County at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group of which the County is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the County is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

“*Pledged Funds*” means (a) proceeds of the sale of the Commercial Paper Notes from time to time hereafter issued to pay outstanding Commercial Paper Notes and the Bank Notes, (b) proceeds from the sale of Bonds (other than Refunding Bonds, *provided* that any proceeds, after providing for the refunding of the refunded Bonds, funding any necessary reserves and providing for the payment of costs of issuance thereof, resulting from the sale of Refunding Bonds shall constitute Pledged Funds), or other Debt of the County payable from or secured by Net Operating Revenues, issued by the County from time to time after the Closing Date; (c) moneys drawn under the Letter of Credit and deposited in the Credit Facility Account, which shall be held only for the holders of the Commercial Paper Notes and (d) other legally available funds as shall be determined by the County in its discretion. All terms used in this definition of “*Pledged Funds*” and not otherwise defined herein shall have the meanings ascribed to such terms in the Ordinance or the Master Ordinance as in effect on the Closing Date, and without regard to any amendment, supplement or modification thereto entered into after the Closing Date, unless otherwise consented in writing by the Bank.

“*Prime Rate*” means, for any day, the rate per annum established by the Bank from time to time as its “*prime rate*” for U.S. dollar loans, or its equivalent, as is in effect on such day, any change in such rate to be effective on the date such change is effective for the Bank’s purposes, it being understood that such rate shall not necessarily be the best or lowest rate of interest available to the Bank’s best or most preferred prime, large commercial customers. Each determination of the Prime Rate by the Bank shall be conclusive and binding on the County absent manifest error. The Prime Rate is a reference rate only, and the Bank may make loans from time to time at interest rates above, equal to or below the Prime Rate.

“*Principal Drawing*” means the portion of any Drawing under the Letter of Credit for the payment of principal (including, without limitation, the principal amount of maturing

Commercial Paper Notes and the portion of the face amount of discount Commercial Paper Notes representing principal).

*"Principal Reimbursement Obligations"* means any and all obligations of the County to reimburse the Bank for any Principal Drawings under the Letter of Credit, including, without limitation and without duplication, the principal amount of the Bank Notes and Term Loans.

*"Property"* means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

*"Quarterly Principal Payment"* has the meaning set forth in Section 2.03(a)(v) hereof.

*"Rating Agencies"* means, collectively, S&P, Moody's and Fitch.

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

*"Rating Documentation"* has the meaning set forth in Section 3.01(k) hereof.

*"Refunding Bonds"* has the meaning set forth in the Master Ordinance.

*"Reimbursement Obligations"* means any and all Secured Reimbursement Obligations and Unsecured Reimbursement Obligations and all obligations to repay the Bank for any Drawing and any Term Loan, including in each instance all interest accrued thereon.

*"Related Documents"* means this Agreement, the Letter of Credit, the Fee Agreement, the Bank Notes, the Dealer Agreements, the Commercial Paper Notes, the Ordinance, the Master Ordinance, the Issuing and Paying Agent Agreement and any documents related thereto, and all amendments and supplements thereof in accordance with the respective terms thereof and the terms hereof.

*"Release"* means any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or within any building, structure, facility or fixture.

*"Responsible Officer"* means the \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ of the Department and any person authorized from time to time in writing by the Department, or its successors and assigns, to perform a designated act or execute a designated document.

*"Revenues"* has the meaning set forth in the Master Ordinance.

*"Revenues Debt"* means any Debt of the County secured by or payable from all or any portion of Net Operating Revenues (other than Debt of the County incurred prior to the Closing Date pursuant to the State Revolving Loan Fund Agreement) and/or Pledged Funds.

*"Risk-Based Capital Guidelines"* means (i) the risk-based capital guidelines in effect in the United States including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations.

*"S&P"* means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and any successor rating agency.

*"Secured Amortization End Date"* means, with respect to any Secured Term Loan, the earliest to occur of: (i) the fifth (5th) anniversary of the date on which the related Secured Term Loan was made (or if such day is not a Business Day, the next preceding Business Day), (ii) the date on which an alternate or substitute Credit Facility becomes effective in substitution for the Letter of Credit with respect to the Commercial Paper Notes, and (iii) the date on which the County issues any Commercial Paper Notes (or other commercial paper notes relating the Water and Sewer Utility) or any Additional Bonds (or other bonds issued for such purpose) in an amount sufficient to pay the principal of and accrued interest on the Secured Term Loans in full, subject to and in accordance with Section 5.01(v) hereof.

*"Secured Amortization Period"* has the meaning set forth in Section 2.03(a)(v) hereof.

*"Secured Bank Note"* has the meaning set forth in Section 2.03(e)(i) hereof.

*"Secured Drawing"* means a Drawing, or a portion thereof, made under and subject to the conditions set forth in the Letter of Credit, which, taken together with all unreimbursed Drawings and Term Loans, are outstanding in an aggregate principal amount less than or equal to \$100,000,000.

*"Secured Parity Debt"* means Debt secured by a lien on all or any portion of the Net Operating Revenues, subordinate to the lien on Net Operating Revenues securing the Senior Lien Debt and secured on a parity with the Secured Reimbursement Obligations hereunder.

*"Secured Reimbursement Obligations"* means any and all obligations of the County to reimburse the Bank for any and all (i) Principal Reimbursement Obligations outstanding in an aggregate principal amount less than or equal to \$100,000,000, (ii) Interest Drawings under the Letter of Credit and (iii) interest on the Bank Notes, any Drawing or any Term Loan.

*"Secured Term Loan"* has the meaning set forth in Section 2.03(a)(i) hereof.

*"Senior Lien Debt"* means the Bonds and any other Debt issued or incurred by or on behalf of the County and secured on a basis senior to the Lien on Net Operating Revenues securing the payment of the Secured Reimbursement Obligations.

*"Series A Commercial Paper Notes"* means the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt) and Series A-2 (Taxable).

*"Sewer System"* has the meaning set forth in the Master Ordinance

“*SIFMA Rate*” means, on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by SIFMA or any Person acting in cooperation with or under the sponsorship of SIFMA and acceptable to the Bank and effective from such date. In the event Municipal Market Data no longer produces an index satisfying the requirements of the preceding sentence, the SIFMA Rate (a/k/a, the “SIFMA Municipal Swap Index”) shall be deemed to be the S&P Weekly High Grade Index, or if either such index is not available, such other similar national index as shall be reasonably designated by the Bank. In the event that the SIFMA Rate is less than zero, it shall be deemed to be zero for purposes of this Agreement.

“*Solvent*” means, with respect to any Person, that as of the date of determination both (i) (a) the sum of such Person’s debt (including contingent liabilities) does not exceed all of its property, at a fair valuation; (b) the Person is able to pay the probable liabilities on such Person’s then existing debts as they become absolute and matured; (c) such Person’s capital is not unreasonably small in relation to its business or any contemplated or undertaken transaction; and (d) such Person does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due; and (ii) such Person is “solvent” within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (discounted to present value at rates believed to be reasonable by such Person acting in good faith).

“*State*” means the State of Florida.

“*State Revolving Fund Loan Agreement*” means has the meaning set forth in the Master Ordinance.

“*Stated Amount*” means, as of any date, the maximum amount which by the terms of the Letter of Credit is available to be drawn under the Letter of Credit as of such date.

“*Step-Up Event*” has the meaning set forth in Section 6.03 hereof.

“*Step-Up Rate*” means a fluctuating interest rate per annum equal to the sum of the Base Rate from time to time in effect *plus* four percent (4.00%).

“*Subordinate Obligations*” has the meaning set forth in the Master Ordinance.

“*Swap Contract*” means (a) any Interest Swap Agreement and (b)(i) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions,

cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (ii) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "*Master Agreement*"), including any such obligations or liabilities under any Master Agreement.

"*Tax-Exempt Commercial Paper Notes*" means Commercial Paper Notes for which an opinion of Note Counsel relating to the exclusion of the interest thereof from gross income for purposes of federal income taxation has been delivered.

"*Term Loan*" and "*Term Loans*" means individually, each Secured Term Loan and each Unsecured Term Loan, and collectively the Secured Term Loans and the Unsecured Term Loans under this Agreement.

"*Termination Date*" has the meaning set forth in the Letter of Credit.

"*Unsecured Amortization End Date*" means, with respect to any Unsecured Term Loan, the earliest to occur of: (i) the third (3rd) anniversary of the date on which the related Unsecured Drawing was made (or if such day is not a Business Day, the next preceding Business Day), (ii) the date on which an alternate or substitute Credit Facility becomes effective in substitution for the Letter of Credit with respect to the Commercial Paper Notes, and (iii) the date on which the County issues any Commercial Paper Notes (or other commercial paper notes relating the Water and Sewer Utility) or any Additional Bonds (or other bonds issued for such purpose) in an amount sufficient to pay the principal of and accrued interest on the Unsecured Term Loans in full, subject to and in accordance with Section 5.01(v) hereof.

"*Unsecured Amortization Period*" has the meaning set forth in Section 2.03(b)(v)(C) hereof.

"*Unsecured Bank Note*" has the meaning set forth in Section 2.03(e)(ii) hereof.

"*Unsecured Drawing*" means a Drawing, or a portion thereof, made under and subject to the conditions set forth in the Letter of Credit, which, taken together with all unreimbursed Drawings and Term Loans, are outstanding in an aggregate principal amount greater than \$100,000,000.

"*Unsecured Parity Debt*" means Debt secured by a senior Lien on all or any portion of Pledged Funds on a parity with the Lien on Pledged Funds securing the Unsecured Reimbursement Obligations hereunder.

*"Unsecured Reimbursement Obligations"* means any and all obligations of the County to reimburse the Bank for any Principal Reimbursement Obligations outstanding in an aggregate principal amount exceeding \$100,000,000.

*"Unsecured Term Loan"* has the meaning set forth in Section 2.03(b)(v)(A) hereof.

*"Water and Sewer Utility"* has the meaning set forth in the Master Ordinance.

*"Water System"* has the meaning set forth in the Master Ordinance.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms. Any capitalized terms used herein which are not specifically defined herein shall have the same meanings herein as in the Ordinance or the Master Ordinance, as applicable. All references in this Agreement to times of day shall be references to New York City time unless otherwise expressly provided herein. Unless otherwise inconsistent with the terms of this Agreement, all accounting terms shall be interpreted and all accounting determinations hereunder shall be made in accordance with GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Related Document, and either the County or the Bank shall so request, the Bank and the County shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; *provided that*, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the County shall provide to the Bank financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

Unless otherwise specified herein, the amount of the Letter of Credit at any time shall be deemed to be the maximum amount available to be drawn under the Letter of Credit, whether or not such maximum stated amount is in effect at such time. Without limiting the foregoing, the determination of such maximum amount shall assume compliance with all conditions for drawing and no reduction for (a) any amount drawn by any drawing referred to in the Letter of Credit, the amount of which, in whole or in part, is subject to reinstatement (unless such amount is not reinstated under the Letter of Credit), or (b) any amount not available to be drawn because Notes are held by or for the account of the County or are Bank Notes or are otherwise Ineligible Notes.

Any covenants and agreements of the County herein and in the Related Documents which the County is a party and which are incorporated by reference herein (including all such covenants and agreements specified in the exhibits, schedules and defined terms referred to in the Related Document) shall survive any termination, cancellation, discharge or replacement of such Related Document.

## ARTICLE II

### LETTER OF CREDIT

*Section 2.01. Issuance of Letter of Credit.* Upon the terms, subject to the conditions and relying upon the representations and warranties set forth in this Agreement or incorporated herein by reference, the Bank agrees to issue the Letter of Credit (substantially in the form of Appendix I hereto). The Letter of Credit shall be in the original stated amount of \$218,000,000 (calculated as the sum of the maximum principal amount of the Commercial Paper Notes supported by the Letter of Credit (*i.e.*, \$200,000,000) plus interest thereon at a maximum rate of twelve percent (12%) per annum for a period of two hundred seventy (270) days calculated on the basis of a year of 360 days) (the "*Original Stated Amount*").

*Section 2.02. Letter of Credit Drawings.* The Issuing and Paying Agent is authorized to make Drawings under the Letter of Credit in accordance with its terms in respect of Eligible Notes. The County hereby directs the Bank to make payments under the Letter of Credit in the manner therein provided. The County hereby irrevocably approves reductions and reinstatements of the Stated Amount with respect to the Letter of Credit as provided in the Letter of Credit.

*Section 2.03. Reimbursement of Drawings and Term Loans, Mandatory Prepayment; Interest.*

(a) (i) Each Secured Drawing made under the Letter of Credit which is not reimbursed on the date of such Drawing shall constitute a secured term loan ("*Secured Term Loan*") to the County. The County shall be deemed to make all of the representations and warranties contained in Article IV of this Agreement (including, without limitation, that no event would result from such payment which constitutes a Default or Event of Default) on the date of each such Secured Term Loan. Each Secured Term Loan shall bear interest at the applicable Bank Rate from time to time. On the earlier of (i) the 180th day next following the date of a Secured Term Loan and (ii) the Stated Expiration Date, the County shall be deemed to have represented and warranted on such date that the representations and warranties contained in Article IV of this Agreement are true and correct in all material respects.

(ii) The County promises to pay to the Bank the portion of each Secured Term Loan representing accrued interest on the Commercial Paper Notes paid from the related Secured Drawing on the date of the related Secured Drawing under the Letter of Credit.

(iii) The County promises to pay or cause to be paid to the Bank, subject to and in accordance with Section 5.01(v) hereof, the unpaid principal portion of each Secured Term Loan representing the principal amount of Commercial Paper Notes paid from the related Secured Drawing on the date on which the County issues Commercial Paper Notes (or other commercial paper notes secured by or payable from Net Operating Revenues and/or Pledged Funds) in amount in excess of the principal and/or interest on Commercial Paper Notes and/or other commercial paper notes secured by or payable from Net Operating Revenues and/or Pledged Funds maturing on such date or Additional Bonds (or other bonds or securities secured by or

payable from Net Operating Revenues and/or Pledged Funds, other than Refunding Bonds, *provided* that any proceeds resulting from the sale of Refunding Bonds, after providing for the refunding of the refunded Bonds, funding any necessary reserves and providing for the payment of costs of issuance thereof, shall constitute Pledged Funds).

(iv) Subject to Section 2.10 hereof, the County also promises to pay to the Bank interest on the unpaid principal amount of each Secured Term Loan from the date such Secured Term Loan is made until it is paid in full as provided herein, at the interest rate from time to time in effect pursuant to the terms and provisions hereof, and such interest shall be payable monthly in arrears on the first Business Day of each calendar month for the immediately preceding calendar month (commencing on the first Interest Payment Date to occur after the making of the related Secured Term Loan), and on the date that the final principal or interest portion of such Secured Term Loan is payable as herein provided.

(v) The County promises to pay or cause to be paid to the Bank, subject to and in accordance with Section 5.01(v) hereof, an amount equal to the unpaid principal amount of each Secured Term Loan in equal quarterly installments ("*Quarterly Principal Payments*") commencing on the one hundred eightieth day immediately succeeding the date the related Secured Term Loan is made, and on the first Business Day of each third calendar month thereafter, with the final installment in an amount equal to the entire then outstanding principal amount of such Secured Term Loan due and payable on the Secured Amortization End Date (the period commencing on the date such installment is initially payable and ending on the Secured Amortization End Date is referred to as the "*Secured Amortization Period*"). Each Quarterly Principal Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Quarterly Principal Payments over the applicable Secured Amortization Period.

(b) (i) Each Unsecured Drawing made under the Letter of Credit which is not reimbursed on the date of such Drawing shall constitute an unsecured term loan ("*Unsecured Term Loan*") to the County. The County shall be deemed to make all of the representations and warranties contained in Article IV of this Agreement (including, without limitation, that no event would result from such payment which constitutes a Default or Event of Default) on the date of each such Unsecured Term Loan. Each Unsecured Term Loan shall bear interest at the applicable Bank Rate from time to time. On the earlier of (i) the 180th day next following the date of a Unsecured Term Loan and (ii) the Stated Expiration Date, the County shall be deemed to have represented and warranted on such date that the representations and warranties contained in Article IV of this Agreement are true and correct in all material respects.

(ii) The County promises to pay to the Bank the portion of each Unsecured Term Loan representing accrued interest on the Commercial Paper Notes paid from the related Unsecured Drawing on the date of the related Unsecured Drawing under the Letter of Credit.

(iii) The County promises to pay or cause to be paid to the Bank, subject to and in accordance with Section 5.01(v) hereof, the unpaid principal portion of each Unsecured Term Loan representing the principal amount of Commercial Paper Notes paid from the related Unsecured Drawing on the date on which the County issues Commercial Paper Notes (or other

commercial paper notes secured by or payable from Net Operating Revenues and/or Pledged Funds) in amount in excess of the principal and/or interest on Commercial Paper Notes and/or other commercial paper notes secured by or payable from Net Operating Revenues and/or Pledged Funds maturing on such date or Additional Bonds (or other bonds or securities secured by or payable from Net Operating Revenues and/or Pledged Funds, other than Refunding Bonds, *provided* that any proceeds resulting from the sale of Refunding Bonds, after providing for the refunding of the refunded Bonds, funding any necessary reserves and providing for the payment of costs of issuance thereof, shall constitute Pledged Funds).

(iv) Subject to Section 2.10 hereof, the County also promises to pay to the Bank interest on the unpaid principal amount of each Unsecured Term Loan from the date such Unsecured Term Loan is made until it is paid in full as provided herein, at the interest rate from time to time in effect pursuant to the terms and provisions hereof, and such interest shall be payable monthly in arrears on the first Business Day of each calendar month for the immediately preceding calendar month (commencing on the first Interest Payment Date to occur after the making of the related Unsecured Term Loan), and on the date that the final principal or interest portion of such Unsecured Term Loan is payable as herein provided.

(v) The County promises to pay or cause to be paid to the Bank, subject to and in accordance with Section 5.01(v) hereof, an amount equal to the unpaid principal amount of each Unsecured Term Loan in Quarterly Principal Payments commencing on the one hundred eightieth day immediately succeeding the date the related Unsecured Term Loan is made, and on the first Business Day of each third calendar month thereafter, with the final installment in an amount equal to the entire then outstanding principal amount of such Unsecured Term Loan due and payable on the Unsecured Amortization End Date (the period commencing on the date such installment is initially payable and ending on the Unsecured Amortization End Date is referred to as the "*Unsecured Amortization Period*"). Each Quarterly Principal Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Quarterly Principal Payments over the applicable Unsecured Amortization Period.

(c) Any Term Loan may be prepaid in whole or in part on the day such Term Loan, respectively, is made. Any Term Loan may also be prepaid in whole or in part without premium or penalty on any other Business Day upon one Business Day's prior written notice to the Bank.

(d) Upon the Bank's receipt of any payment or prepayment of any Unsecured Term Loan or Secured Term Loan, the amount of such Unsecured Term Loan or Secured Term Loan shall be reduced by the amount of such payment or prepayment, with the Bank crediting any such prepayment, *first* to the payment of any outstanding interest accrued on the related Unsecured Term Loan, as applicable, *second* to the payment of any outstanding interest accrued on the related Secured Term Loan, as applicable, and *third* to the payment of the principal of such Unsecured Term Loan or Secured Term Loan, as applicable. Any such payment or prepayment to be applied to principal of Unsecured Term Loans or Secured Term Loans, as applicable, hereunder shall be applied *first* to the prepayment of related Unsecured Term Loans, as applicable, in chronological order of their issuance hereunder, in inverse order of the principal installments payable thereon and *second* to the payment of Secured Term Loans, in chronological order of their issuance hereunder, in inverse order of the principal installments

payable thereon. Following the occurrence of an Event of Default, any payments received by the Bank hereunder shall be applied by the Bank to the payment of the Obligations in such order as the Bank shall in its sole discretion determine.

(e) (i) All Secured Reimbursement Obligations shall be made against and evidenced by the County's promissory note payable to the order of the Bank in the principal amount of \$118,000,000, such note to be executed by the County and delivered by the County to the Bank on the Closing Date in the form of Appendix IIA attached hereto with appropriate insertions (the "*Secured Bank Note*"). All Secured Reimbursement Obligations due and owing to the Bank and all payments and prepayments on the account of the principal of and interest on each Secured Reimbursement Obligation by or on behalf of the County shall be recorded by the Bank on its books and records, which books and records shall, absent manifest error, be conclusive as to amounts due and owing by the County hereunder, under the Fee Agreement and under the Secured Bank Note. The Bank may, but shall not be required to, complete the schedule attached to the Secured Bank Note to reflect the making and status of unreimbursed Secured Reimbursement Obligations due and owing hereunder and thereunder; *provided* that the failure to make or any error in making any such endorsement on such schedule shall not limit, extinguish or in any way modify the obligation of the County to repay unreimbursed Secured Reimbursement Obligations. The County shall pay principal and interest on the Secured Bank Notes on the dates and at the rates provided for in Sections 2.03 hereof.

(ii) All Unsecured Reimbursement Obligations shall be made against and evidenced by the County's promissory note payable to the order of the Bank in the principal amount of \$100,000,000, such note to be executed by the County and delivered by the County to the Bank on the Closing Date in the form of Appendix IIB attached hereto with appropriate insertions (the "*Unsecured Bank Note*" and, together with the Secured Bank Note, the "*Bank Notes*"). All Unsecured Reimbursement Obligations due and owing to the Bank and all payments and prepayments on the account of the principal of and interest on each Unsecured Reimbursement Obligation by or on behalf of the County shall be recorded by the Bank on its books and records, which books and records shall, absent manifest error, be conclusive as to amounts due and owing by the County hereunder, under the Fee Agreement and under the Unsecured Bank Note. The Bank may, but shall not be required to, complete the schedule attached to the Unsecured Bank Note to reflect the making and status of unreimbursed Unsecured Reimbursement Obligations due and owing hereunder and thereunder; *provided* that the failure to make or any error in making any such endorsement on such schedule shall not limit, extinguish or in any way modify the obligation of the County to repay unreimbursed Unsecured Reimbursement Obligations. The County shall pay principal and interest on the Unsecured Bank Notes on the dates and at the rates provided for in Sections 2.03 and 2.04 hereof.

(f) The County's obligations to repay each Reimbursement Obligation and to pay interest thereon as provided herein shall be evidenced and secured by the related Bank Note, and the County shall, without limitation or duplication, (i) make a principal payment on the related Bank Note(s) on each date on which the County is required to make a principal payment on a Term Loan, as applicable, in an amount equal to the principal payment due on such date and (ii)

pay interest on the related Bank Note on each date on which the County is required to make an interest payment with respect to a Term Loan, as applicable, in an amount equal to the interest payment due on such date. The payment of the principal of and interest on the related Bank Note shall constitute payment of the principal of and interest on the related Term Loan and the payment of the principal of and interest on the Term Loan shall constitute the payment of and principal and interest on the related Bank Note and the failure to make any payment on any Term Loan when due shall be a failure to make a payment on the related Bank Note and the failure to make any payment on the related Bank Note when due shall be a failure to make a payment on the Term Loan.

*Section 2.04. Reserved.*

*Section 2.05. Fees.* The County hereby agrees to perform the obligations provided for in the Fee Agreement, including, without limitation, the payment of any and all fees, expenses and other amounts provided for therein, at the times and in the amounts set forth in the Fee Agreement. Without limiting the generality of the foregoing, in the event that the Letter of Credit is terminated or the Stated Amount is reduced and is not subject to reinstatement, the County shall pay to the Bank the fees and expenses, if any, at the times and in the amounts set forth in and as required by the Fee Agreement. The terms and provisions of the Fee Agreement are hereby incorporated herein by reference as if fully set forth herein. All references to amounts or obligations due hereunder or in this Agreement shall be deemed to include all amounts and obligations (including without limitation all fees and expenses) under the Fee Agreement. All fees paid under this Agreement and the Fee Agreement shall be fully earned when due and nonrefundable when paid.

*Section 2.06. Method of Payment; Etc.* All payments to be made by the County under this Agreement and the Fee Agreement shall be made at the Payment Office of the Bank, not later than 3:00 p.m., New York City time, on the date when due and shall be made by wire transfer in lawful money of the United States of America in freely transferable and immediately available funds. Any payment received by the Bank after 3:00 p.m., New York City time, shall be deemed to have been received by the Bank on the next Business Day.

*Section 2.07. Termination of Letter of Credit by the County.* Notwithstanding any provisions of this Agreement, the Letter of Credit or any Related Document to the contrary, the County agrees not to terminate the Letter of Credit except upon (i) the payment by the County to the Bank of the fees and expenses, if any, in the amount set forth in the Fee Agreement, (ii) the payment to the Bank of all fees, expenses and other Obligations payable hereunder and under the Fee Agreement, including, without limitation, all principal and accrued interest due and owing on any Drawing, Term Loan or any amount due under the Bank Notes and (iii) the County providing the Bank with thirty (30) days prior written notice of its intent to terminate or reduce the Letter of Credit. All payments from the County to the Bank referred to in this Section 2.07 shall be made with immediately available funds on or before the date of termination.

*Section 2.08. Computation of Interest and Fees.* Fees payable hereunder and under the Fee Agreement shall be calculated on the basis of a year of 360 days and the actual number of days elapsed. All computations of interest payable by the County under this Agreement shall be

made on the basis of a year of 365 days and actual number of days elapsed. Interest shall accrue during each period during which interest is computed from and including the first day thereof to but excluding the last day thereof.

*Section 2.09. Payment Due on Non-Business Day To Be Made on Next Business Day.* If any sum becomes payable pursuant to this Agreement or the Fee Agreement on a day which is not a Business Day, the date for payment thereof shall be extended, without penalty, to the next succeeding Business Day, and such extended time shall be included in the computation of interest and fees.

*Section 2.10. Late Payments.* If the principal amount of any Obligation is not paid when due, such Obligation shall bear interest until paid in full at a rate per annum equal to the Default Rate, payable upon demand.

*Section 2.11. Source of Funds.* All payments made by the Bank pursuant to the Letter of Credit shall be made from funds of the Bank, and not from the funds of any other Person.

*Section 2.12. Extension of Letter of Credit Expiration Date.* If the County on any date not earlier than one hundred eighty (180) days prior and not later than sixty (60) days prior to the then current Letter of Credit Expiration Date, submits to the Bank a written request for an extension of the Letter of Credit Expiration Date in the form of Appendix III hereto for a period as specified in such written request, the Bank will make reasonable efforts to respond to such request in writing within thirty (30) days after receipt of all information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision. In the event the Bank fails to definitively respond to such request within such period of time, the Bank shall be deemed to have refused to grant the extension requested. The Bank may, in its sole and absolute discretion, decide to accept or reject any such proposed extension and no extension shall become effective unless the Bank shall have consented thereto in writing. The consent of the Bank, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance reasonably satisfactory to the Bank and consistent with this Agreement and the Letter of Credit (including the term, commitment and other fees, interest rates and other provisions) as shall be mutually acceptable to the Bank and the County. If such an extension request is accepted by the Bank in its sole and absolute discretion, the then current Letter of Credit Expiration Date shall be extended to the date agreed to by the County and the Bank.

*Section 2.13. Net of Taxes, Etc.*

(a) *Taxes.* Any and all payments to the Bank by the County hereunder and under the Fee Agreement shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges, withholdings or liabilities imposed thereon, excluding, however, taxes imposed on or measured by the net income or capital of the Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection between the Bank and such jurisdiction or political subdivision (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the County shall be required by law to withhold or deduct any Taxes imposed by the United States of America or any political subdivision thereof (or any

other jurisdiction from which or through which payments are made) from or in respect of any sum payable hereunder or under the Fee Agreement to the Bank or any Participant, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.13), the Bank or such Participant receives an amount equal to the sum it would have received had no such deductions been made; (ii) the County shall make such deductions; and (iii) the County shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If the County shall make any payment under this Section 2.13 to or for the benefit of the Bank with respect to Taxes and if the Bank shall claim any credit or deduction for such Taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United States then the Bank shall pay to the County an amount equal to the amount by which such other taxes are actually reduced; *provided* that the aggregate amount payable by the Bank pursuant to this sentence shall not exceed the aggregate amount previously paid by the County to the Bank with respect to such Taxes. In addition, the County agrees to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America, the State of New York, the State of Florida or any other taxing jurisdiction from any payment made hereunder or under the Fee Agreement or from the execution or delivery or otherwise with respect to this Agreement (hereinafter referred to as "*Other Taxes*"). The Bank shall provide to the County within a reasonable time a copy of any written notification it receives with respect to Taxes or Other Taxes owing by the County to the Bank hereunder; *provided* that the Bank's failure to send such notice shall not relieve the County of its obligation to pay such amounts hereunder. The County may conduct a reasonable contest of any such Taxes with the prior written consent of the Bank which consent shall not be unreasonably withheld.

(b) *Indemnity.* The County shall, to the fullest extent permitted by law and subject to the provisions hereof, indemnify the Bank for the full amount of Taxes and Other Taxes including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.13 paid by the Bank or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted; *provided* that the County shall not be obligated to indemnify the Bank for any penalties, interest or expenses relating to Taxes or Other Taxes arising from the Bank's gross negligence or willful misconduct. The Bank agrees to give notice to the County of the assertion of any claim against the Bank relating to such Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided* that the Bank's failure to notify the County promptly of such assertion shall not relieve the County of its obligation under this Section 2.13. Payments by the County pursuant to this indemnification shall be made within thirty (30) days from the date the Bank makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Bank agrees to repay to the County any refund actually received by the Bank (including that portion of any interest that was included as part of such refund) with respect to Taxes or Other Taxes paid by the County pursuant to this Section 2.13 received by the Bank for Taxes or Other Taxes that were paid by the County pursuant to this Section 2.13 and to contest, with the cooperation and at the expense of the County, any such Taxes or Other Taxes which the Bank or the County reasonably believes not to have been properly assessed.

(c) *Notice.* Within thirty (30) days after the date of any payment of Taxes or Other Taxes by the County, the County shall furnish to the Bank, the original or a certified copy of a receipt evidencing payment thereof.

(d) *Survival of Obligations.* Without prejudice to the survival of any other agreement of the County hereunder, the agreements and obligations of the County contained in this Section shall survive the termination of this Agreement and the payment in full of the Bank Notes and the Obligations and the obligations of the County thereunder and hereunder.

*Section 2.14. Increased Costs.* (a) If the Bank shall have determined in good faith that a Change of Law shall (1) subject the Bank to any Taxes or change the basis of taxation of payments to the Bank of any amounts payable hereunder or under the Fee Agreement (except for taxes on the overall net income of the Bank), (2) impose, modify or deem applicable any reserve, liquidity or capital ratio, special deposit, compulsory loan, insurance premium, fee, financial charge, monetary burden or similar requirement against making or maintaining its obligations under this Agreement, the Fee Agreement or the Letter of Credit or assets held by, or deposits with or for the account of, the Bank or (3) impose on the Bank any other condition regarding this Agreement, the Fee Agreement or the Letter of Credit, and the result of any event referred to in clause (1), (2) or (3) above shall be to increase the cost to the Bank of making or maintaining its obligations hereunder or under the Letter of Credit or the Fee Agreement, or to reduce the amount of any sum received or receivable by the Bank hereunder or under the Fee Agreement, then the County shall pay to the Bank, at such time as is set forth in Section 2.14(d) hereof, such additional amount or amounts as will compensate the Bank for such increased costs or reduction in amount received or receivable as relates to the Letter of Credit, this Agreement and the Fee Agreement.

(b) If the Bank shall have determined in good faith that a Change of Law either (1) affects or would affect the amount of capital or liquidity required or expected to be maintained by the Bank or (2) reduces or would reduce the rate of return on the Bank' capital or liquidity or reserves to a level below that which the Bank could have achieved but for such circumstances (taking into consideration the Bank's or any corporation controlling the Bank' policies with respect to capital or liquidity adequacy and liquidity or the maintenance of reserves, as applicable), then the County shall pay to the Bank at such time as is set forth in Section 2.14(d) hereof, such additional amount or amounts as will compensate the Bank for such cost of maintaining such increased capital or liquidity or such reduction in the rate of return on the Bank's capital or liquidity as reasonably relates to the Letter of Credit, this Agreement and the Fee Agreement.

(c) Notwithstanding anything in the foregoing to the contrary, for purposes of this Section 2.14, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith shall be deemed to be a Change of Law, regardless of the date enacted, adopted or issued, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States financial regulatory authorities or any other Governmental

Authority shall be deemed a Change of Law regardless of the date enacted, adopted, promulgated, implemented or issued.

(d) All payments of amounts referred to in Sections 2.14(a) and (b) hereof shall be due and payable within thirty (30) days of demand by the Bank (or such entity controlling the Bank) or such Participant, as applicable. Interest on the sums due as described in Sections 2.14(a) and (b) hereof and in the preceding sentence shall begin to accrue from the date when the payments were first due at a rate per annum equal to the Default Rate until such delinquent payments have been paid in full. A certificate as to such increased cost, increased capital or liquidity or reduction in return incurred by the Bank as a result of any event mentioned in Section 2.14(a) or (b) hereof setting forth, in reasonable detail, the basis for calculation and the amount of compensation due to the Bank shall be submitted by the Bank to the County and shall be conclusive (absent manifest error) as to the amount thereof. In making the determinations contemplated by such certificate, the Bank may make such reasonable estimates, assumptions, allocations and the like as the Bank in good faith determines to be appropriate. All references to the Bank in this Section 2.14 shall be deemed to also refer to any Person controlling the Bank and any Participant and such person's parent.

(e) The County shall not be required to compensate the Bank or any Participant pursuant to this Section 2.14 in respect of a period occurring more than six (6) months prior to the date the above-described written demand is given to the County with respect thereto (the "Cut-Off Date"), except where (i) the Bank (or such entity controlling the Bank) or Participant, as applicable, had no actual knowledge of the action resulting in such increased costs, increased capital or liquidity or reduction in return, as applicable, as of the Cut-Off Date or (ii) such increased costs, increased capital or liquidity or reduction in return apply to the Bank (or such entity controlling the Bank) or Participant retroactively to a date prior to the Cut-Off Date.

(f) Without prejudice to the survival of any other agreement of the County hereunder, the agreements and obligations of the County contained in this Section shall survive the termination of this Agreement and the payment in full of the Bank Notes and the Obligations and the obligations of the County thereunder and hereunder.

*Section 2.15. Reserved.*

*Section 2.16. Reimbursement of Obligations are Special Obligations; Other Obligations.*

(a) *Unsecured Reimbursement Obligations.* All Unsecured Reimbursement Obligations are payable solely from, and secured solely by a Lien on, which is hereby granted on, the Pledged Funds, to the fullest extent necessary to pay all Reimbursement Obligations at any time outstanding hereunder (excluding from Pledged Funds any Drawings under the Letter of Credit except with respect to the proceeds of Drawings not used by the Issuing and Paying Agent to pay the principal of or interest on the Commercial Paper Notes).

(b) All Secured Reimbursement Obligations are payable from, and secured by a Lien, which is hereby granted, on (i) the Net Operating Revenues subordinate solely to the Lien on Net Operating Revenues securing the payment of Senior Lien Debt and (ii) the Pledged Funds, to the

fullest extent necessary to pay all Reimbursement Obligations at any time outstanding hereunder (excluding from Pledged Funds any Drawings under the Letter of Credit except with respect to the proceeds of Drawings not used by the Issuing and Paying Agent to pay the principal of or interest on the Commercial Paper Notes). The County hereby acknowledges and agrees that all Secured Reimbursement Obligations constitute Subordinate Obligations and are payable from and secured by a Lien on Net Operating Revenues, which is subordinate solely to the payment of Senior Lien Debt.

(c) *No Debt or Full Faith and Credit.* Neither this Agreement, the Fee Agreement nor the Bank Notes constitute a general or moral obligation, or a pledge of the faith, credit or power of the County, the State of Florida or any political subdivision of the State of Florida, within the meaning of any constitutional, statutory or charter provision. Neither the State of Florida nor any political subdivision of the State of Florida nor the County shall be directly or indirectly or contingently obligated to levy any ad valorem taxes on any property to pay the principal of or the interest or other related payments or costs hereunder or under the Fee Agreement, the Bank Notes, or to pay the same from any other funds of the County except from the sources provided under this Agreement.

(d) *Other Obligations are Subordinate Obligations.* The Other Obligations constitute Subordinate Obligations.

*Section 2.17. Applicability of ISP.* The rules of ISP shall apply to the Letter of Credit.

*Section 2.18. Issuance Generally.* The County may issue Commercial Paper Notes only in accordance with the terms of and subject to the conditions set forth in the Issuing and Paying Agent Agreement and this Agreement.

*Section 2.19. No-Issuance Notices; Final Drawing Notice.* (a) Commercial Paper Notes may be issued from time to time prior to the Letter of Credit Expiration Date in accordance herewith and with the terms of and subject to the conditions set forth in the Issuing and Paying Agent Agreement so long as the Issuing and Paying Agent is not in receipt of (i) a No-Issuance Notice then in effect given by the Bank pursuant to this Section 2.19 or Section 6.02(a) hereof and not rescinded and/or (ii) a Final Drawing Notice.

(b) The Bank may deliver a No-Issuance Notice in the form of Appendix II attached hereto at any time when: (i) an Event of Default shall have occurred and be continuing; or (ii) any representation or warranty of the County set forth herein or in any Related Document shall, in the reasonable opinion of the Bank, no longer be true and correct in any material respect. The Bank may deliver the Final Drawing Notice at any time when an Event of Default shall have occurred and be continuing. A No-Issuance Notice or the Final Drawing Notice shall be effective when received by the Issuing and Paying Agent; *provided, however*, that a No-Issuance Notice or the Final Drawing Notice received by the Issuing and Paying Agent after 10:30 A.M. New York City time, on any day on which Commercial Paper Notes are being issued shall be effective on the next succeeding day. A No-Issuance Notice or the Final Drawing Notice may be given by facsimile, confirmed in writing within twenty-four (24) hours, but the failure to so confirm such No-Issuance Notice or the Final Drawing Notice in writing shall not render such No-Issuance

Notice or the Final Drawing Notice ineffective. The Bank will furnish a copy of any No-Issuance Notice or the Final Drawing Notice to the County and the Dealer promptly following delivery thereof to the Issuing and Paying Agent, but the failure to furnish any such copy shall not render ineffective such No-Issuance Notice or the Final Drawing Notice.

### ARTICLE III

#### CONDITIONS PRECEDENT

*Section 3.01. Conditions Precedent to Issuance of the Letter of Credit.* As conditions precedent to the obligation of the Bank to issue the Letter of Credit, the County shall provide to the Bank on the Closing Date, each in form and substance satisfactory to the Bank and the Bank's counsel, Chapman and Cutler LLP (hereinafter, "*Bank's Counsel*"):

(a) *Approvals.* The Bank shall have received (1) executed originals of this Agreement and the Fee Agreement duly executed by the County and certified copies of all action taken by the County (including, without limitation, the Ordinance and the Master Ordinance) approving the execution and delivery by the County of this Agreement, the Fee Agreement and the Bank Notes, in each case, certified by an authorized official of the County as complete and correct as of the Closing Date and (2) executed or certified copies, as applicable, of each of the other Related Documents (except the Commercial Paper Notes) to which the County is a party, together with a certificate of an Authority Representative, dated the Closing Date, stating that such Related Documents and approvals are in full force and effect on the Closing Date and have not been amended, repealed, rescinded, or supplemented in any manner, except for such amendments made in accordance with the express terms of such Related Documents for which the County has provided notice to the Bank prior to the Closing Date.

(b) *Certificate and Incumbency of County Officials.* The Bank shall have received (1) a certificate in respect of the incumbency and signature identification of each of the officials of the County who is authorized to (i) sign this Agreement, the Fee Agreement and the Bank Notes on behalf of the County and (ii) take actions for the County under this Agreement, the Fee Agreement, the Bank Notes and the other Related Documents (to which the County is a party) with respect to the Commercial Paper Notes and (2) a certificate of the Finance Director and the Director (as such terms are defined in the Master Ordinance) of the County, dated the Closing Date, certifying that (A) each of the County's representations and warranties contained herein and the other Related Documents to which the County is a party is true and correct on and as of the Closing Date as though made on and as of such date, (B) no Default or Event of Default has occurred and is continuing or will result from the execution, delivery, and performance by the County of this Agreement, the Fee Agreement or the issuance of the Letter of Credit, (C) since September 30, 201[4][5], except as disclosed to the Bank in writing, there has been no Material Adverse Change and there has been no material adverse change in the laws, rules, guidelines or regulations (or their interpretation or administration) and no material litigation is ongoing with respect to the County, in any

case, that may adversely affect the consummation of the transactions contemplated hereby or by any Related Document or result in a Material Adverse Effect, (D) all conditions precedent set forth in the Ordinance and the Master Ordinance, if any, with respect to issuance of the Commercial Paper Notes shall have been satisfied, (E) the County has not received notice from the Rating Agencies that the long-term unenhanced ratings of any Senior Lien Debt so rated have been withdrawn, reduced or suspended since the dated date of the Rating Documentation, (F) the County is in compliance with all covenants set forth herein on the Closing Date and (G) neither the making of any Drawings or Term Loans nor the consummation of any of the transactions contemplated by the Ordinance, the Commercial Paper Notes or this Agreement will violate any law, rule, guideline or regulation (or their interpretation) applicable to the County with respect to this Agreement.

(c) *Opinion of Note Counsel.* The Bank shall have received a written opinion of Note Counsel, addressed to the Bank, dated the Closing Date to the effect that (i) this Agreement, the Fee Agreement and the Related Documents to which the County is a party have been duly authorized, executed and delivered by the County and are the valid and binding obligations of the County enforceable in accordance with their respective terms, except as may be limited by the valid exercise of judicial discretion and the constitutional powers of the United States of America and to valid bankruptcy, insolvency, reorganization or moratorium or other similar laws applicable to the County and equitable principles relating to or affecting creditors' rights generally from time to time and (ii) the pledge of and Lien on Net Operating Revenues securing the Secured Reimbursement Obligations as set forth in this Agreement and the pledge of and Lien on Pledged Funds securing the Unsecured Reimbursement Obligations as set forth in this Agreement are each the valid and binding obligation of the County. In addition, the Bank shall have received a letter from Note Counsel authorizing the Bank to rely on the Favorable Opinion of Note Counsel delivered to the County in respect of the Tax-Exempt Commercial Paper Notes.

(d) *Opinion of County Attorney.* The Bank shall have received a written opinion of the County Attorney, addressed to the Bank, dated the Closing Date in the form and substance agreed to by counsel and the Bank, including, without limitation, language to the effect that (i) the execution and delivery by the County of this Agreement, the Fee Agreement and the Related Documents to which the County is a party does not violate the constitution or laws of the State; and (ii) the Board on behalf of the County has taken all actions, and has obtained any approvals, necessary to the authorization, execution, delivery and performance by the County of this Agreement, the Fee Agreement and the Related Documents.

(e) *Bank Notes.* The Bank shall have received an executed copy of each Bank Note, payable to the Bank.

(f) *No Default, Etc.* No Default or Event of Default shall have occurred and be continuing as of the date hereof or will result from the execution, delivery, and performance by the County of this Agreement, the Fee Agreement and the Related

Documents or the issuance of the Letter of Credit. The representations and warranties and covenants made by the County in Article IV hereof shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date.

(g) *Financial Information.* The Bank shall have received (i) a copy of the County's audited financial statements for the Fiscal Year ended September 30, 201[4][5], (ii) a copy of the current operating budget (which includes the current capital program of the County) and (iii) a copy of the County's Investment Policy in effect as of the Closing Date.

(h) *Legality; Material Adverse Change.* The Bank shall have determined (in its reasonable discretion) that (i) none of the making of any Drawings or Term Loans, the issuance of the Letter of Credit or the consummation of any of the transactions contemplated by the Authorizing Resolution, the Commercial Paper Notes, the Bank Notes, this Agreement or the Fee Agreement will violate any law, rule, guideline or regulation applicable to the County, the Bank, this Agreement or any other Related Document; and (ii) no material adverse change in the ratings, financial condition, business, assets, liabilities or prospects of the County shall have occurred since September 30, 201[4][5], except as disclosed in writing to the Bank prior to the Closing Date, which would be reasonably likely to result in a Material Adverse Effect; and (iii) there has been no material adverse change in the laws, rules or regulations (or their interpretation or administration) that, in any case, may adversely affect the consummation of the transactions contemplated hereby or by any Related Document.

(i) *Litigation.* Prior to the Closing Date, the Bank shall have received a written description of all actions, suits or proceedings pending or, to the County's knowledge, threatened in writing against the County that are payable from Pledged Funds or Net Operating Revenues in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a Material Adverse Effect, if any, and such other statements, certificates, agreements, documents and information with respect thereto as the Bank may reasonably request, and all such matters shall be acceptable to the Bank in its sole discretion.

(j) *Fees, Etc.* The Bank shall have received payment of the fees, costs and expenses to be paid on or prior the Closing Date referred to in Section 7.06 hereof and the Fee Agreement.

(k) *Ratings.* The Bank shall have received written confirmation that (i) the Commercial Paper Notes have been rated at least "P-1" (or its equivalent) by Moody's and "A-1" (or its equivalent) by S&P and "F1" (or its equivalent) by Fitch and (ii) the unenhanced Bonds have been rated at least "Aa3" (or its equivalent) by Moody's, "A+" (or its equivalent) by S&P and "A+" (or its equivalent) by Fitch (referred to herein as the "Rating Documentation").

(l) *Bank Note CUSIP and Rating.* The Bank shall have received written confirmation that (i) a CUSIP Number has been obtained from Standard and Poor's

CUSIP Services for each Bank Note (each a "*Bank Note CUSIP*"), (ii) a long term rating of at least Investment Grade has been obtained for each Bank Note (and their related CUSIP number) from any Rating Agency and (iii) any additional documentation the Bank may request that will allow each Bank Note to be pledged as collateral to the federal banking regulators.

(m) *Other Documents.* The Bank shall have received such other documents, certificates and opinions as the Bank's Counsel shall have reasonably requested.

#### ARTICLE IV

##### REPRESENTATIONS AND WARRANTIES

In order to induce the Bank to enter into this Agreement and the Fee Agreement and to issue the Letter of Credit, the County represents and warrants to the Bank as follows:

*Section 4.01. Organization, Powers, Etc.* The County is a political subdivision duly organized and validly existing under and pursuant to the laws of the State, including the Acts, and had, at all relevant times, and has the full power and authority (a) to operate the Water and Sewer Utility as now being operated; (b) to borrow money pursuant to the Acts for the purposes specified in the Ordinance and this Agreement and to issue the Commercial Paper Notes; (c) to carry out its corporate purposes in the manner now conducted and proposed to be conducted; and (d) to execute, deliver and perform and observe all of the terms and provisions of the Related Documents.

*Section 4.02. Authorized, Absence of Conflicts, Etc.* (a) The issuance, execution and delivery of the Commercial Paper Notes, and the execution, delivery and performance of each Related Document (i) were, have been and will be duly authorized by all necessary action on the part of the County; (ii) did not, do not and will not conflict with, or result in a violation of, any provision of law, including the Acts, or any rule, regulation, order, writ, judgment, injunction, decree, determination or award of any court or governmental agency or instrumentality binding upon or applicable to the County; and (iii) did not, do not and will not conflict with, result in a violation of, or constitute a default or create a Lien, security interest or other charge under any other resolution, agreement, lease or instrument to which the County was or is a party or by which the County or any of its property was or is bound; and no further approvals, authorizations or consents are required by law or otherwise. The Ordinance and the Master Ordinance are in full force and effect. The County has full corporate power and authority to enter into this Agreement and the Fee Agreement, to have Drawings made under the Letter of Credit on its behalf, to execute and deliver the Related Documents to which it is a party, to consummate the transactions contemplated hereby and thereby, to incur the obligations provided for herein and therein, all of which have been duly authorized by resolution adopted by the Board of the County.

(b) The County is duly authorized to own its Property required for the consummation of the transactions contemplated by the Related Documents and to operate its business required for

the consummation of the transactions contemplated by the Related Documents under the laws, rulings, regulations and ordinances of all Governmental Authorities having the jurisdiction to regulate such Property or business activity and the departments, agencies and political subdivisions thereof, and the County has obtained all requisite approvals of all such governing bodies required to be obtained for such purposes.

*Section 4.03. Binding Obligation.* Each Related Document to which the County is a party was, is and will be a valid obligation of the County, and this Agreement, the Fee Agreement and each Bank Note are the legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws or equitable principles relating to or limiting creditors' rights generally.

*Section 4.04. Noncontravention; Compliance with Law.* (a) The execution, delivery and performance of this Agreement and each of the other Related Documents in accordance with their respective terms do not and will not (i) contravene the County's authorizing legislation, (ii) require any consent or approval of any creditor of the County, (iii) violate any Laws (including, without limitation, Regulations T, U or X of the FRB, or any successor regulations), (iv) conflict with, result in a breach of or constitute a default under any contract to which the County is a party or by which it or any of its Property required for the consummation of the transactions contemplated by the Related Documents may be bound or (v) result in or require the creation or imposition of any Lien upon or with respect to any Property required for the consummation of the transactions contemplated by the Related Documents now owned or hereafter acquired by the County thereof except such Liens, if any, expressly created by any Related Document.

*Section 4.05. Security.* (a) The Unsecured Reimbursement Obligations of the County under this Agreement and the Unsecured Bank Note are payable solely from and secured by a senior Lien on the Pledged Funds and there is no Lien on the Pledged Funds that ranks senior to or on a parity with the Lien granted for the benefit of the Unsecured Reimbursement Obligations of the County under this Agreement and the Unsecured Bank Note, other than the parity Lien on Pledged Funds securing the Secured Reimbursement Obligations and the Secured Bank Note and certain obligations under the Barclays Reimbursement Agreement. The County has covenanted in this Agreement that it will not, and will not permit any other Person, to issue Debt secured by the Pledged Funds that ranks senior to the Unsecured Reimbursement Obligations of the County under this Agreement and the Unsecured Bank Note.

(b) This Agreement creates, for the benefit of the Bank with respect to the Secured Bank Note and Secured Reimbursement Obligations, a legal, valid and binding Lien on, pledge of, and security interest in, the Net Operating Revenues and the Secured Reimbursement Obligations of the County hereunder and the Secured Bank Note are payable from and secured by a Lien on Net Operating Revenues; *provided however*, that in each case such Lien shall be subordinate solely to the Lien on Net Operating Revenues securing the payment of the County's Senior Lien Debt. The Secured Reimbursement Obligations of the County under this Agreement and the Secured Bank Note are further payable from and secured by a senior Lien on the Pledged Funds and there is no Lien on the Pledged Funds which is senior to or on a parity with the Lien

on Pledged Funds securing the Secured Reimbursement Obligations and the Secured Bank Note, other than the parity Lien on Pledged Funds securing the Unsecured Reimbursement Obligations and the Unsecured Bank Note and certain obligations under the Barclays Reimbursement Agreement.

(c) No further consent, approval, permit, authorization or order of, or registration or filing with, any court or governmental agency, authority or instrumentality, or recording or filing of any Related Documents, any financing statement or any other certificate, resolution, instrument or agreement, was, is or will be necessary to create or perfect the liens, pledges and security interests in favor of the Bank as the holder of the Bank Notes, in the Net Operating Revenues and the Pledged Funds, respectively.

*Section 4.06. Governmental Consent or Approval.* (a) No consent, approval, permit, authorization or order of, or registration or filing with, any Governmental Authority not already obtained, given or made was or is required on the part of the County for the execution, delivery and performance of Related Documents. No further action on the part of the County and no consent or approval of the State or consent or approval of, notice to or filing with any Governmental Authority or other Person is required as a condition to the validity of this Agreement or any of the other Related Documents.

(b) All consents, approvals, permits, authorizations and orders of, and registrations and filings with, any Governmental Authority required for the issuance, sale, execution, delivery and performance of each Related Document have been or will be obtained prior to the delivery thereof. The County is in compliance with all of the terms and conditions of each such consent, authorization, approval or action already obtained, has applied for each such consent, authorization, approval or action that may be applied for at this time and has met or has made provisions adequate for meeting all requirements for each such consent, authorization, approval or action not yet obtained.

*Section 4.07. Litigation.* Except as disclosed in writing to the Bank prior to the Closing Date, no litigation is pending or, to the knowledge of the County, threatened (a) seeking to restrain or enjoin the execution of this Agreement, the Fee Agreement or any of the other Related Documents, (b) in any way contesting or affecting any authority for the issuance of the Commercial Paper Notes or the validity or enforceability, or the authority or ability of the County to perform its obligations under, any of the Commercial Paper Notes, the Ordinance, this Agreement or any other Related Document, (c) in any way contesting the creation, existence or powers of the County or the validity or effect of the Acts or any provision thereof or the application of the proceeds of the Commercial Paper Notes, (d) if adversely determined, could reasonably be expected to result in a material adverse effect on the financial position of the County or the transactions contemplated by the Authorizing Resolution or the other Related Documents, (e) which would adversely affect the ability of the County to carry out its purposes in the manner now conducted or as proposed to be conducted, or (f) which would adversely affect the exclusion of interest on any Tax-Exempt Commercial Paper Note from gross income for Federal income tax purposes or the exemption of any Tax-Exempt Commercial Paper Note or the interest thereon from personal income taxation by the State or any political subdivision thereof. In addition to the foregoing, there are no actions, suits or proceedings at law or in equity

(including any Environmental Claims) pending or, to the knowledge of the County, threatened against or affecting it before any court or arbitrator or any governmental or nongovernmental body, agency or official in which an adverse decision could result in a Material Adverse Effect.

*Section 4.08. No Defaults.* No Default or Event of Default has occurred and is continuing. The County is not in default under (a) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to the County, (b) any constitutional provision or law or regulation, (c) any Debt of the County secured by or payable from Net Operating Revenues, or (d) any contract, agreement or instrument to which the County is a party or by which it or any of its properties is bound, in each case, which default could result in a Material Adverse Effect; and no event has occurred which with the giving of notice or the passage of time or both would constitute such a default.

*Section 4.09. Immunity from Jurisdiction.* The County has no immunity from the jurisdiction of any court of competent jurisdiction or from any legal process therein which could be asserted in any action to enforce the obligations of the County under any of the Related Documents or the transactions contemplated hereby or thereby, including the Obligations of the County hereunder and thereunder.

*Section 4.10. Environmental Compliance.* Except as disclosed in writing to the Bank prior to the Closing Date, the County has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental, health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a Material Adverse Effect. The County is in compliance in all material respects with all Environmental Laws, including, without limitation, all Hazardous Materials Laws to the extent that the failure to do so could result in a Material Adverse Effect or otherwise affect the consummation of the transactions contemplated by the Related Documents. Except as disclosed to the Bank in writing prior to the Closing Date, the County (a) has not become subject to any Environmental Liability that has resulted or could result in a Material Adverse Effect or otherwise affect the consummation of the transactions contemplated by the Related Documents, (b) has received no notice of any claim with respect to any Environmental Liability and (c) knows of no basis for any Environmental Liability.

*Section 4.11. Financial Condition.* The audited financial statements for the period ended September 30, 201[4][5], including the balance sheet as of such date of said period, all examined and reported on by Marcum, LLP, the independent public accountants for the Department, as heretofore delivered to the Bank correctly and fairly present the financial condition of the Department as of said date and the results of the operations of the Department for such period, and have been prepared in accordance with Generally Accepted Accounting Principles consistently applied, except as stated in the notes thereto. Since September 30, 201[4][5], no Material Adverse Effect has occurred. The unaudited statement of net assets of the Department as of \_\_\_\_\_, 201\_, and the related statement of revenues, expenses and changes in net assets for the twelve-month period then ended, heretofore delivered to the Bank are, to the best of the County's knowledge and belief, complete and correct and fairly present the financial condition of

the Department and the results of its operations as of the date and for the periods referred to therein subject to year-end adjustments. There are no material liabilities, direct or indirect, fixed or contingent, of the Department, as of the date of such statement of net assets that are not reflected therein or in the notes thereto. The Department is, and upon the incurrence of any Obligation by the County on any date on which this representation and warrant is made will be, Solvent.

*Section 4.12. Disclosures.* To the best of the County's knowledge and belief, as of the date hereof, no information, exhibit or report, including, without limitation, the audited financial statements and statement of net assets, furnished by or on behalf of the County to the Bank, contains any untrue statement of a material fact or omits any statement of a material fact necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading, and there are no facts that the County has not disclosed in writing to the Bank that, individually or in the aggregate, materially adversely affect, or, so far as the County can now foresee, could reasonably be expect to result in a Material Adverse Effect.

*Section 4.13. No Limitation on Interest Rate.* The Obligations of the County under this Agreement are not subject to any law, rule or regulation of the State of Florida prescribing a maximum rate of interest, except for Section 687.02, Florida Statutes, as amended, which prescribes a maximum rate of interest of 25% per annum. Neither this Agreement nor any of the Related Documents in effect on the Closing Date provide for any payments in excess of that allowed by law.

*Section 4.14. No Proposed Legal Changes.* There is no amendment, or to the knowledge of the County, proposed amendment certified for placement on any ballot in the State, or any legislation that has passed either house of the State's legislature or the United States Congress, or any published judicial decision interpreting any of the foregoing, the effect of which could result in a Material Adverse Effect.

*Section 4.15. ERISA.* The County does not maintain or contribute to, and has not maintained or contributed to, any Plan that is subject to Title IV of ERISA.

*Section 4.16. Tax-Exempt Status.* The County has not taken any action or omitted to take any action, and has no actual knowledge of any action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Tax-Exempt Commercial Paper Notes from gross income for federal income tax purposes or the exemption of interest on the Tax-Exempt Commercial Paper Notes from Commonwealth personal income taxes.

*Section 4.17. Incorporation of Representations and Warranties.* Each Related Document to which the County is a party is a legal, valid and binding obligation of the County, has not been terminated, canceled or waived in any material respect and is in full force and effect, and the County is not in default under any such document. Except for those representations and warranties which due to the passage of time are no longer true, the County hereby makes to the Bank the same representations and warranties made by the County in each Related Document, which representations and warranties, together with the related definitions of terms contained

therein, are incorporated herein by this reference with the same effect as if each and every such representation and warranty and definition were set forth herein in its entirety. No amendment to or waiver of such representations, warranties or definitions made pursuant to the relevant Related Documents shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Bank.

*Section 4.18. Margin Regulations; Investment Company Act.* (a) The County is not engaged in the business of extending credit for the purpose of purchasing or carrying any Margin Stock and the County will not use the proceeds of any of the Commercial Paper Notes so as to violate Regulation T, U or X of the Board of Governors of the Federal Reserve System, as the same may be amended or interpreted from time to time.

(b) The County does not intend to use any part of the proceeds of the Commercial Paper Notes or the funds advanced hereunder and has not incurred any indebtedness to be reduced, retired or purchased by the County out of such proceeds, for the purpose of purchasing or carrying any Margin Stock, and the County does not own and has no intention of acquiring any such Margin Stock.

(c) The County is not required to be registered as an "investment company" under the Investment Company Act of 1940.

*Section 4.19. Compliance with Laws.* Except as disclosed in writing to the Bank, the County is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties required to consummate the transactions contemplated by the Related Documents, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

*Section 4.20. No Material Restrictions.* The County is not subject to any charter, corporate or other legal restriction, or any contract, lease or other agreement, or any judgment, decree, order, law, rule or regulation which in the judgment of the County has or is expected in the future to have a Material Adverse Effect.

*Section 4.21. Licenses and Permits.* The County is in all material respects in compliance with all applicable regulatory licensing requirements.

*Section 4.22. Insurance.* The County currently maintains an insurance program for the Water and Sewer Utility, including self-insurance and insurance with insurance companies believed by the County to be capable of performing their obligations under the respective insurance policies issued by such insurance companies to the County (as determined in its reasonable discretion) and in full compliance with Section 609 of the Master Ordinance.

*Section 4.23. Taxes.* To the extent necessary to consummate the transactions contemplated by the Related Documents, the County has filed all Federal, state and other

material tax returns and reports required to be filed, and have paid all Federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon the County or its properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against the County that would, if made, have a Material Adverse Effect.

*Section 4.24. Labor Relations.* There are no strikes, lockouts or other material labor disputes or grievances against the County with respect to the Water and Sewer Utility or, to the County's knowledge, threatened against or affecting the County with respect to the Water and Sewer Utility, and no significant unfair labor practice, charges or grievances are pending against the County with respect to the Water and Sewer Utility, or to the County's knowledge, threatened against it with respect to the Water and Sewer Utility before any governmental authority which could reasonably be expected to have a Material Adverse Effect.

*Section 4.25. OFAC Sanctions.* To the best of the County's knowledge and belief, after due inquiry, the County (i) is in compliance with the requirements of all OFAC Sanctions Programs to the extent applicable to the County, and (ii) the County is not, as of the date hereof, named on the current OFAC SDN List.

*Section 4.26. Use of Proceeds.* The proceeds of the Commercial Paper Notes will be used solely for the purposes set forth in the Ordinance.

*Section 4.27. Issuing and Paying Agent; Dealer.* U.S. Bank National Association is the duly appointed and acting Issuing and Paying Agent and Citigroup Global Markets Inc. and Barclays Capital Inc. are the duly appointed and acting Dealers.

*Section 4.28. No Existing Right to Accelerate.* No Person (other than the Florida Water Pollution Control Financing Corporation under the State Revolving Fund Loan Agreements and certain counterparties to Swap Contracts in effect on the Closing Date), including, without limitation, a credit facility provider, liquidity provider or holder of Revenues Debt, any of which who has purchased Revenues Debt or provides credit enhancement or liquidity support to any Revenues Debt, or any other holder of Revenues Debt, has a right under any Bank Agreement, indenture, ordinance, resolution or any supplement to any of the foregoing relating to any Revenues Debt or any other document or agreement relating to any Revenues Debt to declare or direct any trustee to declare the principal of and interest on any Revenues Debt to be immediately due and payable prior to its stated maturity date.

*Section 4.29. Permitted Investments.* All investments of the Borrower have been and will be made in accordance with the terms of the Investment Policy.

*Section 4.30. Survival of Representations.* All representations and warranties made by or on behalf of the County in this Agreement are made as of the date hereof, but shall survive the delivery of this Agreement, and any investigation at any time made by or on behalf of the Bank shall not diminish its rights to rely upon such representations and warranties as having been true

as of the date hereof or the date such representations and warranties are deemed to be updated pursuant to the terms of this Agreement.

## ARTICLE V

### COVENANTS

The County will do the following so long as any amounts may be drawn under the Letter of Credit or any Obligations remain outstanding under this Agreement and/or the Fee Agreement, unless the Bank shall otherwise consent in writing:

*Section 5.01. Affirmative Covenants of the County.* So long as any of the Commercial Paper Notes shall be outstanding or any other Obligation remains unpaid hereunder the County will:

(a) *Performance of This and Other Agreements.* Punctually pay or cause to be paid all amounts payable under this Agreement, the Commercial Paper Notes and the other Related Documents and observe and perform all of the conditions, covenants and requirements set forth in this Agreement, the Commercial Paper Notes and the other Related Documents, which covenants in said Related Documents are incorporated by reference herein as and to the same extent as if set forth herein in full.

(b) *Further Assurances.* Execute, acknowledge where appropriate, and deliver, and cause to be executed, acknowledged where appropriate, and delivered, from time to time promptly at the request of the Bank all such instruments and documents as are usual and customary or advisable to carry out the intent and purpose of this Agreement, the Commercial Paper Notes and the other Related Documents.

(c) *Books and Records; Inspection Rights.* Keep adequate records and books of account, in which complete entries will be made, reflecting all financial transactions of the County; and at any reasonable time and from time to time, permit the Bank or any agents or representatives thereof to examine and make copies of and abstracts from the records and books of account of, and visit the properties of the County or any of the transactions contemplated by the Related Documents and to discuss the affairs, finances and accounts of the County and the transactions contemplated by the Related Documents with any of the County's officers, trustees and independent auditors (and by this provision, the County authorizes said auditors to discuss with the Bank or its agents or representatives, the affairs, finances and accounts of the County).

(d) *Reporting Requirements.* Furnish to the Bank:

(i) as soon as available and in any event within two hundred seventy (270) days after the end of each Fiscal Year, the comprehensive annual audited financial report of the Department accompanied by a certificate of compliance signed by a Responsible Officer of the Department that includes the computation

of all financial covenants required by the Ordinance and the Master Ordinance, if any;

(ii) as soon as available and in any event within forty-five (45) days after the end of each quarter of each Fiscal Year, the unaudited financial statements of the Department for such quarter, in the form customarily prepared by the County and distributed to the members of the Board of the County;

(iii) concurrently with each delivery of the comprehensive annual audited financial report referred to in clause (i) above, a No Default Certificate of the County;

(iv) within the earlier of (A) sixty (60) days after adoption thereof and (B) fourteen (14) Business Days after the same shall have become publicly available, the annual budget, if any, of the Department, containing estimates of expenditures and anticipated Net Operating Revenues for such Fiscal Year;

(v) within fourteen (14) Business Days after the same shall have become publicly available, copies of all final official statements or other final disclosure statements prepared with respect to any Debt relating to the Water and Sewer Utility;

(vi) promptly after an official of the County has actual knowledge thereof, notice of (A) any action, suit, proceeding, inquiry or investigation before or by any arbitrator, governmental authority, court, public authority or body pending or threatened wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or the other Related Documents, or which would adversely affect the validity or enforceability of, or the authority or ability of the County to perform its obligations under, this Agreement or the other Related Documents to which it is a party (*provided*, that this clause (A) shall not require the County to inform the Bank of actions, suits, proceedings, inquiries or investigations which are unrelated to the Water and Sewer Utility and/or the transactions contemplated by this Agreement or the other Related Documents), (B) any consent decree or similar remedial action entered into by, or imposed upon, the County by or with any Governmental Authority, including, without limitation, the United States Environmental Protection Agency (*provided*, that this clause (B) shall not require the County to inform the Bank of the commencement of an investigation by a Governmental Authority, including, without limitation, the United States Environmental Protection Agency) and (C) any materially adverse developments in any item described in clauses (A) and (B) of this paragraph (vi);

(vii) promptly after the occurrence of each Default or Event of Default under this Agreement or under any ordinance, indenture, lease, loan or credit agreement, instrument or other contract or agreement relating to the Water and Sewer Utility to which the County is a party, continuing on the date of such

statement, a statement of the Finance Director (as defined in the Master Ordinance) setting forth details of such Default or Event of Default and the action which the County is taking or proposes to take with respect thereto;

(viii) promptly after the receipt or giving thereof, copies of all notices of resignation by or removal of the Issuing and Paying Agent and/or the Dealer which are received and/or given by the County;

(ix) upon request of the Bank, the County shall confirm, or cause to be confirmed to the Bank, the amount of funds and securities on deposit in any fund or account established under the Ordinance and/or the Master Ordinance;

(x) furnish to the Bank, promptly after the same becomes known to any Responsible Officer of the Department, copies of all state, local or federal legislation which has been introduced in any legislative body of the State, any local jurisdiction therein or the federal government and any other event which, in the reasonable judgment of the County, is likely to have a Material Adverse Effect or could materially adversely affect the Revenues, the County, the Net Operating Revenues, the Pledged Funds, the security or sources of repayment for the Commercial Paper Notes, or the transactions contemplated by this Agreement or by any of the other Related Documents;

(xi) promptly after the receipt or giving thereof, notice of any "event of default" that the County is required by the terms of the Master Ordinance or the Ordinance to any holder of Debt of the County, a trustee or other fiduciary of any Debt of the County, any Credit Facility Provider or any Rating Agency;

(xii) deliver to the Bank copies of any and all notices, financial statements or other information or materials required to be delivered by the County to any Credit Facility Provider under the provisions of the Master Ordinance or the Issuing and Paying Agent under the Issuing and Paying Agent Agreement to the extent such notices, financial statements or other information are not otherwise provided to the Bank under this Agreement;

(xiii) promptly, and in any event within ten (10) days after the County has knowledge thereof, notice of any withdrawal, suspension or change of any long-term unenhanced rating assigned to any Senior Lien Debt or Subordinate Obligations;

(xiv) during any period of time the County is subject to continuing disclosure requirements under Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240-15c2-12), or any successor or similar legal requirement, with respect to Senior Lien Debt, promptly following any dissemination, distribution or provision thereof to any Person, and in any event within ten (10) calendar days following the date thereof, (A) a copy of any reportable event notice (as described in b(5)(i)(C) of Rule

15c2-12) disseminated, distributed or provided in satisfaction of or as may be required pursuant to such requirements (other than notices generated as a result of (1) a defeasance, (2) tender offers (other than tender offers sent as a result of a liquidity, credit or direct purchase provider directing a mandatory tender as a result of an event of default), (3) redemption notices (other than redemption notices sent as a result of a liquidity, credit or direct purchase provider directing a mandatory redemption as a result of an event of default), and (4) substitution of credit or liquidity providers not related to the Commercial Paper Notes) or (B) notice that such event notice has been filed with EMMA as provided by the Municipal Securities Rulemaking Board and is publicly available; and

(xv) with reasonable promptness, such other information and data with respect to the business, properties, condition (financial or other), operations or prospects of the County relating to the transactions contemplated by the Related Documents as from time to time may be reasonably requested by the Bank.

(e) *Compliance with Laws, Documents, Etc.* Comply with all applicable documents, laws, rules, regulations, guidelines and orders of any governmental authority having jurisdiction over the County (including, without limitation, compliance with Environmental Laws and ERISA, where applicable) and duly observe and conform to all valid orders, regulations or requirements of any governmental authority relative to the conduct of its business and the ownership of its property, except that this subsection (e) shall not apply if non-compliance with the foregoing would not, singly or in the aggregate, have a Material Adverse Effect.

(f) *Existence.* Except as otherwise expressly provided herein, the County will preserve its corporate or other separate legal existence and will remain qualified to do business and conduct its affairs in each jurisdiction where its ownership of Property or the conduct of its business or affairs requires such qualifications or where the failure to do so could result in a Material Adverse Effect or otherwise affect the consummation of the transactions contemplated by the Related Documents.

(g) *Incorporation by Reference.* Perform and comply with each and every covenant and agreement to be performed or observed by it in each of the Related Documents to which it is a party and each such covenant, together with the related definitions of terms contained therein, is hereby incorporated by reference herein with the same effect as if it were set forth herein in its entirety, it being understood that no amendment or waiver with respect to such covenants and agreements or defined terms shall be effective as to this Agreement unless and until specifically agreed to in writing by the Bank with reference to this Agreement.

(h) *Taxes.* Pay and discharge, or cause to be paid and discharged, all taxes, assessments and governmental charges lawfully imposed upon the County or upon any part thereof, or upon the revenues from the operation thereof prior to the date on which penalties are attached thereto, unless and to the extent only that such taxes, assessments and governmental charges shall be contested by it in good faith and by appropriate

proceedings, and the County shall have set aside on its books adequate reserves with respect to any such tax, assessment or charge so contested.

(i) *Use of Proceeds.* Use the proceeds of the Commercial Paper Notes solely as provided for in the Ordinance and not in contravention of any Law.

(j) *Insurance.* Comply with the terms and provisions set forth in Section 609 of the Master Ordinance.

(k) *ERISA.* Will, and will require all Affiliates to, comply in all material respects with Title IV of ERISA, if or to the extent applicable.

(l) *Payment of Debts.* Pay and discharge all its Debt secured by or payable from Net Operating Revenues as and when due, except when the same may be contested in good faith and by appropriate proceedings, and the County shall have set aside on its books adequate reserves with respect to any such obligation or liability.

(m) *Rate Covenant.* Maintain Net Operating Revenues in each Fiscal Year equal to an amount at least sufficient to satisfy the provisions of Section 602 of the Master Ordinance and the State Revolving Fund Loan Agreement.

(n) *Issuing and Paying Agent and Dealer.* At all times maintain a Dealer and an Issuing and Paying Agent pursuant to the terms of the Ordinance, that are acceptable to the Bank. The County agrees to (x) issue Commercial Paper Notes and (y) cause the Dealer (subject to the terms of the Dealer Agreement) to use its best efforts to sell Commercial Paper Notes, in each case, up to the Maximum CP Rate applicable to the Commercial Paper Notes in order to repay maturing Commercial Paper Notes. If any Term Loan remains outstanding for a period of thirty (30) consecutive calendar days or the Dealer fails to sell Commercial Paper Notes, the proceeds of which are intended to be used to pay any Term Loan after being directed to do so by the County (subject to the provisions of the Dealer Agreement), at the written direction of the Bank the County shall cause the Dealer (that has been unable to sell Notes or fails to perform its duties) to be replaced with a Dealer satisfactory to the Bank within thirty (30) calendar days of the receipt of such written directions. The Dealer Agreement shall provide that the Dealer may not resign until the earlier to occur of: (i) upon at least sixty (60) days' prior written notice to the County, the Issuing and Paying Agent and the Bank and (ii) the date on which a successor dealer has been appointed and accepted its appointment. Any Dealer (or its parent company) or Issuing and Paying Agent must have minimum capital of \$500,000,000 and shall be rated at least "A-" (or its equivalent) by S&P or Fitch or "A3" (or its equivalent) by Moody's (unless, in each instance, the Bank at its discretion provides in writing an exception for a Dealer for a particular subseries under specified circumstances).

(o) *Ratings.* Maintain, at all times, (i) at least two unenhanced long-term ratings from any of Fitch, Moody's or S&P assigned to the Bonds, (ii) at least two unenhanced short-term ratings from any of Fitch, Moody's or S&P assigned to the

Commercial Paper Notes, and (iii) at least one long-term rating of at least Investment Grade for each Bank Note from any Rating Agency. The County covenants and agrees that it shall not at any time cause to be withdrawn any long-term unenhanced rating on its Bonds from any of Fitch, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement or reduce the Facility Fees.

(p) *Book-Entry Eligibility.* Cause, at all times from and including the Closing Date until and including the Letter of Credit Expiration Date, the Commercial Paper Notes to be eligible for, and to be registered with, DTC's book-entry delivery services (or a successor security depository's services) and that such registration with DTC (or any successor security depository) shall not be discontinued without the Bank's prior written consent.

(q) *Substitute Credit Facility or Refinancing.*

(i) The County agrees to use its best efforts to obtain an alternate or substitute Credit Facility to replace the Letter of Credit or otherwise refinance, redeem or defease the Commercial Paper Notes in the event (A) the Bank decides not to extend the Letter of Credit Expiration Date or if the County fails to request such an extension (such replacement, refinancing, redemption or defeasance to occur on or before the Letter of Credit Expiration Date), (B) the Letter of Credit is terminated, (C) the County terminates this Agreement in accordance with the terms hereof or (D) the Bank issues a No-Issuance Notice and/or a Final Drawing Notice.

(ii) The County agrees that any alternate or substitute Credit Facility will require, as a condition to the effectiveness of the alternate or substitute Credit Facility, that the provider of such alternate or substitute Credit Facility provide funds to the extent necessary, on the date the alternate or substitute Credit Facility becomes effective, for payment of all Reimbursement Obligations (including, without limitation, all interest to accrue at the applicable rate pursuant to the terms hereof) through the date repaid. On the effective date of such alternate or substitute Credit Facility or refinancing, redemption or defeasance, as the case may be, the County shall pay in full all other amounts due under this Agreement, the Fee Agreement and the Bank Notes (including, without limitation, all unpaid interest thereon) and the County shall provide for the surrender (and cancellation) of the Letter of Credit to the Bank.

(iii) The County shall not permit an alternate or substitute Credit Facility to become effective with respect to less than all of the Commercial Paper Notes without the prior written consent of the Bank.

(r) *Operation and Maintenance of Water System and Sewer System.* Operate and maintain the Water System and the Sewer System as a revenue-producing enterprise in accordance with Sections 601, 602 and 606 of the Master Ordinance, and in a manner which will entitle it at all times to charge and collect fees, charges and rentals, or as

otherwise permitted by law and take all reasonable measures permitted by law to enforce prompt payment to it of such fees, charges and rentals when and as due.

(s) *Other Obligations.* To the extent the County should issue other obligations, incur additional Debt payable from or secured by the Net Operating Revenues or Pledged Funds or has or shall enter into or otherwise consent to any Bank Agreement or Swap Contract with any Person (other than Swap Contracts in effect on the Closing Date), which provides the holder of such Debt or obligation or any Person with Greater Remedies, such Greater Remedies shall be deemed automatically incorporated into this Agreement and the County shall also deliver a copy of such agreement or obligation to the Bank. In the event that any Bank Agreement or Swap Contract referenced in the immediately preceding sentence contains a Payable Provision, then the Bank shall have the right, upon the occurrence of an Event of Default, to immediately declare the Bank Notes and all Obligations hereunder and under the Fee Agreement to be, and such amounts shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the County; *provided* that upon the occurrence of an Event of Default under Section 6.01(g) hereof, such prepayment obligation or acceleration shall automatically become due and payable or automatically occur, as applicable, and without any notice; *provided, however,* that for the purposes of this Section 5.01(s), any Payable Provision contained in a State Revolving Loan Agreement shall not be incorporated into this Agreement and the Bank shall not gain the benefit of such Payable Provision unless the County's obligations under such State Revolving Loan Fund Agreement are caused to become due prior to their stated maturity.

(t) *Commercial Paper Notes.* If the long-term unenhanced rating by Moody's, Fitch or S&P on any Bonds is reduced below "A2" (or its equivalent), "A" (or its equivalent) or "A" (or its equivalent), respectively, then at any time the County issues or causes to be issued Commercial Paper Notes that are supported by the Letter of Credit, it shall also issue or cause to be issued an corresponding equal principal amount of Series A Commercial Paper Notes that are to be supported by the Barclays Letter of Credit or any substitute or alternate letter of credit supporting such Series A Commercial Paper Notes or any credit facility issued pursuant to any Other Bank Agreement (to the extent of any available capacity thereunder); *provided, further,* that if the County has issued Commercial Paper Notes supported by the Letter of Credit prior to such rating reduction, it shall not issue further Commercial Paper Notes supported by the Letter of Credit until the principal amount of each series of Commercial Paper Indebtedness outstanding supported by the Barclays Letter of Credit or other banking arrangement entered into by the County in support of such other Commercial Paper Indebtedness equals the principal amount of Commercial Paper Notes supported by the Letter of Credit.

(u) *Repayment of Unreimbursed Drawings.* On and after the date of any unreimbursed Drawing on the Letter of Credit or unreimbursed Term Loan, to the extent that the County is permitted to issue additional Debt under the Master Ordinance, use its best efforts to cause the Dealer to sell Commercial Paper Indebtedness or Bonds or other Revenues Debt as soon as practicable and to use the proceeds of the sale of such

Commercial Paper Indebtedness or Bonds or other Revenues Debt to repay the amount of such unreimbursed Drawing or Term Loan; *provided, however*, that such repayment shall be subject to and in accordance with Section 5.01(v) hereof.

(v) *Additional Debt Proceeds.* Use the proceeds of any Revenues Debt issued or incurred after the Closing Date (other than the proceeds of Commercial Paper Indebtedness issued solely to pay the amount of Commercial Paper Indebtedness maturing on the issuance date thereof and Revenues Debt issued to refund other Revenues Debt, *provided* that any proceeds, after providing for the refunding of the refunded Revenues Debt, funding any necessary reserves and providing for the payment of costs of issuance thereof, resulting from the sale of such Revenues Debt shall be included as proceeds of any Revenues Debt for the purposes of this Section 5.01(v)) to pay, on a *pro rata* basis, Term Loans hereunder and the advances and term loans outstanding under each Other Bank Agreement; *provided, however*, that if the advances and term loans under the Barclays Reimbursement Agreement or Other Bank Agreement have previously been repaid in whole or in part, the County shall not repay or reimburse Barclays or such other financial institution for the outstanding advances and term loans under the Barclays Reimbursement Agreement or Other Bank Agreement, as applicable, until the principal amount of outstanding Term Loans hereunder have been repaid or reimbursed so that the outstanding Term Loans hereunder equal the lower of the outstanding advances and term loans under the Barclays Reimbursement Agreement and any Other Bank Agreement, if any.

(w) *Reduction of Commitments.* If the long-term unenhanced rating by Moody's, Fitch or S&P on any Bonds is reduced below "A2" (or its equivalent), "A" (or its equivalent) or "A" (or its equivalent), respectively, (x) use the proceeds, to the extent such proceeds exceed the amounts required to be paid pursuant to Section 5.01(v) hereof, of any Revenues Debt issued or incurred after the Closing Date (other than the proceeds of Commercial Paper Indebtedness issued solely to pay the amount of Commercial Paper Indebtedness maturing on the issuance date thereof and Revenues Debt issued to refund other Revenues Debt, *provided* that any proceeds, after providing for the refunding of the refunded Revenues Debt, funding any necessary reserves and providing for the payment of costs of issuance thereof, resulting from the sale of such Revenues Debt shall be included as proceeds of any Revenues Debt for the purposes of this Section 5.01(x)) to pay on a *pro rata* basis, the principal amount of all Commercial Paper Indebtedness outstanding and (y) reduce, on a *pro rata* basis to the extent such *pro rata* payments are made on such Commercial Paper Indebtedness, *pro tanto* the Stated Amount of the Letter of Credit and the stated amount or commitments under each Other Bank Agreement (or any credit facility issued pursuant to any Other Bank Agreement) entered into by the County, including, without limitation, the stated amount of the Barclays Letter of Credit supporting the Series A Commercial Paper Notes (in each case, without regard to any unreimbursed drawings and/ or advances and/or term loans thereunder and in proportion to the maximum amount available to be drawn or issued hereunder and thereunder, without regard to any unreimbursed drawings and/ or advances and/or term loans thereunder of under the Letter of Credit); *provided, however*, that if the stated amount of the Barclays Letter of Credit or the stated amount or commitment under each Other Bank

Agreement (or any credit facility issued pursuant to any Other Bank Agreement) has been reduced, the County shall not reduce the stated amount of the Barclays Letter of Credit or the stated amount or commitment under each Other Bank Agreement (or any credit facility issued pursuant to any Other Bank Agreement) in accordance with this clause (y) until the Stated Amount of the Letter of Credit has been reduced by the County to equal the lower of the stated amount of the Barclays Letter of Credit and the stated amount or commitment under each Other Bank Agreement (or any credit facility issued pursuant to any Other Bank Agreement), if any.

*Section 5.02. Negative Covenants of the County.* So long as any of the Commercial Paper Notes shall be outstanding or any other Obligation remains unpaid hereunder, the County will not, without the prior written consent of the Bank:

(a) *No Adverse Effect.* Take any action or omit to take any action that adversely affects the (i) rights, interests, remedies or security of the Bank under this Agreement, the Bank Notes or under any other Related Document (including, without limitation, the right to receive timely and sufficient payment hereunder or thereunder), (ii) the Lien, pledge and security interest in favor of the Bank in and to the Net Operating Revenues, (iii) the Lien, pledge and security interest in favor of the Bank in and to the Pledged Funds, and (iv) the rights of the holders of the Commercial Paper Notes (including, without limitation, the right to receive timely and sufficient payment thereunder); *provided, however*, that nothing contained in this section shall impair, limit or restrict the right of the County to issue Bonds in accordance with, and subject to the fulfillment of the conditions precedent contained in, Sections 208, 209 and 210, as applicable, of the Master Ordinance so long as the proceeds of Additional Bonds are used to repay the Commercial Paper Notes, the Series A Commercial Paper Notes, the Bank Notes, the Term Loans and the obligations under the Barclays Reimbursement Agreement in accordance with Section 5.02(j) hereof.

(b) *Official Statements and Other Documents.* Except as may be required by law (including, but limited to, federal and state securities laws), the County shall not use the Bank's name or any material or reference relating to the Bank in any offering memorandum, tombstone, published materials or any other document (other than the County's staff reports, annual statements, audited financial statements, rating agency presentations) without the prior written consent of the Bank (which consent shall not be unreasonably withheld) or distribute, or permit to be distributed or used, any offering memorandum unless a copy of such offering memorandum has been furnished to the Bank; *provided* that, without the prior written consent of the Bank, the County may identify the Bank as a party to this Agreement and as the issuer of the Letter of Credit, the stated amount of the Letter of Credit, the expiration date of the Letter of Credit and that the County's obligations under this Agreement and the Bank Notes are secured by the Net Operating Revenues and the Pledged Funds, in offering documents with respect to any Bonds, so long as no other information relating to the Agreement, the Fee Agreement or the Bank is disclosed in such offering documents without the prior written consent of the Bank.

(c) *Alternate Credit Facility.* Authorize, permit or consent to any substitution of an alternate or substitute Credit Facility for the Letter of Credit unless there shall be paid to the Bank, prior to or simultaneously with such substitution, any and all amounts and other Obligations due and owing and to become due and owing to the Bank (including, without limitation, any unpaid Bank Notes and the termination fee, if any, due under the Fee Agreement).

(d) *Dealers and Issuing and Paying Agent.* Appoint, consent to or permit or suffer to be appointed any successor Issuing and Paying Agent or Dealer, other than any such successor succeeding by operation of law, without the prior written approval of the Bank (which approval shall not be unreasonably withheld); or enter into any successor Dealer Agreements without the prior written approval of the Bank (which approval shall not be withheld if and so long as such Dealer Agreement affords protection to the rights and interests of the Bank that is substantially the same as that afforded by, the predecessor Dealer Agreement). Any approval required from the Bank hereunder shall be given or denied within 10 days of the request therefore, accompanied in the case of a successor Dealer Agreement, by a proposed successor Dealer Agreement in final form, and the failure of the Bank to respond to such request by the close of business on the tenth day shall be deemed, on the eleventh day, to constitute consent by the Bank hereunder.

(e) *Issuance of Additional Notes.* Permit the issuance of additional Commercial Paper Notes if a No-Issuance Notice or a Final Drawing Notice shall be in effect in accordance with the terms hereof or the Letter of Credit.

(f) *Consolidation, Merger, etc.* Dissolve or otherwise dispose of all or substantially all of the assets of the Water System or the Sewer System or consolidate with or merge the Water System or the Sewer System into another Person or permit one or more other Persons to consolidate with or merge into the Water System or the Sewer System; *provided, however,* that the County may consolidate with or merge the Water System and/or the Sewer System into another Person or permit one or more other Persons to consolidate with or merge into the County if each of the following conditions shall have been fulfilled: (i) such merger or consolidation shall be with or into another governmental entity which shall assume in writing, satisfactory in form and substance to the Bank, or by operation of law the due and punctual performance and observance of all of the covenants, agreements and conditions of this Agreement and the other Related Documents; (ii) such merger or consolidation shall not adversely affect or impair to any extent or in any manner (a) the Net Operating Revenues or the Pledged Funds, (b) the availability of the Net Operating Revenues or the Pledged Funds for the payment and security of the Commercial Paper Notes and the obligations of the County under this Agreement, the Fee Agreement and the Bank Notes, or (c) the pledge or the security afforded by the Ordinance, the Master Ordinance or this Agreement, and the County shall have furnished to the Bank an opinion, reasonably satisfactory in form and content, of counsel, reasonably satisfactory to the Bank's Counsel, to such effect; (iii) such merger or consolidation (as evidenced by, among other things, pro forma financial statements and projections) will not result in a Material Adverse Effect; and (iv) the County shall

have given the Bank not less than 60 days' prior notice of such disposition, merger or consolidation and furnished to the Bank all such information concerning such disposition, merger or consolidation as shall have been reasonably requested by counsel to the Bank.

(g) *Amendments.* (i) Modify, amend or supplement any of the Related Documents, (ii) give any consent to any modification, amendment or supplement of any of the Related Documents or the Ordinance or (iii) make any waiver with respect to any of the Related Documents or the Ordinance, without the prior written consent of the Bank; *provided, however*, that amendments, modifications, supplements and waivers of any Related Document (other than this Agreement, the Letter of Credit and the Fee Agreement) or the Ordinance shall be effective without the prior written consent of the Bank, to the extent, and only to the extent, that (x) such amendments, modifications, supplements and waivers would not have any adverse effect on the Revenues, the Net Operating Revenues, the Pledged Funds, the Bank or the rights, interests, security or remedies of the Bank hereunder or under any other Related Document or the Lien in respect of the Net Operating Revenues or the ability of the County to meet its obligations hereunder or under any other Related Document and (y) such amendments, modifications, supplements and waivers would not have a Material Adverse Effect. Notwithstanding the foregoing, in no event shall the County modify, amend and supplement any of Section 208, 501, 503 or 703 or any provision of Article VI of the Master Ordinance or the definitions of the terms contained therein without the prior written consent of the Bank. In connection with any such amendment, modification or waiver, the County agrees to deliver to the Bank copies of all such amendments, modifications or waivers at least fifteen (15) calendar days prior to the effective date thereof. The Bank shall, within ten (10) calendar days after receiving such copies, inform the County in writing if, in the Bank's reasonable discretion, such amendment, modification or waiver requires the prior written consent of the Bank in accordance with this Section 5.02(g). In addition, the County promptly will supply the Bank with one fully executed copy of any modification, amendment, supplement or waiver of any Related Document. The County will obtain the consent of the Bank before taking any action under any Related Document that requires the consent of the Credit Facility Provider, including, but not limited to, taking any action with respect to any Swap Contract.

(h) *Exempt Status.* Take any action, omit to take any action or cause or permit another Person to take any action or omit to take any action or suffer any action taken by others, which, if taken or omitted or suffered, would adversely affect the excludability of interest on the Tax-Exempt Commercial Paper Notes from the gross income of the holders thereof for purposes of Federal income taxation.

(i) *Additional Liens.* Create, incur, assume or suffer to exist (i) any Lien on all or any portion of the Net Operating Revenues other than the Lien securing Senior Lien Debt and the Liens described in Section 2.16 hereof and in the Barclays Reimbursement Agreement, (ii) any Lien on all or any portion of the Net Operating Revenues inferior to the Lien on Net Operating Revenues securing Senior Lien Debt but superior to the Lien on Net Operating Revenues securing Secured Reimbursement Obligations of the County

under this Agreement and the Secured Bank Note or (iii) any Lien on all or any portion of the Pledged Funds other than the Lien provided for and described in Section 2.16 hereof and in the Barclays Reimbursement Agreement.

(j) *Additional Debt.* (i) Issue or incur any Debt of the County payable from or secured by the Net Operating Revenues and/or Pledged Funds unless (A) the applicable conditions contained in Section 208, 209 or 210 of the Master Ordinance have been satisfied and (B) the proceeds of such Debt issued under Section 208 of the Master Ordinance shall be used as set forth in Sections 5.01(u), (v) and (x) hereof, as applicable, and (ii) in no event issue or incur any Debt payable from or secured by a lien on the Net Operating Revenues or the Pledged Funds which is subordinate to the Senior Lien Debt and senior to the Secured Bank Note.

(k) *Other Agreements.* Enter into any agreement containing any provision which would be violated or breached by the performance of its obligations hereunder or under the other Related Documents.

(l) *Environmental Compliance.* Use any Hazardous Materials at any place of business of the County related to the transactions contemplated by the Related Documents, or permit any other Person to use any Hazardous Materials at any place of business of the County, except such materials as are incidental to the normal course of business, maintenance and repair of the County and are used in strict accordance with applicable laws. The County agrees to permit the Bank and its respective agents, contractors and employees to enter and inspect County facilities and any other places of business of the County at any reasonable times upon three (3) days' prior notice for the purposes of conducting an environmental investigation and audit (including taking physical samples) to ensure that the County is complying with this covenant. The County shall provide the Bank and its agents, contractors, employees and representatives with access to and copies of any and all data and documents relating to or dealing with any Hazardous Materials used, generated, manufactured, stored or disposed of by the business operations of the County or in any way related to the transactions contemplated by the Related Documents within five (5) days of the request therefor.

(m) *Use of Proceeds.* Use the proceeds of any credit extension, (i) whether directly or indirectly, for any purpose that would cause the Tax-Exempt Commercial Paper Notes to be "arbitrage bonds" within the meaning of Section 148(a) of the Code, or (ii) whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System.

(n) *Immunity.* If and to the extent permitted by applicable law, the County agrees that it will not assert any immunity it may have as a governmental entity from

lawsuits with respect to the enforcement of any of the obligations of the County under this Agreement, the Fee Agreement or the other Related Documents.

(o) *Swap Termination Payments.* (i) Allow any Lien on all or any portion of Net Operating Revenues securing any termination payment under any Swap Contract entered into on or after the Closing Date to be senior in priority to the payment of the Secured Bank Note or the Secured Reimbursement Obligations or (ii) allow any Lien on the Pledged Funds securing any termination payment under any Swap Contract entered into on or after the Closing Date to be senior in priority to the payment of the Bank Notes or the Reimbursement Obligations.

(p) *Maturity of Commercial Notes.* (i) Will not permit the Issuing and Paying Agent to issue, or permit the Dealer to market, any Commercial Paper Notes with a maturity shorter than two (2) days from its date of issuance, unless either the County or the Dealer has provided three (3) Business Days prior written notice to the Bank with a copy to the Issuing and Paying Agent; *provided, however,* that no written notice will be required to be provided to the Bank by the County or the Dealer in the event that (x) any Commercial Paper Note(s) are issued with a maturity of one (1) day and the Dealer for such Commercial Paper Notes is the registered holder of all such Commercial Paper Notes or (y) the applicable Dealer is unable to market Commercial Paper Notes up to the Maximum CP Rate, the proceeds of which shall be used to repay the principal of and/or interest on maturing Commercial Paper Notes or unreimbursed Drawings or Term Loans under and as defined in this Agreement, with a maturity of more than one (1) day (in the event that the Dealer markets Commercial Paper Notes with a maturity of one (1) day without three (3) Business Days prior written notice to the Bank as described in this Section 5.02(p)(i), except with respect to Commercial Paper Notes marketed with a maturity of one (1) day as described in the immediately preceding clause (y), or clause (ii) below, the Dealer shall be deemed to have certified to the Bank that it is unable to market Commercial Paper up to the Maximum CP Rate, the proceeds of which shall be used to repay the principal of and/or interest on maturing Commercial Paper or unreimbursed Drawing or Term Loans under and as defined in this Agreement, with a maturity of more than one (1) day); *provided, further, however,* that in the event that the Dealer is unable to market Commercial Paper Notes up to the Maximum CP Rate, the proceeds of which shall be used to repay the principal of and/or interest on maturing Commercial Paper or unreimbursed Drawings or Term Loans under and as defined in this Agreement, with a maturity of more than one (1) day, it will give the Bank written notice of the sale of Commercial Paper Notes with a maturity of one (1) day.

(ii) In the event that any Commercial Paper Notes are issued with a maturity of one (1) day and the provisions Section 5.02(p)(i) above are not satisfied, it shall not be considered a breach of this Section 5.02(p)(ii) except to the extent Commercial Paper Notes are issued with a maturity of one (1) day and the provisions Section 5.02(p)(i) above are not satisfied in more than three (3) instances in any given calendar year.

## ARTICLE VI

### DEFAULTS

*Section 6.01. Events of Default.* If any of the following events shall occur, each such event shall be an "Event of Default":

(a) the County fails to pay, or cause to be paid, when due (i) from Pledged Funds, to the extent available, any unreimbursed Unsecured Reimbursement Obligation, (ii) any unreimbursed Secured Reimbursement Obligation or any interest thereon, (iii) any Facility Fee within five (5) calendar days of the date such Facility Fee is due or (iv) any other Obligation (other than the Obligations described in clause (i), (ii) or (iii) of this Section 6.01(a)) within five (5) Business Days of the date such Obligation after written notice of such failure shall have been given to the County by the Bank;

(b) any representation, warranty or statement made by or on behalf of the County herein or in any Related Document to which the County is a party or in any certificate delivered pursuant hereto or thereto shall prove to be incorrect or untrue in any material respect on the date as of which made or deemed made or delivered;

(c) (i) the County fails to perform or observe any term, covenant or agreement contained in Sections 5.01(c), 5.01(d), 5.01(f), 5.01(i), 5.01(m), 5.01(n), 5.01(o), 5.01(q)(ii), 5.01(q)(iii), 5.01(r), 5.01(r), 5.01(s), 5.01(t), 5.01(u), 5.01(v), 5.01(w), 5.01(x) or Section 5.02 hereof; or (ii) the County fails to perform or observe any other term, covenant or agreement contained in this Agreement or the Fee Agreement (other than those referred to in any other Event of Default hereunder) and any such failure remains uncured for thirty (30) calendar days after the occurrence thereof;

(d) the County shall (i) default in any payment of any Senior Lien Debt or Parity Debt, beyond the period of grace, if any, provided in the instrument or agreement under which such Senior Lien Debt or Parity Debt was created or any amounts due under a Swap Contract which is secured by or payable from the Net Operating Revenues or the Pledged Funds senior to or on a parity with the Senior Lien Debt or Parity Debt (a "*Senior or Parity Swap Contract*"); or (ii) default in the observance or performance of any agreement or condition relating to any Senior Lien Debt or Parity Debt or Senior or Parity Swap Contract or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to permit the holder or holders of such Senior Lien Debt or Parity Debt (or a trustee or agent on behalf of such holder or holders) to cause (in each case, determined without regard to whether any notice is required) or cause, any such Senior Lien Debt or Parity Debt to become due prior to its stated maturity;

(e) (i) any material provision of this Agreement or any other Related Document, including, without limitation, any provision of the Ordinance relating to the security for the Commercial Paper Notes or the Obligations, the County's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the

Bank, shall cease to be valid and binding for any reason, (ii) the County shall contest the validity or enforceability of this Agreement or any other Related Document or any material provision thereof, including, without limitation, any provision of the Ordinance relating to the security for the Commercial Paper Notes or the Obligations, the County's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, or (iii) the County shall deny that it has any further liability under this Agreement or any of the other Related Documents or with respect to its obligations to pay any Senior Lien Debt or Parity Debt;

(f) one or more final judgments or orders for the payment of money which, individually or in the aggregate, equal or exceed \$25,000,000 (irrespective of any available insurance) shall have been rendered against the County, the Department or the Water and Sewer Utility and, in any case, be payable from all or any portion of the Net Operating Revenues and such judgment(s) or order(s) shall not have been satisfied, stayed, vacated, discharged or bonded pending appeal within a period of thirty (30) calendar days from the date on which it was first so rendered;

(g) (i) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any Debt (including, without limitation, amounts due under any Bank Agreement) secured by a lien, charge or encumbrance upon or payable from all or any portion of the Net Operating Revenues or the Pledged Funds; (ii) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, the County seeks to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, termination, composition or other relief with respect to it or its debts (or the existence of the County is dissolved or terminated by any other means); (iii) a receiver, trustee, custodian, examiner, liquidator or other similar official shall be appointed for the County or for any substantial part of the County's Property, or the County shall make a general assignment for the benefit of its creditors; (iv) there shall be commenced against the County any case, proceeding or other action of a nature referred to in clause (ii) above and the same shall remain undismissed; (v) there shall be commenced against the County any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its Property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within 60 calendar days from the entry thereof; (vi) a financial control board, or its equivalent, shall be imposed upon the County by a Governmental Authority and such financial control board has the ability to exercise authority or control over the Net Operating Revenues or the Pledged Funds; (vii) the County takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), (iii), (iv), (v) or (vi) above or fails to contest in good faith any appointment or proceeding described in clause (i), (ii), (iii), (iv), (v) or (vi) above; or (viii) the County shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(h) (i) any of Fitch, Moody's or S&P shall downgrade their respective ratings of any Bonds to below "BBB" (or its equivalent) "Baa2" (or its equivalent) or "BBB" (or its equivalent), respectively, or (ii) any of Fitch, Moody's or S&P shall suspend or withdraw their respective ratings of any Bonds;

(i) any funds or accounts or investments on deposit in, or otherwise to the credit of, any of the funds or accounts established pursuant to the Ordinance or the other Related Documents, that have been pledged to or a lien granted thereon to secure the Notes, the Bank Notes or the Obligations, shall become subject to any writ, judgment, warrant or attachment, execution or similar process which shall not have been vacated, discharged, or stayed or bonded pending appeal within thirty (30) calendar days from the entry thereof;

(j) any "event of default" shall have occurred and be continuing under any Related Document beyond the expiration of any applicable grace period;

(k) except as permitted by this Agreement, dissolution or termination of the existence of the County;

(l) the County shall (i) default in any payment of any NOR Payable Debt aggregating in excess of \$10,000,000, beyond the period of grace, if any, provided in the instrument or agreement under which such NOR Payable Debt was created or any amounts due under a Swap Contract which is NOR Payable Debt (an "*NOR Payable Swap Contract*"); or (ii) default in the observance or performance of any agreement or condition relating to any NOR Payable Debt or NOR Payable Swap Contract aggregating in excess of \$10,000,000 or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to permit the holder or holders of such NOR Payable Debt (or a trustee or agent on behalf of such holder or holders) to cause (in each case, determined without regard to whether any notice is required) or cause any such NOR Payable Debt to become due prior to its stated maturity; or

(m) any "Event of Default" as defined in any of the Other Bank Agreements shall have occurred.

*Section 6.02. Remedies.* Upon the occurrence of any Event of Default, all Obligations shall bear interest at the Default Rate and the Bank may exercise any one or more of the following rights and remedies in addition to any other remedies herein or by law provided:

(a) by notice of the occurrence of any Event of Default to the Issuing and Paying Agent, which may be in the form of the No-Issuance Notice, prohibit, until such time, if any, as the Bank shall withdraw (in writing) such notice, the issuance of additional Commercial Paper Notes, reduce the Stated Amount of the Letter of Credit to the amount of the then Outstanding Commercial Paper Notes supported by the Letter of Credit and interest payable thereon at maturity of such Commercial Paper Notes and/or

terminate and/or permanently reduce such Stated Amount as the then Outstanding Commercial Paper Notes are paid;

(b) issue the Final Drawing Notice (the effect of which shall be to cause the Termination Date of the Letter of Credit to occur on the 15th calendar day after the date of receipt thereof by the Issuing and Paying Agent);

(c) pursue any rights and remedies it may have under the Related Documents;  
or

(d) pursue any other action available at law or in equity; *provided* that to the extent that the same would be available under law or equity, such action available at law or in equity shall not include acceleration, except to the extent such remedy is incorporated herein pursuant to Section 5.01(s) hereof.

*Section 6.03. Step-Up Event.* (a) To the extent not paid from Pledged Funds, if the County fails to pay or cause to be paid from Net Operating Revenues or any other legally available funds at the option of the County any unreimbursed Unsecured Reimbursement Obligation, such failure to pay shall be a "Step-Up Event."

(b) Upon the occurrence of a Step-Up Event, all Unsecured Obligations shall bear interest at the Step-Up Rate.

## ARTICLE VIII

### MISCELLANEOUS

*Section 7.01. Amendments, Waivers, Etc.* No modification, amendment or waiver of any provision of this Agreement, the Fee Agreement or the Bank Notes or consent to any departure by the County therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank and the County and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided, further*, that no amendment to or waiver of any term or provision of any Related Document incorporated herein by reference shall have the effect of amending or otherwise modifying any corresponding term or provision incorporated into this Agreement unless the Bank has consented to such amendment or waiver, as applicable, in writing.

*Section 7.02. Notices.* All notices and other communications provided for hereunder shall be in writing (including required copies) and sent by receipted hand delivery (including Federal Express or other receipted courier service), facsimile transmission, or regular mail, as follows:

to the County: Miami-Dade County, Florida  
[Address]  
Facsimile:  
Telephone:  
Email:

with a copy to:

to the Bank with  
respect to credit  
matters: Sumitomo Mitsui Banking Corporation  
277 Park Avenue  
New York, New York 10172  
Attention: Public and Infrastructure Finance  
Telephone: (212) 224-4000  
Facsimile: (212) 224-5227

with a copy of all notices  
to: Sumitomo Mitsui Banking Corporation  
277 Park Avenue  
New York, New York 10172  
Attention: Trade Credit Services Department  
Telephone: (212) 224-4000  
Facsimile: (212) 224-4566

to the Bank,  
with respect to  
Drawings under the Letter  
of Credit: Sumitomo Mitsui Banking Corporation  
277 Park Avenue  
New York, New York 10172  
Attention: Trade Credit Services Department  
Telephone: (212) 224-4000  
Facsimile: (212) 224-4566

to the Issuing and Paying  
Agent: [U.S. Bank National Association]  
[Address]  
Attention:  
Facsimile:  
Telephone:  
Email:



existence of this Agreement, the Fee Agreement or the Bank Notes. Notwithstanding anything herein to the contrary, the Bank may at any time pledge or grant a security interest in all or any portion of its rights under the Bank Notes to secure its obligations, including any such pledge or grant to a Federal Reserve Bank or the United States Treasury, and the foregoing restrictions shall not apply to any such pledge or grant of a security interest; provided that no such pledge or grant of a security interest shall release the Bank from any of its obligations hereunder or under the Letter of Credit or substitute any such pledgee or secured party for the Bank as a party hereto or under the Letter of Credit; provided further, however, the right of any such pledgee or grantee (other than any Federal Reserve Bank) to further transfer all or any portion of the rights pledged or granted to it shall be at all times subject to the terms of this Agreement.

(b) Notwithstanding the foregoing, the Bank shall be permitted to grant to one or more financial institutions (each a "*Participant*") a participation or participations in all or any part of the Bank's rights and benefits under this Agreement, the Fee Agreement and the Bank Notes on a participating basis but not as a party to this Agreement, the Fee Agreement or the Bank Notes (a "*Participation*") without the consent of the County; *provided however*, the Bank shall provide notice to the County of any such participation. In the event of any such grant by the Bank of a Participation to a Participant, the Bank shall remain responsible for the performance of its obligations hereunder and under the Letter of Credit, and the County shall continue to deal solely and directly with the Bank in connection with the Bank's rights and obligations under this Agreement and the Bank Notes. The County agrees that each Participant shall, to the extent of its Participation, be entitled to the benefits of this Agreement, the Fee Agreement and the Bank Notes as if such Participant were the Bank; *provided* that no Participant shall have the right to declare, or to take actions in response to, an Event of Default under Section 6.01 hereof; and *provided further* that no such Participant shall be entitled to receive payment pursuant to Section 2.13 or 2.14 hereof in an amount greater than the amount which would have been payable had the Bank not granted a Participation to such Participant.

*Section 7.04. Unconditional Obligations.* The obligations of the County under this Agreement, the Fee Agreement and the Bank Notes shall be absolute, unconditional, irrevocable and payable strictly in accordance with the terms of the Ordinance, this Agreement, the Fee Agreement and the Bank Notes, under all circumstances whatsoever, including, without limitation, the following:

(a) any lack of validity or enforceability of this Agreement, the Fee Agreement, the Letter of Credit, the Bank Notes or, to the extent permitted by law, the Commercial Paper Notes, the Ordinance or any other Related Document;

(b) any amendment or waiver of or any consent to departure from the terms of the Ordinance or all or any of the other Related Documents to which the Bank have not consented in writing;

(c) the existence of any claim, counterclaim, set off, recoupment, defense, or other right which any Person may have at any time against the Bank, the County, the Issuing and Paying Agent, the Dealer, or any other Person, whether in connection with

this Agreement, the Fee Agreement, the Bank Notes, the Ordinance, the other Related Documents, or any other transaction related thereto;

(d) any statement or any other document presented pursuant hereto or pursuant to the Letter of Credit which the Bank in good faith determines to be valid, sufficient or genuine and which subsequently proves to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; and

(e) payment by the Bank of a Drawing or a Term Loan against presentation of a request which the Bank in good faith determines to be valid, sufficient or genuine and which subsequently is found not to comply with the terms of this Agreement.

Notwithstanding this Section, the Bank acknowledges the County may have the right to bring a collateral action with respect to one or more of the foregoing circumstances. The County's payment obligations shall remain in full force and effect pending the final disposition of any such action.

SECTION 7.05. LIABILITY OF BANK: INDEMNIFICATION. (a) TO THE FULLEST EXTENT PERMITTED BY LAW, THE COUNTY ASSUMES ALL RISKS OF THE ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT WITH RESPECT TO THE USE OF THE LETTER OF CREDIT AND THE USE OF PROCEEDS THEREUNDER; *PROVIDED* THAT THIS ASSUMPTION WITH RESPECT TO THE BANK IS NOT INTENDED TO AND SHALL NOT PRECLUDE THE COUNTY FROM PURSUING SUCH RIGHTS AND REMEDIES AS IT MAY HAVE AGAINST THE ISSUING AND PAYING AGENT UNDER ANY OTHER AGREEMENTS. NEITHER THE BANK NOR ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS SHALL BE LIABLE OR RESPONSIBLE FOR (I) THE USE OF THE LETTER OF CREDIT, THE DRAWINGS OR TERM LOANS THEREUNDER OR HEREUNDER, THE PROCEEDS OF THE COMMERCIAL PAPER NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY AND BY THE RELATED DOCUMENTS OR FOR ANY ACTS OR OMISSIONS OF THE ISSUING AND PAYING AGENT OR ANY DEALER; (II) THE VALIDITY, SUFFICIENCY OR GENUINENESS OF ANY DOCUMENTS DETERMINED IN GOOD FAITH BY THE BANK TO BE VALID, SUFFICIENT OR GENUINE, EVEN IF SUCH DOCUMENTS SHALL, IN FACT, PROVE TO BE IN ANY OR ALL RESPECTS INVALID, FRAUDULENT, FORGED OR INSUFFICIENT; (III) PAYMENTS BY THE BANK AGAINST PRESENTATION OF REQUESTS FOR DRAWINGS OR REQUESTS FOR WHICH THE BANK IN GOOD FAITH HAS DETERMINED TO BE VALID, SUFFICIENT OR GENUINE AND WHICH SUBSEQUENTLY ARE FOUND NOT TO COMPLY WITH THE TERMS OF THIS AGREEMENT OR THE LETTER OF CREDIT; OR (IV) ANY OTHER CIRCUMSTANCES WHATSOEVER IN MAKING OR FAILING IN GOOD FAITH TO MAKE PAYMENT HEREUNDER OR UNDER THE LETTER OF CREDIT; *PROVIDED* THAT THE COUNTY SHALL NOT BE REQUIRED TO INDEMNIFY THE BANK FOR ANY CLAIMS, LOSSES, LIABILITIES, COSTS OR EXPENSES TO THE EXTENT, BUT ONLY TO THE EXTENT, SOLELY AND DIRECTLY CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE BANK AS DETERMINED BY A COURT OF COMPETENT JURISDICTION IN A FINAL, NON-APPEALABLE JUDGMENT THEREOF.

(b) TO THE EXTENT PERMITTED BY THE LAWS OF THE STATE, THE COUNTY HEREBY INDEMNIFIES AND HOLDS HARMLESS THE BANK AND ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS OR

EXPENSES (INCLUDING SPECIFICALLY REASONABLE ATTORNEYS' FEES) WHICH THE BANK MAY INCUR (OR WHICH MAY BE CLAIMED AGAINST THE BANK BY ANY PERSON WHATSOEVER) BY REASON OF OR IN CONNECTION WITH (I) THE EXECUTION AND DELIVERY OF THIS AGREEMENT, THE FEE AGREEMENT, THE LETTER OF CREDIT AND THE COMMERCIAL PAPER NOTES AND THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY; AND (II) THE STATEMENTS CONTAINED IN THE OFFERING MEMORANDUM PREPARED AND DISTRIBUTED IN CONNECTION WITH THE COMMERCIAL PAPER NOTES; *PROVIDED* THAT THE COUNTY SHALL NOT BE REQUIRED TO INDEMNIFY THE BANK, AND THE COUNTY SHALL HAVE A CAUSE OF ACTION AGAINST THE BANK, AND THE BANK SHALL BE LIABLE, FOR ANY CLAIMS, DAMAGES, LOSSES, LIABILITIES, COSTS OR EXPENSES (A) TO THE EXTENT, BUT ONLY TO THE EXTENT, SOLELY AND DIRECTLY CAUSED BY THE BANK'S WILLFUL OR GROSSLY NEGLIGENT FAILURE TO MAKE LAWFUL PAYMENT UNDER THE LETTER OF CREDIT AFTER THE PROPER PRESENTATION TO THE BANK BY THE ISSUING AND PAYING AGENT OR A SUCCESSOR ISSUING AND PAYING AGENT UNDER THE ORDINANCE OF A DRAWING STRICTLY COMPLYING WITH THE TERMS AND CONDITIONS OF THE LETTER OF CREDIT, AS DETERMINED BY A COURT OF COMPETENT JURISDICTION IN A FINAL, NON-APPEALABLE JUDGMENT THEREOF; OR (B) INCURRED IN CONNECTION WITH THE STATEMENTS CONTAINED IN APPENDIX B TO THE OFFERING MEMORANDUM UNDER THE HEADING "CERTAIN INFORMATION REGARDING THE BANKS — SUMITOMO MITSUI BANKING CORPORATION, ACTING THROUGH ITS NEW YORK BRANCH" AS SET FORTH IN THE OFFERING MEMORANDUM.

(c) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by applicable law, the County shall not assert, and hereby waives, any claim against the Bank, its officers, directors, employees and agents, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, or the Letter of Credit or the use of the proceeds thereof. The Bank, its officers, directors, employees and agents shall not be liable to the County for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such person through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(d) *Payments.* All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(e) *Survival.* The agreements in this Section shall survive the termination of the Letter of Credit, this Agreement and the repayment, satisfaction or discharge of all the other Obligations.

*Section 7.06. Expenses and Taxes.* The County will promptly pay (a) the fees and expenses of counsel to the Bank and the fees and expenses of foreign counsel to the Bank, in each case, in the amount set forth in the Fee Agreement, incurred in connection with the preparation, execution and delivery of this Agreement, the Fee Agreement and the Letter of

Credit as set forth in the Fee Agreement; (b) the fees and disbursements of counsel to the Bank with respect to advising the Bank as to the rights and responsibilities under this Agreement and the Fee Agreement after the occurrence of an Event of Default; and (c) all costs and expenses, if any, in connection with the enforcement of this Agreement and the Fee Agreement and any other documents which may be delivered in connection herewith or therewith, including in each case the fees and disbursements of counsel to the Bank. In addition, the County shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement and the Fee Agreement and the security contemplated by the Related Documents and any Related Documents and agrees to hold the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees. In addition, the County agrees to pay, after the occurrence of an Event of Default, all costs and expenses (including attorneys' fees and costs of settlement) incurred by the Bank in enforcing any obligations or in collecting any payments due from the County hereunder or under the Fee Agreement or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement or the Fee Agreement in the nature of a "workout" or of any insolvency or bankruptcy proceedings of the County.

*Section 7.07. No Waiver; Conflict.* Neither any failure nor any delay on the part of the Bank in exercising any right, remedy, power or privilege hereunder or any Related Document, nor any course of dealing with respect to any of the same, shall operate as a waiver thereof, preclude any other or further exercise thereof nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative, and not exclusive of any rights, remedies, powers and privileges provided by law. To the extent of any conflict between this Agreement, the Letter of Credit, the Ordinance and any other Related Documents, this Agreement shall control solely as between the County and the Bank.

*Section 7.08. No Advisory or Fiduciary Responsibility.* In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the County acknowledges and agrees, that: (i) each of the County and the Bank has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (ii) each of the County and the Bank is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents.

*Section 7.09. Severability.* Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction, and all other remaining provisions hereof will be construed to render them enforceable to the fullest extent permitted by law.

*Section 7.10. Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but when taken together shall constitute but one agreement and any of the parties hereto may execute this Agreement by signing any such

counterpart. This Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by e-mail with a pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered will have the same force and effect as an originally signed version of such signature page.

*Section 7.11. Table of Contents; Headings.* The table of contents and the section and subsection headings used herein have been inserted for convenience of reference only and do not constitute matters to be considered in interpreting this Agreement.

*Section 7.12. ENTIRE AGREEMENT.* THIS AGREEMENT AND THE FEE AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES HERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES HERETO.

*Section 7.13. Governing Law; Submission to Jurisdiction; Jury Trial.* (a) THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK; THE CAPACITY, POWER AND AUTHORITY OF THE COUNTY TO EXECUTE, DELIVER AND PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF FLORIDA, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

(b) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN MIAMI-DADE COUNTY IN THE STATE OF FLORIDA, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATED DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) 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 OTHER RELATED DOCUMENTS. IT IS HEREBY ACKNOWLEDGED THAT THE WAIVER OF A JURY TRIAL IS A MATERIAL INDUCEMENT FOR THE BANK TO ENTER INTO THIS AGREEMENT AND THAT THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY THE COUNTY AND THE BANK 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.

*Section 7.14. Waiver of Automatic or Supplemental Stay.* In the event that a petition for relief under any chapter of the United States Bankruptcy Code is filed by or against the County, the County promises and covenants that it will not seek a supplemental stay pursuant to United

States Bankruptcy Code §§ 105 or 362 or any other relief pursuant to United States Bankruptcy Code § 105 or any other provision of the United States Bankruptcy Code, whether injunctive or otherwise, which would stay, interdict, condition, reduce or inhibit the Bank's ability to enforce any rights it has, at law or in equity, to collect the Obligations from any Person other than the County.

*Section 7.15. USA Patriot Act; Government Regulations.* The Bank hereby notifies the County that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "*Patriot Act*"), the Bank is required to obtain, verify and record information that identifies the County, which information includes the name and address of the County and other information that will allow the Bank to identify the County in accordance with the Patriot Act. The County shall, promptly following a request by the Bank, provide all documentation and other information that the Bank reasonably requests in order to comply with its ongoing obligations under applicable law or regulation, including, without limitation, "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, and shall comply with all applicable Bank Secrecy Act ("*BSA*") laws and regulations, as amended.

The County hereby represents and warrants and covenants and agrees (a) that it is not and shall not be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the Office of Foreign Assets Control ("*OFAC*"), the Department of the Treasury or included in any Executive Orders, that prohibits or limits the Bank from making any advance or extension of credit to the County or from otherwise conducting business with the County and (b) to ensure that the proceeds of the Commercial Paper Notes shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto.

*Section 7.16. Dealing with the County, the Issuing and Paying Agent, and/or the Dealer.* The Bank and its affiliates may accept deposits from, extend credit to and generally engage in any kind of banking, trust or other business with the County, the Issuing and Paying Agent, and/or the Dealer regardless of the capacity of the Bank hereunder.

*Section 7.17. Arm's Length Transaction.* The transaction described in this Agreement is an arm's length, commercial transaction between the County and the Bank in which: (i) the Bank is acting solely as a principal (*i.e.*, as a lender) and for its own interest; (ii) the Bank is not acting as a municipal advisor or financial advisor to the County; (iii) the Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the County with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank or any of its affiliates has provided other services or is currently providing other services to the Authority on other matters); (iv) the only obligations the Bank has to the County with respect to this transaction are set forth in this Agreement and the Letter of Credit; and (v) the Bank is not recommending that the County take an action with respect to the transaction described in this Agreement and the other Related Documents, and before taking any action with respect to this transaction, the County should discuss the information contained herein with the County's own legal, accounting, tax, financial and other advisors, as the County deems appropriate.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the County and the Bank have duly executed this Agreement as of the date first above written.

MIAMI-DADE COUNTY, FLORIDA

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

Name:

Title:

ATTEST:

\_\_\_\_\_

Name:

Title:

SUMITOMO MITSUI BANKING CORPORATION,  
acting through its New York Branch

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

Name: Toshitake Funaki

Title: Managing Director

**APPENDIX I**

**FORM OF IRREVOCABLE TRANSFERABLE LETTER OF CREDIT**

**APPENDIX II-A**  
**[FORM OF SECURED BANK NOTE]**

**APPENDIX II-B**  
**[FORM OF UNSECURED BANK NOTE]**

APPENDIX III

[FORM OF REQUEST FOR EXTENSION]

Sumitomo Mitsui Banking Corporation, as Bank  
277 Park Avenue  
New York, New York 10172  
Attention: Public and Infrastructure Finance

cc: Via Facsimile to (212) 224-5227

Re: Request for Extension of Irrevocable Transferable  
Letter of Credit No. [LOC #]

Ladies and Gentlemen:

Pursuant to Section 2.12 of that certain Reimbursement Agreement, dated as of May 1, 2016 (the "*Reimbursement Agreement*"), by and between the Miami-Dade County, Florida (the "*County*") and Sumitomo Mitsui Banking Corporation, acting through its New York Branch (the "*Bank*"), the County hereby requests that the Letter of Credit Expiration Date be extended for a [\_\_\_\_\_-year] extension. All capitalized terms contained herein which are not specifically defined herein shall be deemed to have the definition set forth in the Reimbursement Agreement.

The Bank is requested to notify the County of its decision with respect to this request for extension within 30 days of the date of receipt of all information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision. If the Bank fails to notify the County of its decision within such 30-day period, the Bank shall be deemed to have rejected such request.

Very truly yours,

MIAMI-DADE COUNTY, FLORIDA

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

cc: [U.S. Bank National Association],  
as Issuing and Paying Agent

## APPENDIX IV

### FORM OF NO DEFAULT CERTIFICATE

This No Default Certificate (this "*Certificate*") is furnished to Sumitomo Mitsui Banking Corporation, acting through its New York Branch (the "*Bank*"), pursuant to that certain Reimbursement Agreement dated as of May 1, 2016 (the "*Agreement*"), by and between the County of Miami-Dade (the "*County*") and the Bank. Unless otherwise defined herein, the terms used in this Certificate shall have the meanings assigned thereto in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly appointed Finance Director of the County;
2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the County during the accounting period covered by the attached financial statements;
3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below;
4. To the best of my knowledge the financial statements required by Section 5.01(d) of the Agreement and being furnished to you concurrently with this certificate fairly represent the consolidated financial condition of the County in accordance with GAAP (subject to year end adjustments, as applicable) as of the dates and for the periods covered thereby; and
5. If the County were to make the representations and warranties set forth in the Agreement as of the date hereof, such representations and warranties would be true and correct in all material respects, or, if such representations and warranties would not be true and correct in all material respects, please see below a description of the events or circumstances which would cause any of such representation or warranties to not be true and correct in all material respect.

Described below are the exceptions, if any, to paragraph 3 or 5, as applicable, by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the County has taken, is taking, or proposes to take with respect to each such condition or event:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The foregoing certifications and the financial statements delivered with this Certificate in support hereof, are made and delivered this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

MIAMI-DADE COUNTY, FLORIDA

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

APPENDIX V

[FORM OF NO-ISSUANCE NOTICE]

[Dated Date]

Miami-Dade County, Florida

\_\_\_\_\_

Attention: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**[Issuing and Paying Agent],**  
as Issuing and Paying Agent

\_\_\_\_\_

Attention: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Re: Miami-Dade County, Florida  
Water and Sewer System Commercial Paper Notes, Series B

Ladies and Gentlemen:

Pursuant to Section 6.02(a) or Section 2.19 of that certain Reimbursement Agreement, dated as of May 1, 2016 (the "*Reimbursement Agreement*"), by and between the Miami-Dade County, Florida (the "*County*") and the undersigned, as Bank, you are hereby notified that (a) either (1) an "Event of Default" under Section 6.01( ) of the Reimbursement Agreement has occurred and is now continuing or (2) one or more of the representations and warranties of the County set forth in the Reimbursement Agreement, are in the reasonable opinion of the Bank, no longer true and correct in all material respects and; (b) upon receipt of this notice, (i) no new Commercial Paper Notes, as defined in the Reimbursement Agreement, shall be issued or authenticated (ii) the Stated Amount of the Letter of Credit shall be permanently reduced to \$\_\_\_\_\_, representing the principal amount of Commercial Paper Notes currently outstanding and interest thereon, and shall be further permanently reduced following the maturity of any such Commercial Paper Notes, and (iii) the Stated Amount shall no longer be reinstated following payment by the Bank of any Drawings.

This No-Issuance Notice shall remain in effect unless you have received written notification from us that this No-Issuance Notice has been rescinded.

Very truly yours,

SUMITOMO MITSUI BANKING CORPORATION,  
acting through its New York Branch, as Bank

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

cc: [DEALER]  
[RATING AGENCIES]

**FEE AGREEMENT  
DATED MAY [ ], 2016**

Reference is made to (i) the Reimbursement Agreement dated as of May 1, 2016 (as amended, supplemented or otherwise modified from time to time, the "*Agreement*"), by and between Miami-Dade County, Florida (the "*County*") and Sumitomo Mitsui Bank Corporation, acting through its New York Branch (the "*Bank*"), relating to the Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt) and Series B-2 (Taxable) (collectively, the "*Notes*"), and (ii) the Irrevocable Transferable Direct-Pay Letter of Credit dated May [ ], 2016, issued pursuant to the Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "*Letter of Credit*"), supporting the Notes.

The purpose of this Fee Agreement is to confirm the agreement between the Bank and the County with respect to the Secured Facility Fees and Unsecured Facility Fees (each as defined below) and certain other fees payable by the County to the Bank. This Fee Agreement is the Fee Agreement referenced in the Agreement and the terms of this Fee Agreement are incorporated by reference into the Agreement. This Fee Agreement and the Agreement are to be construed as one agreement between the County and the Bank, and all obligations hereunder are to be construed as obligations thereunder payable solely from the sources set forth in the Agreement. All references to amounts due and payable under the Agreement will be deemed to include all amounts, fees and expenses payable under this Fee Agreement.

ARTICLE I. DEFINITIONS.

As used in this Fee Agreement:

- (a) "*Gross Available Amount*" means, for any day, the Stated Amount, without taking into account any temporary reductions thereof.
- (b) "*Gross Stated Amount*" means the Original Stated Amount reduced by any permanent reductions thereof in accordance with the terms of the Letter of Credit, but in any event without taking into account any unreimbursed Drawings thereunder.
- (c) "*Quarterly Payment Date*" means the first Business Day of each October, January, April and July.
- (d) "*Rating*" means the long-term unenhanced debt rating assigned by S&P, Fitch or Moody's, as applicable, to any Bonds (without giving effect to any bond insurance policy or other credit enhancement supporting such Bonds).
- (e) "*Reduction Fee*" has the meaning set forth in Section 2.5(b) hereof.
- (f) "*Secured Facility Fee*" has the meaning set forth in Section 2.1 hereof.
- (g) "*Secured Facility Fee Rate*" has the meaning set forth in Section 2.1 hereof.

(h) "*Secured Available Amount*" means the lesser of (i) the Gross Available Amount and (ii) \$100,000,000.

(i) "*Secured Stated Amount*" means the lesser of (i) the Gross Stated Amount and (ii) \$100,000,000.

(j) "*Termination Fee*" has the meaning set forth in Section 2.5(a) hereof.

(k) "*Unsecured Facility Fee*" has the meaning set forth in Section 2.2 hereof.

(l) "*Unsecured Facility Fee Rate*" has the meaning set forth in Section 2.2 hereof.

(m) "*Unsecured Available Amount*" means an amount obtained by subtracting \$100,000,000 from the Gross Available Amount; *provided*, that if such amount shall be less than zero, such amount shall be deemed zero for purposes of this Fee Agreement.

(n) "*Unsecured Stated Amount*" means an amount obtained by subtracting \$100,000,000 from the Gross Stated Amount; *provided*, that if such amount shall be less than zero, such amount shall be deemed zero for purposes of this Fee Agreement.

Any capitalized terms used herein that are not specifically defined herein shall have the same meanings herein as in the Agreement or the Letter of Credit, as the case may be.

## ARTICLE II. FEES.

*Section 2.1. Secured Facility Fees.* The County hereby agrees to pay or cause to be paid to the Bank on July 1, 2016, for the period commencing on and including the Closing Date, and ending on and including June 30, 2016, and in arrears on each Quarterly Payment Date occurring thereafter to the Termination Date, and on the Termination Date, a non-refundable fee (the "*Secured Facility Fee*") in an amount, for each day during the related fee period, equal to the product of the Secured Available Amount for such day and the applicable rate per annum (the "*Secured Facility Fee Rate*") specified below for such day. Such Secured Facility Fee shall be payable in immediately available funds and computed on a basis of a year of 360 days and the actual number of days elapsed.

LEVEL	S&P RATING	FITCH RATING	MOODY'S RATING	SECURED FACILITY FEE RATE
Level 1	A+ or above	A+ or above	A1 or above	0.45%
Level 2	A	A	A2	0.65%
Level 3	A-	A-	A3	1.00%
Level 4	BBB+	BBB+	Baa1	1.50%
Level 5	BBB	BBB	Baa2	2.25%

In the event of a split Rating (i.e., one of the foregoing Rating Agency's Rating is at a different Level than the Rating of either of the other Rating Agencies), the Secured Facility Fee Rate shall be based upon the Level in which the lower of the two highest Ratings appears; *provided, however,* that if only two Rating Agencies are then rating Bonds, the Secured Facility Fee Rate shall be based upon the Level in which the lower of the two Ratings appears; *provided, further,* that for purposes of this sentence only, any Rating that appears in a higher numbered Level than the Level in which a Rating of another Rating Agency appears shall be deemed to be a "lower" Rating for purposes of determining the Secured Facility Fee Rate. Any change in the Secured Facility Fee Rate resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to ratings above are references to rating categories as determined by the Rating Agencies at the date hereof, and, in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration or realignment of the long-term unenhanced rating assigned to any Bonds in connection with the adoption of a "global" rating scale, each of the Ratings referred to above from the agency in question shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The County represents that, as of the Closing Date, the Secured Facility Fee Rate is that specified above for Level 1 in this Section 2.1. In the event that any Rating is reduced below "BBB" (or its equivalent) by S&P, "BBB" (or its equivalent) by Fitch or "Baa2" (or its equivalent) by Moody's or is suspended, withdrawn or otherwise unavailable from any Rating Agency or upon the occurrence and during the continuance of an Event of Default, the Secured Facility Fee Rate shall immediately and without notice increase to 3.00% per annum. To the extent any Secured Facility Fee is not paid when due, such Secured Facility Fee shall accrue interest from the date payment is due until payment in full at a per annum rate of interest equal to the Default Rate, such interest to be payable on demand.

*Section 2.2. Unsecured Facility Fees.* The County hereby agrees to pay or cause to be paid to the Bank on July 1, 2016, for the period commencing on and including the Closing Date, and ending on and including June 30, 2016, and in arrears on each Quarterly Payment Date occurring thereafter to the Termination Date, and on the Termination Date, a non-refundable fee (the "Unsecured Facility Fee") in an amount, for each day during the related fee period, equal to the product of the Unsecured Available Amount for such day and the applicable rate per annum (the "Unsecured Facility Fee Rate") specified below for such day. Such Unsecured Facility Fee

shall be payable in immediately available funds and computed on a basis of a year of 360 days and the actual number of days elapsed.

LEVEL	S&P RATING	FITCH RATING	MOODY'S RATING	UNSECURED FACILITY FEE RATE
Level 1	A+ or above	A+ or above	A1 or above	0.50%
Level 2	A	A	A2	0.70%
Level 3	A-	A-	A3	1.00%
Level 4	BBB+	BBB+	Baa1	1.50%
Level 5	BBB	BBB	Baa2	2.25%

In the event of a split Rating (i.e., one of the foregoing Rating Agency's Rating is at a different Level than the Rating of either of the other Rating Agencies), the Unsecured Facility Fee Rate shall be based upon the Level in which the lower of the two highest Ratings appears; *provided, however*, that if only two Rating Agencies are then rating Bonds, the Unsecured Facility Fee Rate shall be based upon the Level in which the lower of the two Ratings appears; *provided, further*, that for purposes of this sentence only, any Rating that appears in a higher numbered Level than the Level in which a Rating of another Rating Agency appears shall be deemed to be a "lower" Rating for purposes of determining the Unsecured Facility Fee Rate. Any change in the Unsecured Facility Fee Rate resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to ratings above are references to rating categories as determined by the Rating Agencies at the date hereof, and, in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration or realignment of the long-term unenhanced rating assigned to any Bonds in connection with the adoption of a "global" rating scale, each of the Ratings referred to above from the agency in question shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The County represents that, as of the Closing Date, the Unsecured Facility Fee Rate is that specified above for Level 1 in this Section 2.2. In the event that any Rating is reduced below "BBB" (or its equivalent) by S&P, "BBB" (or its equivalent) by Fitch or "Baa2" (or its equivalent) by Moody's or is suspended, withdrawn or otherwise unavailable from any Rating Agency or upon the occurrence and during the continuance of an Event of Default, the Unsecured Facility Fee Rate shall immediately and without notice increase to 3.00% per annum. To the extent any Unsecured Facility Fee is not paid when due, such Unsecured Facility Fee shall accrue interest from the date payment is due until payment in full at a per annum rate of interest equal to the Default Rate, such interest to be payable on demand.

*Section 2.3. Drawing Fee.* The County hereby agrees to pay to the Bank a non-refundable drawing fee of \$350 for each Drawing under the Letter of Credit, payable on the date such Drawing is made without notice or invoice.

*Section 2.4. Transfer Fee.* The County hereby agrees to pay to the Bank a non-refundable transfer fee of \$5,000, payable upon each transfer of the Letter of Credit to any successor issuing and paying agent plus, in each case, the reasonable fees of any legal counsel retained by the Bank in connection therewith.

*Section 2.5. Amendment Fee.* The County hereby agrees to pay to the Bank on the date of any amendment, modification, supplement, waiver or consent with respect to the Agreement, this Fee Agreement, the Letter of Credit or any other Related Document a non-refundable amendment, modification, supplement, waiver or consent fee, as applicable, in a amount of \$5,000 (or such other amount as agreed to by the County and the Bank) plus, in each case, the reasonable fees of any legal counsel retained by the Bank in connection therewith.

*Section 2.6. Termination Fee.* (a) Notwithstanding anything set forth herein or in the Agreement to the contrary, the County agrees not to terminate, or cause the termination of, the Letter of Credit prior to the one-year anniversary of the Closing Date, except upon (i) the payment by the County to the Bank of a termination fee (the "*Termination Fee*") in an amount equal to the sum of (A) the product of (1) the Secured Facility Fee Rate on the date of such termination, (2) the Secured Stated Amount on the date of such termination and (3) a fraction, the numerator of which is equal to the number of days from and including the date of such termination to and including the first anniversary of the Closing Date and the denominator of which is 360 and (B) the product of (1) the Unsecured Facility Fee Rate on the date of such termination, (2) the Unsecured Stated Amount on the date of such termination and (3) a fraction, the numerator of which is equal to the number of days from and including the date of such termination to and including the first anniversary of the Closing Date and the denominator of which is 360 and (ii) compliance with the provisions of Section 2.07 of the Agreement; *provided, however*, that no Termination Fee shall become payable if the Letter of Credit is terminated or replaced as a result of (A) a reduction of the Bank's senior unsecured short-term debt ratings by any two Rating Agencies below "A-1" by S&P, "P-1" by Moody's or "FI" by Fitch or (B) the Bank imposing taxes or increased costs on the County pursuant to Section 2.13 or 2.14 of the Agreement.

(b) Notwithstanding anything set forth herein or in the Agreement to the contrary, the County agrees not to permanently reduce the Gross Stated Amount of the Letter of Credit prior to the one-year anniversary of the Closing Date, without the payment by the County to the Bank of a reduction fee (the "*Reduction Fee*") in connection with each and every permanent reduction of the Gross Stated Amount in an amount equal to the sum of (i) the product of (A) the Secured Facility Fee Rate in effect on the date of such permanent reduction, (B) the difference between the Secured Stated Amount prior to such permanent reduction and the Secured Stated Amount after such permanent reduction and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such permanent reduction to and including the first anniversary of the Closing Date and the denominator of which is 360 and (ii) the product of (A) the Unsecured Facility Fee Rate in effect on the date of such permanent reduction, (B) the difference between the Unsecured Stated Amount prior to such permanent reduction and the Unsecured Stated Amount after such permanent reduction and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such permanent reduction to and including the first anniversary of the Closing Date and the denominator of which is 360; *provided, however*, that no Reduction Fee shall become payable if the Gross Stated Amount of the Letter of Credit is

permanently reduced as a result of (A) a reduction of the Bank's senior unsecured short-term debt ratings by any two Rating Agencies below "A-1" by S&P, "P-1" by Moody's or "F1" by Fitch or (B) the Bank imposing taxes or increased costs on the County pursuant to Section 2.13 or 2.14 of the Agreement.

### ARTICLE III. MISCELLANEOUS.

*Section 3.1. Legal Fees.* The County shall pay the reasonable legal fees and expenses (for both domestic and foreign counsel) of the Bank incurred in connection with the preparation and negotiation of the Agreement, this Fee Agreement and certain other Related Documents in an amount not to exceed \$45,000 for domestic counsel and \$5,000 for foreign counsel, in each case plus disbursements. Domestic legal fees must be paid directly to the Bank's domestic counsel, Chapman and Cutler LLP, in accordance with the instructions provided by Chapman and Cutler LLP. Foreign legal fees must be paid directly to the Bank, in accordance with the instructions provided by the Bank.

*Section 3.2. Amendments.* No amendment to this Fee Agreement shall become effective without the prior written consent of the County and the Bank.

*Section 3.3. Governing Law.* THIS FEE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK; *PROVIDED* THAT THE CAPACITY, POWER AND AUTHORITY OF THE COUNTY TO EXECUTE, DELIVER AND PERFORM ITS OBLIGATIONS UNDER THIS FEE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE INTERNAL LAWS OF THE STATE OF FLORIDA, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

*Section 3.4. Counterparts.* This Fee Agreement may be executed in two or more counterparts, each of which shall constitute an original, but when taken together shall constitute but one agreement and any of the parties hereto may execute this Fee Agreement by signing any such counterpart. This Fee Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by attaching a pdf copy to an email, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

*Section 3.5. Severability.* Any provision of this Fee 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 non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

*Section 3.6. No Disclosure.* Unless required by law, the County shall not deliver or permit, authorize or consent to the delivery of this Fee Agreement to a Dealer or any other Person for delivery to the Municipal Securities Rulemaking Board unless the Bank provides its prior written consent.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Fee Agreement to be duly executed and delivered by their respective representatives thereunto duly authorized as of the date first set forth above.

MIAMI-DADE COUNTY, FLORIDA

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

SUMITOMO MITSUI BANKING CORPORATION,  
acting through its New York Branch

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

## ISSUING AND PAYING AGENCY AGREEMENT

Issuing and Paying Agency Agreement (the "Agreement") dated as of \_\_\_\_\_, 2016, is entered into by and between Miami-Dade County, Florida (the "Issuer") and U.S. Bank National Association. Capitalized terms used but not defined in this Agreement shall have the meanings ascribed to them in the Reimbursement Agreements (defined below).

### WITNESSETH

**WHEREAS**, the Miami-Dade County Water and Sewer Department of the Issuer has instituted a commercial paper program (the "CP Program") in the aggregate principal amount not to exceed \$400,000,000.00 (the "CP Notes") outstanding at any time, pursuant to the Constitution and Laws of the State of Florida, including, without limitation, (i) Chapter 125 and Chapter 166, Florida Statutes, each as amended, (ii) the Home Rule Amendment and Charter of the Issuer, as amended, (iii) the Code of the Issuer, as amended, including Ordinance No. 09-67 enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on July 23, 2009 (the "Interim Financing Ordinance") and Resolution No. R-\_\_\_-16 adopted by the Board on April \_\_, 2016 (the "2016 Resolution" and, together with the Interim Financing Ordinance, the "CP Note Authorization"); and

**WHEREAS**, the CP Note Authorization authorizes the issuance, from time to time, of the CP Notes in the aggregate principal amount not to exceed \$400,000,000.00 outstanding at any time and not to exceed the Stated Amount available under the respective Letter of Credit supporting the related Sub-Series of Notes (defined below).

**NOW THEREFORE**, the parties hereto agree as follows:

#### 1. APPOINTMENT AND ACCEPTANCE

The Issuer appoints U.S. Bank National Association as its issuing and paying agent (the "Paying Agent") and the Paying Agent accepts this appointment and agrees to act in such capacity on the terms and conditions contained in this Agreement. The Paying Agent shall act in connection with the issuance, authentication, delivery and payment of the CP Notes.

#### 2. COMMERCIAL PAPER PROGRAMS

(a) The Issuer may establish one or more commercial paper programs, including the CP Program, by delivering to the Paying Agent a completed program schedule (the "Program Schedule"), with respect to each such program. The Paying Agent has given the Issuer a copy of the current form of Program Schedule and the Issuer shall complete and return its first Program Schedule to the Paying Agent prior to or simultaneously with the execution of this Agreement. In the event that any of the

information provided in, or attached to, a Program Schedule shall change, the Issuer shall promptly inform the Paying Agent of such change in writing.

(b) The Issuer may establish one or more additional series or subseries of notes (herein collectively referred to as a "Sub-Series of Notes") by providing:

(i) a supplement to this Issuing and Paying Agent Agreement setting forth the authority, purpose, provisions and other related terms of the Sub-Series of Notes;

(ii) an offering memorandum in connection with the offering of such Sub-Series of Notes;

(iii) one or more executed dealer agreements in connection with the issuance of such Sub-Series of Notes;

(iv) an amendment to an existing letter of credit or an Alternate Facility as provided in this Agreement, in each case supporting such Sub-Series of Notes;

(v) evidence of the ratings assigned by each Rating Agency then rating the CP Notes, to the Sub-Series of Notes;

(vii) an Opinion of Bond Counsel to the effect that the issuance of such Sub-Series of Notes will not cause interest on any of the tax-exempt Sub-Series of Notes to be includable in the gross income of the holders thereof; and

(ix) any other documents, certificates or opinions as the Issuer in consultation with the County Attorney and Bond Counsel may deem necessary.

### 3. THE CP NOTES

All CP Notes issued by the Issuer under this Agreement shall be commercial paper notes, exempt from the registration requirements of the Securities Act of 1933, as amended, as indicated on the Program Schedules, and from applicable state securities laws. The CP Notes shall be issued in book-entry form.

The CP Notes shall be issued in an aggregate principal amount outstanding at any one time not exceeding \$200,000,000.00 for the Series A CP Notes (defined below) and \$200,000,000 for the Series B CP Notes (defined below), in accordance with the CP Note Authorization for the purposes of (i) providing temporary funding for a part of the Costs of the CIP Projects (as described in the 2016 Resolution), (ii) financing the payment of the principal of, and interest on, any of the CP Notes ("Refunding CP Notes") or obligations owed to any financial institutions that have provided credit support for the CP Program, (iii) paying the costs of issuance of the CP Notes, including, without limitation, the cost of any fees due under the Agreements (as defined in the 2016 Resolution).

The CP Notes shall be designated as permitted under the 2016 Resolution. The initial series of CP Notes shall be denominated "Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt)" (the "Series A-1 CP Notes"), "Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-2 (Taxable)" (the "Series A-2 CP Notes" and, together with the Series A-1 Notes, the "Series A CP Notes"), "Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt)" (the "Series B-1 CP Notes") and "Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-2 (Taxable)" (the "Series B-2 CP Notes" and, together with the Series B-1 Notes, the "Series B CP Notes"). Each Sub-Series of Notes issued under the 2016 Resolution shall bear such additional designation as may be necessary or appropriate to distinguish such Sub-Series of Notes from other notes issued under the 2016 Resolution.

Each series of the CP Notes shall be initially delivered in the form of the applicable Master Note registered in the name of the Depository Trust Company ("DTC") or its nominee in the form attached as Exhibits A-1, A-2, A-3 and A-4 (the "Master Note").

Each series of the CP Notes shall be issued on the terms set forth in the applicable Master Note Annex attached to the applicable Master Note. The CP Notes shall not be subject to prepayment or redemption prior to their respective maturity dates.

#### **4. APPOINTMENT OF DEALERS**

The Issuer has appointed Citigroup Global Markets, Inc. ("Citigroup") pursuant to a Commercial Paper Dealer Agreement, dated as of May 1, 2016 (as amended, supplemented, restated or modified from time to time, the "Citigroup Dealer Agreement") and Barclays Capital, Inc. ("Barclays Capital" and, together with Citigroup, the "Dealers") pursuant to a Commercial Paper Dealer Agreement, dated as of May 1, 2016 (as amended, supplemented, restated or modified from time to time, the "Barclays Capital Dealer Agreement"). The CP Notes may be placed by the Dealers pursuant to the Dealer Agreements and Section 12 of this Agreement.

The Issuer covenants and agrees to take all necessary steps to ensure that at all times there shall be at least one dealer for the CP Notes, and to that end, shall from time to time enter into a dealer agreement or agreements with one or more dealers, providing for the services specified in such dealer agreements to be performed by such dealers in connection with the offering, sale and issuance of the CP Notes or any Sub-Series of Notes.

#### **5. THE LETTERS OF CREDIT**

(a) On May \_\_, 2016, at the request of and pursuant to the instructions of the Issuer and in accordance with the terms and conditions of the Reimbursement Agreement dated as of May 1, 2016 (the "Barclays Reimbursement Agreement") by and between the Issuer and Barclays Bank PLC ("Barclays"), Barclays will issue for the account of the Issuer in favor of the Paying Agent, an irrevocable, direct-pay, transferable letter of credit (as amended, supplemented, restated, modified or extended from time to time, the "Barclays Letter of Credit"), pursuant to the Barclays Reimbursement Agreement,

supporting the payment of the principal of and interest at maturity of up to a maximum stated amount of [\$218,000,000.00, consisting of \$200,000,000.00 available to be drawn to pay the principal of the Series A CP Notes (the "Series A Principal Component") and \$18,000,000.00 available to be drawn in order to pay interest accrued or due on the Series A CP Notes (the "Series A Interest Component"), in each case, on their respective maturity dates.]

(b) On May \_\_, 2016, at the request of and pursuant to the instructions of the Issuer and in accordance with the terms and conditions of the Reimbursement Agreement dated as of May 1, 2016 (the "SMBC Reimbursement Agreement" and, together with the Barclays Reimbursement Agreement, the "Reimbursement Agreements"), by and between the Issuer and Sumitomo Mitsui Banking Corporation, acting through its New York Branch ("SMBC" and, together with Barclays, the "Banks"), SMBC will issue for the account of the Issuer in favor of the Paying Agent, an irrevocable, direct-pay, transferrable letter of credit (as amended, supplemented, restated, modified or extended from time to time, the "SMBC Letter of Credit" and together with the Barclays Letter of Credit, the "Letters of Credit"), pursuant to the SMBC Reimbursement Agreement, supporting the payment of the principal of and interest at maturity of up to a maximum stated amount of [\$218,000,000.00, consisting of \$200,000,000.00 available to be drawn to pay the principal of the Series B CP Notes (the "Series B Principal Component") and \$18,000,000.00 available to be drawn in order to pay interest accrued or due on the Series B CP Notes (the "Series B Interest Component"), in each case, on their respective maturity dates.]

(c) The Paying Agent shall request and receive Drawings under the applicable Letter of Credit on behalf of the holders of the CP Notes pursuant to Section 7 of this Agreement. Such Drawings shall be made in accordance with the terms of the applicable Letter of Credit and this Agreement.

(d) The Stated Amount of each Letter of Credit shall be reduced and reinstated in accordance with the terms of each Letter of Credit; provided, however, that the Stated Amount of each Letter of Credit shall not be reduced to an amount less than the aggregate principal of and interest due on maturity of applicable outstanding CP Notes issued prior to the effectiveness of a No-Issuance Notice or a Final Drawing Notice (as each term is defined in the Reimbursement Agreements).

(e) Any collected funds remaining in a Letter of Credit Account at the close of business on the maturity date of any corresponding CP Note shall (i) to the extent required for the payment of any corresponding matured CP Note not presented for payment by the holder thereof, be held until such corresponding matured CP Note for which the Drawing was made is presented for payment by the holder thereof and (ii) to the extent not so required, be returned to the Bank, unless the Drawing which was made to pay such corresponding matured CP Note has been repaid in full in accordance with the related Reimbursement Agreement, in which case such funds shall be returned to the Issuer.

(f) The obligation of the Banks to honor Drawings under the Letter of Credit to support the payment of the principal of and interest on the CP Notes on their respective

maturity dates is expressly limited to the amounts and terms of the CP Notes and the Stated Amounts and terms of the Letters of Credit.

(g) Each Letter of Credit shall terminate in accordance with its respective terms.

## 6. ESTABLISHMENT OF ACCOUNTS

(a) (i) Prior to or contemporaneously with the execution and delivery by the Issuer of this Agreement, and for the purposes of this Agreement and the Barclays Reimbursement Agreement, the Paying Agent shall establish in its corporate trust office in New York, New York four special purpose non-interest bearing trust accounts designated respectively as (i) the MDWASD Series A-1 CP Notes Account (the "Series A-1 Account"), numbered \_\_\_\_\_, (ii) the MDWASD Series A-2 CP Notes Account (the "Series A-2 Account" and, together with the Series A-1 Account, the "Series A Accounts"), numbered \_\_\_\_\_, (iii) the MDWASD Series A-1 CP Notes Reimbursement Account (the "Series A-1 Reimbursement Account"), and (iv) the MDWASD Series A-2 CP Notes Reimbursement Account (the "Series A-2 Reimbursement Account" and, together with the Series A-1 Reimbursement Account, the "Series A Reimbursement Accounts"). All sums held by the Paying Agent in the Series A Accounts and the Series A Reimbursement Accounts shall be held un-invested.

(ii) Prior to or contemporaneously with the execution and delivery by the Issuer of this Agreement, and for the purposes of this Agreement and the SMBC Reimbursement Agreement, the Paying Agent shall establish in its corporate trust office in New York, New York four special purpose non-interest bearing trust accounts designated respectively as (i) the MDWASD Series B-1 CP Notes Account (the "Series B-1 Account"), numbered \_\_\_\_\_, (ii) the MDWASD Series B-2 CP Notes Account (the "Series B-2 Account" and, together with the Series B-1 Account, the "Series B Accounts"), numbered \_\_\_\_\_, (iii) the MDWASD Series B-1 CP Notes Reimbursement Account (the "Series B-1 Reimbursement Account"), and (iv) the MDWASD Series B-2 CP Notes Reimbursement Account (the "Series B-2 Reimbursement Account" and, together with the Series B-1 Reimbursement Account, the "Series B Reimbursement Accounts"). The Series B Reimbursement Accounts and the Series A Reimbursement Accounts, are collectively referred to herein as the "Reimbursement Accounts." All sums held by the Paying Agent in the Series B Accounts and the Series B Reimbursement Accounts shall be held un-invested.

(iii) All proceeds received by the Paying Agent from the sale of the Series A CP Notes other than the proceeds of Refunding CP Notes shall initially be deposited in the Series A Accounts and transferred to the Issuer for deposit in the Construction Fund and applied in accordance with the 2016 Resolution. All proceeds received by the Paying Agent from the sale of the Series B CP Notes other than the proceeds of Refunding CP Notes shall initially be deposited in the Series B Accounts and transferred to the Issuer for deposit in the Construction Fund and applied in accordance with the 2016 Resolution.

(iv) Except as otherwise set forth in Section 7 of this Agreement, all proceeds received by the Paying Agent from the sale of Refunding CP Notes shall be deposited in the applicable Reimbursement Account and applied to reimburse the applicable Bank for Drawings on the applicable Letter of Credit at such times and in such amounts as are required under Section 7(e) of this Agreement and the related Reimbursement Agreement. Cost of Issuance shall be deposited with the Issuer and shall be disbursed by the Issuer in accordance with the 2016 Resolution.

(v) The Series A Accounts, the Series B Accounts and the Reimbursement Accounts shall be in the Paying Agent's name and under the Paying Agent's exclusive control. Except for the Issuer and the Paying Agent, no Person shall have any legal or beneficial interest in the Series A Accounts and the Series B Accounts. Except for the Issuer, the Paying Agent and the Banks, no Person shall have any legal or beneficial interest in the Reimbursement Accounts.

(b) (i) Prior to or contemporaneously with the execution and delivery by the Issuer of this Agreement, the Paying Agent shall establish in its corporate trust office four special purpose non-interest bearing trust accounts designated respectively as (i) the MDWASD Series A-1 CP Notes Letter of Credit Account numbered \_\_\_\_\_, (the "Series A-1 Letter of Letter of Credit Account"), (ii) the MDWASD Series A-2 CP Notes Letter of Credit Account numbered \_\_\_\_\_, (the "Series A-2 Letter of Credit Account"), (iii) the MDWASD Series B-1 CP Notes Letter of Credit Account numbered \_\_\_\_\_, (the "Series B-1 Letter of Credit Account"), (iv) the MDWASD Series B-2 CP Notes Letter of Credit Account numbered \_\_\_\_\_, (the "Series B-2 Letter of Credit Account" and, together with the Series A-1 Letter of Credit Account, the Series A-2 Letter of Credit Account and the Series B-1 Letter of Credit Account, the "Letter of Credit Accounts"). The Series A Accounts, the Series B Accounts, the Reimbursement Accounts and the Letter of Credit Accounts are collectively referred to herein as the "Accounts."

(ii) Payments of the principal of and interest on maturing CP Notes shall be made from the proceeds of Drawings under the applicable Letter of Credit deposited in the applicable Letter of Credit Account. All payments by the applicable Bank, under the applicable Letter of Credit in respect of a Drawing shall be credited to the applicable Letter of Credit Account, and no funds in the Letter of Credit Accounts shall be commingled with monies from any other source. All sums held by the Paying Agent in each Letter of Credit Account will be held un-invested for the payment of the principal of and interest due on the related maturing CP Notes to the persons entitled thereto until such sums have been paid to such persons.

(iii) The Letter of Credit Accounts shall be in the Paying Agent's name, as paying agent for the holders of CP Notes issued by or on behalf of the Issuer, and under the Paying Agent's exclusive control as agent for such holders and the

Banks. Except for holders of CP Notes issued by or on behalf of the Issuer, the Banks and the Paying Agent, as paying agent therefor, no person shall have any legal or beneficial interest in the Letter of Credit Accounts.

(c) (i) Upon the occurrence of a Substitution Drawing (defined below) or a Final Drawing, under the applicable Letter of Credit, the Paying Agent shall establish four segregated non-interest bearing trust accounts, designated as the "Series A-1 Note Repayment Account," the "Series A-2 Note Repayment Account," the "Series B-1 Note Repayment Account" and the "Series B-2 Note Repayment Account" (collectively referred to herein as the "Note Repayment Accounts") into which proceeds of each Substitution Drawing or Final Drawing shall be deposited as provided in Section 9(d) of this Agreement.

(ii) At the written direction of the Issuer, the Paying Agent shall invest and reinvest in Government Obligations (as defined in the Master Ordinance) any moneys remaining from time to time in the applicable Note Repayment Account. Such moneys shall be reinvested in such Government Obligations for such periods, and at such interest rates, as the Paying Agent shall be directed to invest in writing by the Issuer; provided that the maturity dates of such Government Obligations shall be such that moneys are available to pay the principal of and interest on maturing CP Notes or the Reimbursement Obligations when due and owing under the related Reimbursement Agreement. All moneys or Government Obligations held in the applicable Note Repayment Account shall be held for the benefit of the holders of the applicable CP Notes and the related Bank, and shall be disbursed, allocated and applied solely for the purposes set forth in Section 9(d) of this Agreement.

(iii) The Paying Agent shall not be liable for any loss resulting from any investments made pursuant to the terms of this Agreement and shall have no duty to invest or reinvest any amounts on deposit in the Note Repayment Accounts in the absence of written direction from the Issuer.

(iv) The Paying Agent shall have no lien, security interest or right of set-off whatsoever upon any of the moneys or investments in the Note Repayment Accounts for the payment of fees or expenses for the services rendered by the Paying Agent under this Agreement.

(d) Notwithstanding the provisions of this Section 6, the Paying Agent shall establish separate accounts and sub-accounts for each additional Sub-Series of Notes issued under this Agreement and for each Alternate Facility.

(e) The Paying Agent shall have no responsibility for determining the purpose of or the intended use of any of the proceeds of any withdrawal from the Accounts.

## 7. DRAWINGS UNDER THE LETTERS OF CREDIT

(a) The Paying Agent shall submit draw requests under the applicable Letter of Credit, pursuant to the terms of the applicable Letter of Credit: (i) by 11:30 a.m., New York time, on each CP Note maturity date (each such day, a "Draw Date") in the amounts necessary to pay the interest ("Interest Drawing") and the principal ("Principal Drawing" and, together with an Interest Drawing, a "Drawing") due on the corresponding CP Notes on their respective maturity dates, (ii) by 11:30 a.m., New York time, on the Substitution Date, a Substitution Drawing as set forth in section 7(c) below in the amounts necessary to pay the principal of and interest on the corresponding CP Notes on their respective maturity dates and (iii) by 11:30 a.m., New York time, on the date of a Final Drawing as specified in a Final Drawing Notice (as defined in the related Reimbursement Agreement) issued by a Bank in accordance with the terms of its respective Reimbursement Agreement. The Paying Agent shall submit to the Bank a drawing certificate on the Draw Date or the Substitution Date, in the form of Annex A to the applicable Letter of Credit (each, a "Drawing Certificate") and shall specify on each such Drawing Certificate whether the Drawing is a Principal Drawing, an Interest Drawing, or both a Principal and Interest Drawing, and the respective amount of each.

(b) The proceeds of each Drawing under the applicable Letter of Credit shall be deposited in the applicable Letter of Credit Account. Any funds on deposit in the applicable Letter of Credit Account shall be subject to withdrawal solely by the Paying Agent, as paying agent for the holders of the applicable CP Notes, and solely for the purpose of paying the principal of and/or interest on the applicable CP Notes on their respective maturity dates in respect of which the Paying Agent has presented a Drawing Certificate demanding payment in accordance with the terms of the applicable Letter of Credit. All sums held by the Paying Agent in the applicable Letter of Credit Account will be held un-invested for the payment of the principal and interest due on the applicable CP Notes to the Persons entitled thereto until such sums have been paid to such Persons.

(c) The Paying Agent shall also make (i) a Substitution Drawing in accordance with the applicable Letter of Credit as required by Section 9(d) of this Agreement and (ii) a Final Drawing in accordance with the applicable Letter of Credit and Reimbursement Agreement as required by Section 7(a)(iii) of this Agreement.

(d) All actions taken relative to the applicable Letter of Credit Account and the making of payments with respect to the applicable CP Notes shall be taken by the Paying Agent, on behalf and for the benefit of holders of the applicable CP Notes and shall be in accordance with this Agreement. The Paying Agent shall record the date and time of receipt of each wire transfer from either Bank that is deposited in the applicable Letter of Credit Account and keep accurate records of each disbursement therefrom.

(e) The Paying Agent shall reimburse the applicable Bank for Drawings made on the Draw Date by 3:00 P.M. (New York City time) on the maturity date of the CP Notes for which the Drawing was made in immediately available funds using the wire information set forth below or as advised by the applicable Bank in writing to the Paying Agent from

time to time, from and to the extent of, the amounts credited to the applicable Reimbursement Account. The Paying Agent shall present to the Payment Office of the respective Bank (as defined in the applicable Reimbursement Agreement) specifying the amount and type of Drawing that is being reimbursed. In the event the amounts credited to the applicable Reimbursement Account are insufficient to reimburse a Drawing on the maturity date of the applicable CP Notes for which the Drawing was made, such Drawing shall be reimbursed by the Issuer in accordance with provisions of the applicable Reimbursement Agreement.

(f) **Barclays Wire Information:** Barclay's account at [Barclays Bank PLC, New York Branch, ABA Number: 026-002-574, Account Number: 050019104, Reference: \_\_\_\_\_], or such other office as the Bank may designate in writing to the Issuer and the Paying Agent in writing from time to time.

**SMBC Wire Information:** SMBC's account at Citibank, N.A., New York, ABA #: 021 000 089, F/O Sumitomo Mitsui Banking Corporation, New York Branch, Account Number: 360 23 837, Attention: Trade Credit Services Department, Reference: Letter of Credit No. [LOC #]], or such other office as the Bank may designate in writing to the Issuer and the Paying Agent from time to time.

(g) If the Paying Agent receives a written notice from a Bank that a Drawing Certificate does not conform to the terms and conditions of the applicable Letter of Credit, the Paying Agent shall promptly, to the extent that it is able, correct and resubmit such nonconforming Drawing Certificate.

(h) If the Issuer receives a notice from the Paying Agent by 2:30 P.M. (New York City time) on the Draw Date that a properly presented and conforming Drawing Certificate under the applicable Letter of Credit has not been honored: (i) the Paying Agent shall first utilize any excess funds in the applicable Reimbursement Account after the Bank has been reimbursed for all Drawings to pay the principal of and/or interest on the applicable maturing CP Notes and (ii) if such amounts in the applicable Reimbursement Account are insufficient, the Issuer agrees that it will prior to 2:30 P.M. (New York City time) deposit or cause to be deposited in the applicable Reimbursement Account, pursuant to the provisions of Section 503 (iv) of the Master Ordinance, an aggregate amount equal to all or a portion of the amount of the Interest Drawing that has been dishonored.

"Business Day" means any day except (a) a Saturday, Sunday or other day on which commercial banks located in the State of New York or the State of Florida are required by law or executive order to close for business, or (b) any other day on which any of the Depository Trust Company, the office of the Paying Agent, the offices of the Dealers or the office of the Bank designated for the presentation of Drawings in or pursuant to Section 7.02 of the applicable Reimbursement Agreement is or are lawfully closed.

## **8. PAYMENT OF PRINCIPAL AND INTEREST ON CP NOTES**

On any day when interest on and principal of a CP Note is due and payable, the Paying Agent shall pay the interest and principal of such CP Notes to DTC in immediately available funds, which payment shall be by net settlement of the Paying Agent's account at DTC. The Paying Agent shall have no obligation under this Agreement to make any payment for which there is not sufficient, available and collected funds in the applicable Letter of Credit Account, and the Paying Agent may, without liability, refuse to pay any CP Note that would result in an overdraft to the applicable Letter of Credit Account.

## **9. ADDITIONAL OR REPLACEMENT LETTERS OF CREDIT**

The Issuer will at all times maintain in effect a Letter or Letters of Credit or one or more other credit facilities in an aggregate available amount equal to the sum of the principal amount of each separate series of CP Notes designated as permitted under the 2016 Resolution and outstanding hereunder, plus interest due at maturity thereof. Notwithstanding anything contained herein to the contrary, the Issuer may obtain an alternate Letter or Letters of Credit or one or more other credit facilities to replace one or more of the Letters of Credit then in effect (each, an "Alternate Facility"), provided that (i) the Letter or Letters of Credit being replaced (in this Section, the "Existing Letter of Credit") remains in effect until drawn upon to pay the principal and interest on all outstanding CP Notes payable from Drawings under such Existing Letter of Credit, and (ii) the Alternate Facility is in effect at the time the Existing Letter of Credit is terminated or expires. Any assignment of a Letter of Credit by one Bank to another Bank (excluding assignments between agencies or branches of the same Bank) shall be deemed to be an Alternate Facility for the purposes of this Section. The Issuer and the Paying Agent agree that the Paying Agent will not release any Existing Letter of Credit or accept an Alternate Facility unless:

(a) The Issuer gives [20 calendar days'] prior written notice of the proposed substitution to the Paying Agent, the Dealers and each Bank whose Letter of Credit is to be replaced which notice shall state the date of the proposed substitution (the "Substitution Date"); and

(b) the Paying Agent, based on information provided to it by the Issuer, gives [15 calendar days'] prior written notice of the proposed substitution to the holders of the outstanding CP Notes payable from such Existing Letter of Credit and the Rating Agencies then rating the CP Notes, which notice shall state the Substitution Date and shall advise the holders of applicable outstanding CP Notes that that there will be a Substitution Drawing under the Existing Letter of Credit on the Business Day prior to the Substitution Date and that proceeds of such Substitution Drawing will be held in escrow in the applicable Note Repayment Account by the Paying Agent for payment of the principal of and interest on the CP Notes at maturity; and

(c) the Alternate Facility is delivered to the Paying Agent and becomes effective pursuant to its terms on the maturity date of all CP Notes payable from the Existing Letter of Credit; and

(d) the Paying Agent shall make a final draw (a "Substitution Drawing") on the Existing Letter of Credit on the Business Day prior to the Substitution Date in an amount sufficient to pay the entire amount of principal and interest becoming due on such CP Notes such that the CP Notes payable from the Existing Letter of Credit are no longer deemed "outstanding", as such term is defined in Section 14 of the 2016 Resolution. The proceeds of the Substitution Drawing or of matured Government Obligations purchased with such proceeds or some combination of the foregoing shall be deposited in the applicable Note Repayment Account and shall (i) be held in escrow by the Paying Agent and shall be used to pay the principal of and interest on the applicable CP Notes, until and including their maturity date, or (ii) be used by the Paying Agent to pay in full all of the applicable CP Notes then outstanding prior to any Alternate Facility taking effect; and

(e) the Paying Agent shall not cancel or surrender the Existing Letter of Credit unless and until the Paying Agent receives all of the funds drawn as required by clause (d) of this Section.

As a condition to the effectiveness of the Alternate Facility, the Alternate Facility provider shall execute and deliver to the Issuer and to the Paying Agent a joinder to this Agreement. All provisions in this Agreement, as amended and modified, relating to the Letter of Credit shall apply to the Alternate Facility upon effectiveness of the Alternate Facility.

In the event that an Alternate Facility shall take effect while there are any unpaid CP Notes which shall not be deemed "outstanding", as such term is defined in Section 14 of the 2016 Resolution, the Issuer shall designate the CP Notes supported by such Alternate Facility as a separate Sub-Series of Notes, and the holders of the Sub-Series of Notes secured by such Alternate Facility shall have no rights under any letter of credit other than such Alternate Facility.

## 10. **AUTHORIZED REPRESENTATIVES**

The Issuer shall deliver to the Paying Agent a duly adopted resolution from the Board authorizing the issuance of notes under each program established pursuant to this Agreement and a certificate of incumbency, with specimen signatures attached, of those officers, employees and agents of the Issuer authorized to take certain actions with respect to the CP Notes, as provided in this Agreement (each such person is hereinafter referred to as an "Authorized Representative"). Until the Paying Agent receives any subsequent incumbency certificates of the Issuer, the Paying Agent shall be entitled to rely on the last incumbency certificate delivered to it for the purpose of determining the Authorized Representatives. The Issuer represents and warrants that each Authorized Representative may appoint other officers, employees and agents of the Issuer (the "Delegates"), including without limitation any Dealer, to issue instructions to the Paying Agent under this

Agreement, and take other actions on the Issuer's behalf hereunder, provided that notice of the appointment of each Delegate is delivered to the Paying Agent in writing. Each such appointment shall remain in effect unless and until revoked by the Issuer in a written notice to the Paying Agent.

#### **11. BOOK-ENTRY NOTES**

The Issuer's notes ("Book-Entry Notes") shall not be issued in physical form, but their aggregate principal amount, together with the interest thereon, shall be represented by separate master note for each of the Series A Notes and the Series B Notes and for each Sub-Series of Notes, executed by the Issuer pursuant to the book-entry commercial paper program of The Depository Trust Company ("DTC"). The Paying Agent shall maintain each Master Note in safekeeping, in accordance with its customary practices, on behalf of Cede & Co., the initial registered owner thereof and nominee of DTC. As long as Cede & Co. is the registered owner of each Master Note, the beneficial ownership interest therein shall be shown on, and the transfer of ownership thereof shall be effected through, entries on the books maintained by DTC and the books of its direct and indirect participants. Each Master Note and the Book-Entry Notes shall be subject to DTC's rules and procedures, as amended from time to time. The Paying Agent shall not be liable or responsible for sending transaction statements of any kind to DTC's participants or the beneficial owners of the Book-Entry Notes, or for maintaining, supervising or reviewing the records of DTC or its participants with respect to such Book-Entry Notes. In connection with DTC's program, the Issuer understands that as one of the conditions of its participation therein, it shall be necessary for the Issuer and the Paying Agent to enter into a Letter of Representations, in the form of Exhibit B to this Agreement, and for DTC to receive and accept such Letter of Representations. In accordance with DTC's program, the Paying Agent shall obtain from the CUSIP Service Bureau a written list of CUSIP numbers for the Book-Entry Notes, and the Paying Agent shall deliver such list to DTC. The CUSIP Service Bureau shall bill the Issuer directly for the fee or fees payable for the list of CUSIP numbers for the Book-Entry Notes.

#### **12. ISSUANCE INSTRUCTIONS TO THE PAYING AGENT; PAYING AGENT PAYMENTS**

The Issuer understands that all instructions under this Agreement are to be directed to the Paying Agent's Commercial Paper Operations Department through the System (defined below). The Paying Agent shall provide the Issuer, or, if applicable, the Dealers, with access to the Paying SPANS System or other electronic means (collectively, the "System") in order that the Paying Agent may receive electronic instructions for the issuance of CP Notes. Electronic instructions must be transmitted in accordance with the procedures furnished by the Paying Agent to the Issuer or the Dealers in connection with the System, and each such instruction shall be confirmed by Exhibit C attached hereto, duly completed and signed by the Issuer and delivered to the Paying Agent by [11A.M.], New York City Time on the requested date of issuance. Electronic transmissions shall be the equivalent to the giving of a duly authorized written and signed instruction and the Paying Agent may act upon these electronic instructions without liability. An Authorized

Representative or a Delegate may deliver written, or telephone instructions to the Paying Agent, followed by Exhibit C duly completed and signed by the Issuer and delivered to the Paying Agent by [11A.M.], New York City Time on the requested date of issuance, which instructions shall be verified in accordance with any security procedures designated by the Paying Agent. The Paying Agent shall incur no liability in acting upon instructions believed by the Paying Agent in good faith to have been given by an Authorized Representative or a Delegate. In the event that a discrepancy exists between a telephonic instruction and Exhibit C, the written instruction in the form of Exhibit C shall be deemed the controlling and proper instruction. The Paying Agent may electronically record any conversations made pursuant to this Agreement, and the Issuer hereby consents to such recordings. All issuance instructions regarding the CP Notes must be received by [11:00 A.M.], New York City Time and confirmed by Exhibit C, duly completed and signed by the Issuer and delivered to the Paying Agent by [11A.M.], New York City Time on the requested date of issuance in order for the CP Notes to be issued or delivered on the same day.

(a) **Issuance and Purchase of Book-Entry Notes.** On the date of this Agreement, the Paying Agent shall authenticate each Master Note, the forms of which and the Master Note Annex are attached as Exhibits A-1, A-2, A-3 and A-4. Upon receipt of issuance instructions from the Issuer or the Dealer with respect to Book-Entry Notes as set forth above, the Paying Agent shall transmit such instructions to DTC and direct DTC to cause appropriate entries of the Book-Entry Notes to be made in accordance with DTC's applicable rules, regulations and procedures for book-entry commercial paper programs. The Paying Agent shall request CUSIP numbers for the Book-Entry Notes to identify the Issuer's aggregate principal amount of outstanding Book-Entry Notes in DTC's system, together with the aggregate unpaid interest on such Book-Entry Notes. Promptly following DTC's established settlement time on each issuance date, the Paying Agent shall access DTC's system to verify whether settlement has occurred with respect to the Book-Entry Notes. Prior to the close of business on such Business Day, the Paying Agent shall deposit immediately available funds in the amount of the proceeds due to the Issuer (if any) to the applicable Series A Account or Series B Account and designated in the applicable Program Schedule, provided that the Paying Agent has received DTC's confirmation that the Book-Entry Notes have settled in accordance with DTC's applicable rules, regulations and procedures. The Paying Agent shall have no liability to the Issuer whatsoever if any DTC participant purchasing a Book-Entry Note fails to settle or delays in settling its balance with DTC or if DTC fails to perform in any respect.

(b) **Restrictions and Limitations on the issuance of Notes.** No CP Note may be issued unless the Paying Agent has received complete instructions in accordance with the provisions of this Agreement. Additionally, no CP Note shall be issued (i) having a maturity date later than the earliest of (x) 270 days from the date of issuance of such CP Note, (y) the second Business Days prior to the expiry of the then current applicable Letter of Credit, or (z) May 17, 2021; (ii) if the principal amount of such CP Note, when added to the aggregate principal amount of outstanding CP Notes, would exceed \$400,000,000.00; (iii) if the principal amount of such CP Note plus all interest accrued and to accrue on such CP Note to its stated maturity date (the "Maturity Value"), when added

to the aggregate Maturity Value of all outstanding CP Notes of supported by the same Letter of Credit, would exceed the amount of such Letter of Credit (computed after giving effect to the issuance of such CP Note and the application of the proceeds of such CP Note, if applied to refinance other CP Notes) for the payment of the Maturity Value of all such CP Notes of the same Series; (iv) if the interest rate applicable to the CP Note exceeds the interest rate of 12% per annum calculated on an actual/365 or 366 day count basis for the Series A-1 CP Notes and Series B-1 CP Notes and on an actual/360 day count basis for the Series A-2 CP Notes and Series B-2 CP Notes; (v) if the Issuer or Paying Agent shall have received a No-Issuance Notice or a Final Drawing Notice; (vi) if the Issuer shall have received telephonic, telefax or other electronic or written notice from a Bank that an Event of Default has occurred and instructing the Issuer to cease issuing CP Notes supported by the applicable Letter of Credit.

No CP Note shall be issued unless the Board shall have authorized the issuance of Bonds by ordinance, which have not then been issued, in an aggregate principal amount not less than the aggregate principal amount of the CP Notes that shall be outstanding upon issuance of such CP Note.

(c) **No-Issuance Instructions**

If the Paying Agent shall receive a No-Issuance Notice in the form of Appendix V to the Reimbursement Agreement or a Final Drawing Notice in the form of Annex H-1 to the applicable Letter of Credit from a Bank, the Paying Agent shall not thereafter issue or deliver any CP Notes supported by such Letter of Credit, notwithstanding any contrary instructions received from an Authorized Representative or Delegate of the Issuer or the Dealers, and the Paying Agent may resume issuing CP Notes only if such No-Issuance Notice is withdrawn in writing by the Bank originating the No-Issuance Notice. The Paying Agent shall promptly give notice to the Issuer and the applicable Dealer or Dealers of the receipt of a No-Issuance Notice or a Final Drawing Notice. A No-Issuance Notice or a Final Drawing Notice shall not be effective until received by the Paying Agent. If received by the Paying Agent prior to [9:30 A.M.], (New York City Time) on a Business Day, such No-Issuance Notice or a Final Drawing Notice shall be effective on the same Business Day and no CP Notes shall thereafter be issued or delivered under the applicable Letter of Credit. The applicable Letter of Credit shall remain in effect with regard to CP Notes issued prior to the date of receipt of the No-Issuance Notice or a Final Drawing Notice and the No-Issuance Notice or a Final Drawing Notice shall not terminate the Paying Agent's ability to make Drawings with respect to CP Notes issued prior to the date of the No-Issuance Notice or a Final Drawing Notice. If the No-Issuance Notice or a Final Drawing Notice is received by the Paying Agent at or after [9:30 A.M.], (New York City Time) on a Business Day, it shall be effective on the next Business Day and no CP Notes shall be issued or delivered which are supported by the applicable Letter of Credit after the receipt of the No-Issuance Notice or a Final Drawing Notice. The applicable Letter of Credit shall remain in effect with regard to CP Notes issued on or prior to the date of the No-Issuance Notice or a Final Drawing Notice and the No-Issuance Notice or a Final Drawing Notice shall not terminate the Paying Agent's ability to make Drawings with respect to CP Notes issued on or prior to the date of the No-Issuance Notice or a Final Drawing Notice. No

further authentication or delivery of the CP Notes shall be made after the effective time and date of the No-Issuance Notice or a Final Drawing Notice until such Bank shall have rescinded such instructions by a notice in writing to the Paying Agent.

Upon receipt of the No-Issuance Notice or a Final Drawing Notice, the Paying Agent shall notify the applicable Bank no later than the Business Day immediately succeeding the date the No-Issuance Notice or a Final Drawing Notice is received as to (i) the aggregate principal amount of applicable CP Notes outstanding as of the close of business on the date of receipt of the No-Issuance Notice or a Final Drawing Notice, (ii) the amount of interest payable with respect to such CP Notes on the respective maturity date(s) thereof, and (iii) the applicable maturity dates of such CP Notes.

Once the Paying Agent has received a No-Issuance Notice or a Final Drawing Notice as described above, the Paying Agent may not resume issuing applicable CP Notes unless and until the Paying Agent has received a written notice from the applicable Bank, that (1) such notice has been rescinded and (2) the Paying Agent may resume issuing applicable CP Notes.

(d) **Bank Officers.** For the purposes of this Agreement, any officer of each of the Banks shall be authorized to act and to give instructions and notices on behalf of the applicable Bank hereunder, and the Paying Agent shall be entitled conclusively to rely on any writing, paper or notice purporting to be signed, sent or given by any officer of the applicable Bank, unless an officer of the Paying Agent's Money Market Investment Processing Unit shall have received written notice from an officer of the applicable Bank that a particular writing, paper or notice was not signed, sent or given by such officer of the applicable Bank.

### 13. USE OF SALES PROCEEDS IN ADVANCE OF PAYMENT

The Paying Agent shall not be obligated to credit the applicable Series A Account or Series B Account unless and until payment of the purchase price of each CP Note is received by the Paying Agent. From time to time, the Paying Agent, in its sole discretion, may permit the Issuer to have use of funds payable with respect to a CP Note prior to the Paying Agent's receipt of the sales proceeds of such CP Note. If the Paying Agent makes a deposit, payment or transfer of funds on behalf of the Issuer with respect to interest on a CP Note before the Paying Agent receives payment for such CP Note, such deposit, payment or transfer of funds shall represent an advance by the Paying Agent to the Issuer to be repaid promptly, and in any event on the same day as it is made, from the proceeds of the sale of such CP Note, or by the Issuer in accordance with Section 15(b) of this Agreement if such proceeds are not received by the Paying Agent.

**14. SECURITY FOR PAYMENT OF INTEREST AND PRINCIPAL ON CP NOTES**

(a) The CP Notes and the interest thereon are special limited obligations of the Issuer. The CP Notes do not constitute a debt of the Issuer for which the faith and credit and taxing power of the Issuer are pledged, and the issuance of the CP Notes will not directly or indirectly or contingently obligate the State of Florida or the Issuer to levy any tax or to pledge any form of taxation whatever therefor.

(b) The principal of the CP Notes is payable solely from (i) funds drawn under the applicable Letter of Credit for such purpose, (ii) the proceeds of Additional Bonds that the Issuer issues under the provisions of Section 208 of the Master Ordinance ( "Section 208 Bonds") to pay such principal, or (iii) a rollover of the applicable maturing CP Notes, or the issuance of additional CP Notes issued to finance the payment of the principal or interest on the CP Notes and Drawings (as defined in the applicable Reimbursement Agreement).

(c) The interest on the CP Notes shall constitute Subordinate Obligations under the Master Ordinance and shall be payable solely from (i) funds drawn under the applicable Letter of Credit for such purpose, (ii) capitalized CP Note interest and proceeds of CP Notes refunding the same, (iii) the proceeds of Section 208 Bonds that the Issuer issues to pay such interest, (iv) the issuance of additional CP Notes issued to finance the payment of the principal of or interest on the CP Notes, or (v) legally available Net Operating Revenues under the provisions of Section 503 (iv) of the Master Ordinance.

**15. OVERDRAFTS**

(a) Intraday overdrafts with respect to the Series A Accounts or the Series B Accounts shall be subject to the Paying Agent's policies as in effect from time to time.

(b) An overdraft will exist in one of the Series A Accounts or the Series B Accounts if the Paying Agent, in its sole discretion, (i) permits an advance to be made pursuant to Section 13 for payment of interest on the CP Notes and, notwithstanding the provisions of Section 13, such advance is not repaid in full on the same day as it is made, or (ii) pays interest on a CP Note pursuant to Section 13 in excess of the available collected balance in such Account. Overdrafts shall be subject to the Paying Agent's established banking practices, including, without limitation, the imposition of interest, funds usage charges and administrative fees. The Issuer shall repay any such overdraft, fees and charges no later than the next Business Day, together with interest on the overdraft at the rate established by the Paying Agent for the Accounts, computed from and including the date of the overdraft to the date of repayment.

**16. NO PRIOR COURSE OF DEALING**

No prior action or course of dealing on the part of the Paying Agent with respect to advances of the Purchase Price or payments of matured CP Notes shall give rise to any

claim or cause of action by the Issuer against the Paying Agent in the event that the Paying Agent refuses to pay or settle any CP Notes for which the Issuer has not timely provided funds as required by this Agreement.

#### **17. CANCELTATION OF NOTES**

The Paying Agent shall direct that the books maintained by DTC and the books of its direct and indirect participants to be annotated to reflect the face amount of Book-Entry CP Notes following the payment of any amount of such Notes.

#### **18. INFORMATION FURNISHED BY PAYING AGENT**

Upon the reasonable request of the Issuer, the Paying Agent shall promptly provide the Issuer with information with respect to any CP Note issued and paid under this Agreement, provided, that the Issuer delivers such request in writing and, to the extent applicable, includes the serial number or note number, principal amount, payee, date of issue, maturity date, amount of interest (if any) and place of payment of such CP Note.

#### **19. REPRESENTATIONS AND WARRANTIES**

The Issuer represents and warrants that: (i) it has the right, capacity and authority to enter into this Agreement; and (ii) it will comply with all of its obligations and duties under this Agreement.

The Issuer further represents and agrees that (i) each CP Note issued and distributed upon its instruction pursuant to this Agreement shall constitute the Issuer's representation and warranty to the Paying Agent that such CP Note is a legal, valid and binding obligation of the Issuer, (ii) such CP Note is being issued in a transaction which is exempt from registration under the Securities Act of 1933, as amended, and any applicable state securities law; (iii) the Paying Agent's appointment to act for the Issuer under this Agreement, has been duly authorized by all necessary action of the Issuer; (iv) after the issuance of the CP Notes, the aggregate principal amount of and interest payable upon maturity of the CP Notes will not exceed the Stated Amount of the applicable Letter of Credit; (v) no default or event of default has occurred or is continuing under the applicable Reimbursement Agreement and each representation and warranty of the Issuer thereunder is true and correct in all material respects on and as of such date; and (vi) no No-Issuance Notice has been received from the applicable Bank.

#### **20. DISCLAIMERS**

The Paying Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement. The Paying Agent shall not have any duties or responsibilities except those expressly set forth in this Agreement.

The duties and obligations of the Paying Agent shall be determined solely by the express provisions of this Agreement, and the Paying Agent shall take such action with

respect to this Agreement as it shall be directed pursuant to this Agreement, and the Paying Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement and as specifically directed by the Issuer, and no implied covenants or obligations shall be read into this Agreement against the Paying Agent.

In the absence of bad faith on the part of the Paying Agent, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Paying Agent which conform to the requirements of this Agreement;

The Paying Agent shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

Without limiting the generality of this section, neither the Paying Agent nor any of its officers, directors, employees or agents shall:

- (a) have liability for any action taken or omitted in reliance upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of independent counsel), affidavit, letter, telegram or other paper or document deemed in good faith by the Paying Agent to be genuine and to have been signed or sent by the proper person or persons; or
- (b) be required to risk, use or advance funds of the Paying Agent or otherwise incur liability financial or otherwise, in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Paying Agent shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction of the Issuer or any Dealer given under this Agreement.

Whenever in the administration of the provisions of this Agreement the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action to be taken hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate signed by one of the Issuer's officers and delivered to the Paying Agent and such certificate, in the absence of negligence or bad faith on the part of the Paying Agent, shall be full warrant to the Paying Agent for any action taken, suffered or omitted by it under the provisions of this Agreement upon the faith thereof.

The Paying Agent may consult with counsel and the advice or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or opinion of counsel.

The Paying Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, entitlement order, approval or other paper or document.

The Paying Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care.

Any corporation into which the Paying Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any corporation succeeding to the business of the Paying Agent shall be the successor of the Paying Agent hereunder upon notice to the Issuer, without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything to the contrary notwithstanding.

Neither the Paying Agent nor any of its officers, directors, employees or agents shall be liable for any action taken or omitted under this Agreement or in connection therewith except to the extent caused by the Paying Agent's negligence or willful misconduct as determined by the final judgment of a court of competent jurisdiction, no longer subject to appeal or review. The parties each (for itself and any person or entity claiming through it) hereby releases, waives, discharges, exculpates and covenants not to sue the Paying Agent for any action taken or omitted under this Agreement except to the extent caused by the Paying Agent's negligence or willful misconduct. Anything in this Agreement to the contrary notwithstanding, in no event shall the Paying Agent be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Paying Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

In order to comply with applicable tax laws (inclusive of rules, regulations and interpretations promulgated by competent authorities) related to this Agreement in effect from time to time ("Applicable FATCA Law") that a foreign financial institution, issuer, Paying Agent, trustee or other party is or has agreed to be subject to, the Issuer agrees (i) to provide the Paying Agent sufficient information about the parties and/or transactions (including any modification to the terms of such transactions) so the Paying Agent can determine whether it has tax related obligations under Applicable FATCA Law, (ii) that the Paying Agent shall be entitled to make any withholding or deduction from payments to the extent necessary to comply with Applicable FATCA Law for which the Paying Agent shall not have any liability and (iii) to hold harmless the Paying Agent for any losses it may suffer due to the actions it takes to comply with Applicable FATCA Law. The terms of this section shall survive the termination of this Agreement.

The Paying Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by any party by unsecured e-mail, facsimile transmission or other

similar unsecured electronic methods, provided that such party has provided, or shall provide, to the Paying Agent an incumbency certificate listing designated persons with the authority to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. The Paying Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from such party's reliance upon and compliance with such instructions notwithstanding that such instructions conflict, or are inconsistent, with a subsequent written instruction (provided that the Paying Agent shall notify the sender of any such conflict or inconsistency before acting thereon). The sending party agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Paying Agent, including without limitation the risk of such party acting on unauthorized instructions, and the risk of interception and misuse by third parties (other than as may result from the negligence or willful misconduct of the Paying Agent).

The Paying Agent shall have no lien, security interest or right of set-off whatsoever upon any of the moneys in any accounts for the payment of fees or expenses for the services rendered by the Paying Agent under this Agreement.

## **21. INDEMNIFICATION**

The Issuer shall, to the extent permitted by law solely from available unencumbered moneys in the General Reserve Fund established pursuant to the Master Ordinance, indemnify and save the Paying Agent and its officers, directors, employees and agents, harmless against any liabilities which it may incur in connection with the transactions contemplated hereby or in the exercise and performance of its duties hereunder, except and unless such liabilities arise out of or result from the negligence or willful misconduct of the Paying Agent and/or its officers, directors, employees and agents. In no event, however, shall the Paying Agent have any lien, security interest or right of set off whatsoever upon the moneys in any Fund or Account. The provisions of this section shall survive the termination of this Agreement and the resignation or removal of the Paying Agent.

Subject to the terms hereof, performance by the Paying Agent of its obligations and duties under this Agreement to request and receive Drawings on the Letters of Credit, to pay the holders of the CP Notes and to reimburse the Banks for Drawings under the Letters of Credit, shall not be conditioned on the receipt of any indemnification that it may be entitled to hereunder.

## **22. OPINION OF COUNSEL**

The Issuer shall deliver to the Paying Agent all documents it may reasonably request relating to the existence of the Issuer and authority of the Issuer for this Agreement, including, without limitation, an opinion of Issuer's counsel, in form and substance satisfactory to the Paying Agent.

## 23. NOTICES

The Issuer will provide at least [forty-five (45)] days advance notice of a proposed substitution of a Letter of Credit to the Paying Agent and the Paying Agent agrees to notify Cede & Co., as registered owner and nominee for DTC within thirty days of receipt of such notice from the Issuer.

All notices, confirmations and other communications under this Agreement shall (except to the extent otherwise expressly provided) be in writing and shall be sent by first-class mail, postage prepaid, by telecopier or by hand, addressed as follows, or to such other address as the party receiving such notice shall have previously specified to the party sending such notice:

If to the Issuer: Miami-Dade County Water and Sewer Department  
3071 SW 38th Avenue  
Miami FL 33146  
Attention: Director  
Telephone: (786) 655-7477  
Facsimile: \_\_\_\_\_

With a copy to: Miami-Dade County Finance Department  
Suite 2550  
111 N.W. 1<sup>st</sup> Street  
Miami FL 33128  
Attention: Finance Director  
Telephone: (305) 375-5147  
Facsimile: (305) 375-5659

If to the Paying Agent concerning the daily issuance and redemption of Notes:  
U.S. Bank National Association  
100 Wall Street, 16<sup>th</sup> Floor  
New York, New York 10005  
Attention: Corporate Trust Operations  
Email: [mmi.processing@usbank.com](mailto:mmi.processing@usbank.com)  
Telephone: (212) 951-8508

If to the Dealers: Barclays Capital Inc.  
745 Seventh Avenue, 2<sup>nd</sup> Floor  
New York, NY 10019  
Attention: Municipal Short-term Desk  
Telephone: (212) 528 1011

Citigroup Global Markets, Inc.  
New York, NY \_\_\_\_\_  
Attention: \_\_\_\_\_

If to the Banks: Barclays Bank PLC  
745 Seventh Avenue, 19th Floor  
New York, New York 10019  
Attention: James Saakvitne  
Facsimile: (917) 254-1353  
Email: [james.saakvitne@barclays.com](mailto:james.saakvitne@barclays.com)

Sumitomo Mitsui Banking Corporation  
277 Park Avenue  
New York, New York 10172  
Attention: Public and Infrastructure Finance  
Telephone: (212) 224-4000  
Facsimile: (212) 224-5227

## 24. NOTICE TO THE RATING AGENCIES

The Issuer shall notify the Rating Agencies in writing of: (i) any proposed substitution of a Letter of Credit, (ii) the expiration, termination or extension of a Letter of Credit; (iii) a Final Drawing under a Letter of Credit; (iv) the creation of any additional Sub-Series of Notes, (v) any amendment to this Agreement or a Letter of Credit; (vi) the resignation or removal of the Paying Agent as issuing and paying agent; (vii) any change to the identity of a Dealer; and (viii) the termination of this Agreement. The Issuer shall receive written confirmation from the Rating Agencies then rating the CP Notes, that the amendment or extension of a Letter of Credit will not result in the withdrawal of or reduction in the ratings then assigned to the CP Notes. All such notices hereunder shall be forwarded to the Rating Agencies at the address set forth below:

S&P Global Ratings Services  
Attn: Municipal Structured Group  
55 Water Street, 38<sup>th</sup> Floor  
New York NY 10041  
Telephone: (212) 438-2021  
Facsimile: (212) 438-2152  
Email: [pubfin\\_structured@spglobal.com](mailto:pubfin_structured@spglobal.com)

Moody's Investor Services  
Attn: Structured Finance Group: Fully Supported Group  
99 Church Street  
New York NY 10007  
Telephone: (212) 553-0300  
Facsimile: (212) 553-4090

Fitch, Inc.  
Attn: Municipal Structured Finance Group  
One State Street Plaza  
New York NY 10004  
Telephone: (212) 908-0500  
Facsimile: (212) 480-4421

## 25. COMPENSATION

The Issuer shall pay compensation for services pursuant to this Agreement in accordance with the pricing schedules furnished by the Paying Agent to the Issuer from time to time and upon such payment terms as the parties shall determine. The Issuer shall also reimburse the Paying Agent for any fees and charges imposed by DTC with respect to services provided in connection with the Book-Entry Notes.

**26. BENEFIT OF AGREEMENT**

This Agreement is solely for the benefit of the parties hereto and no other person shall acquire or have any right under or by virtue hereof.

**27. TERMINATION**

(a) In the event that the Paying Agent resigns or is removed as Paying Agent, no such termination of this Agreement shall become effective unless and until a successor paying agent ("Successor Paying Agent") has been appointed and has accepted such appointment. The Issuer shall promptly notify the Paying Agent of the identity of any such Successor Paying Agent. Upon the termination of this Agreement the respective rights and duties of the Issuer, the Banks and the Paying Agent shall cease, except as otherwise expressly provided in this Agreement. Any CP Notes issued and sold in accordance with the provisions of this Agreement and outstanding on the date of the termination of this Agreement shall nevertheless remain valid obligations of the Issuer and shall be entitled to the benefits of the applicable Letter of Credit to the extent provided therein, and the benefits of this Agreement shall continue to be applicable with respect to such CP Notes and any funds held in the applicable Letter of Credit Account to the same extent as if this Agreement had not been terminated or, in the case where there shall exist a Successor Paying Agent, the arrangements provided for under such successor agreement shall be applicable to the CP Notes. The qualification of a Successor Paying Agent shall comply with the provisions of the Trust Agreement relating to the qualifications of trustees and the appointment of successor trustees.

(b) No later than the Business Day prior to the date of termination of this Agreement, the Paying Agent (i) shall transfer the Letter(s) of Credit to the Successor Paying Agent, and (ii) shall transfer to the Successor Paying Agent all funds, if any, on deposit in the Letter of Credit Accounts. On the Business Day subsequent to the termination of this Agreement, the Paying Agent shall destroy the Master Notes. The Paying Agent shall promptly notify the Issuer and the Banks of the transfer of the Letters of Credit and of the destruction of the Master Notes.

(c) It is understood that upon the Paying Agent's resignation, the Paying Agent shall no longer be obligated to issue any CP Notes. It is also understood that, if after ninety (90) days from the termination, a successor Paying Agent has not been appointed, the Paying Agent may petition a court of competent jurisdiction for the appointment of a successor Paying Agent, and such court may thereupon appoint a successor Paying Agent.

**28. FORCE MAJEURE**

In no event shall the Paying Agent be liable for any failure or delay in the performance of its obligations under this Agreement because of circumstances beyond the Paying Agent's control, including, but not limited to, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like which

restrict or prohibit the providing of the services contemplated by this Agreement, inability to obtain material, equipment, or communications or computer facilities, or the failure of equipment or interruption of communications or computer facilities, and other causes beyond the Paying Agent's control whether or not of the same class or kind as specifically named above.

**29. ENTIRE AGREEMENT**

This Agreement, together with the exhibits attached, constitutes the entire agreement between the Paying Agent and the Issuer with respect to the subject matter and supersedes in all respects all prior proposals, negotiations, communications, discussions and agreements between the parties concerning the subject matter of this Agreement.

**30. WAIVERS AND AMENDMENTS**

No failure or delay on the part of any party in exercising any power or right under this Agreement shall operate as a waiver, nor does any single or partial exercise of any power or right preclude any other or further exercise, or the exercise of any other power or right. Any such waiver shall be effective only in the specific instance and for the purpose for which it is given. No amendment, modification or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the Issuer and the Paying Agent and agreed to by the Banks.

**31. BUSINESS DAY**

Whenever any payment to be made under this Agreement shall be due on a day, which is not a Business Day for the Paying Agent, then such payment shall be made on the Paying Agent's next succeeding Business Day.

**32. COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall be deemed an original and such counterparts together shall constitute but one instrument.

**33. HEADINGS**

The headings in this Agreement are for purposes of reference only and shall not in any way limit or otherwise affect the meaning or interpretation of any of the terms of this Agreement.

**34. GOVERNING LAW**

This Agreement and the Notes shall be governed by and construed in accordance with the internal laws of the State of Florida. Venue shall be in Miami-Dade County.

**35. WAIVER OF TRIAL BY JURY**

EACH PARTY HEREBY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

**36. ACCOUNT CONDITIONS**

Each Account shall be subject to the Paying Agent's account conditions, as in effect from time to time.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on their behalf by duly authorized officers as of the day and year first-above written.

**U.S. BANK NATIONAL ASSOCIATION**

**MIAMI-DADE COUNTY,  
FLORIDA**

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Agreed to:  
**BARCLAYS BANK PLC**

**SUMITOMO MITSUI BANKING  
CORPORATION, ACTING  
THROUGH ITS NEW YORK  
BRANCH**

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A-1**

**FORM OF SERIES A-1 CP MASTER NOTE**

**EXHIBIT A-2**

**FORM OF SERIES A-2 CP MASTER NOTE**

**EXHIBIT A-3**

**FORM OF SERIES B-1 CP MASTER NOTE**

**EXHIBIT A-4**

**FORM OF SERIES B-2 CP MASTER NOTE**

**EXHIBIT B**

**DTC LETTER OF REPRESENTATIONS**

**EXHIBIT C**  
**FORM OF ISSUANCE INSTRUCTIONS TO PAYING AGENT**

**\$200,000,000**  
**MIAMI-DADE COUNTY, FLORIDA**  
**WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES,**  
**SERIES A-1 (TAX-EXEMPT) AND SERIES A-2 (TAXABLE)**

and

**\$200,000,000**  
**MIAMI-DADE COUNTY, FLORIDA**  
**WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES,**  
**SERIES B-1 (TAX-EXEMPT) AND SERIES B-2 (TAXABLE)**

**COMMERCIAL PAPER DEALER AGREEMENT**

This Commercial Paper Dealer Agreement, dated as of May 1, 2016 (the "Agreement"), is entered into by and between Miami-Dade County, Florida (the "Issuer") and Barclays Capital Inc. (the "Dealer").

**WHEREAS**, the Issuer proposes to issue its Water and Sewer System Commercial Paper Notes, Series A-1 (Tax Exempt) (the "Series A-1 Notes") and Water and Sewer System Commercial Paper Notes, Series A-2 (Taxable) (the "Series A-2 Notes" and, together with the Series A-1 Notes, the "Series A Notes") and its Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt ) (the "Series B-1 Notes") and Water and Sewer System Commercial Paper Notes, Series B-2 (Taxable) (the "Series B-2 Notes" and, together with the Series B-1 Notes, the "Series B Notes"; with the Series A Notes and the Series B Notes being collectively referred to as the "Notes"), in an aggregate principal amount not to exceed \$400,000,000 outstanding at any one time, pursuant to: (i) the Constitution and laws of the State of Florida, including, but not limited to, the Home Rule Amendment and Charter of Miami-Dade County, Florida, Chapters 125 and 166, Florida Statutes, as amended, the Code of Miami-Dade County, as amended, and other applicable provisions of law, (ii) Ordinance No. 09-67, enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on July 23, 2009 (the "Ordinance"), (iii) Resolution No. R-\_\_\_, adopted by the Board on May 17, 2016 (the "Note Resolution"), and (iv) the Issuing and Paying Agency Agreement dated as of May 1, 2016 (the "Issuing and Paying Agency Agreement"), by and between the Issuer and U.S. Bank National Association (the "Issuing and Paying Agent");

**WHEREAS**, the Series A Notes are supported by an irrevocable, direct-pay letter of credit (the "Series A Notes Facility") which has been issued by Barclays Bank PLC (the "Series A Notes Facility Provider") pursuant to the Reimbursement Agreement dated as of May 1, 2016 (the "Series A Notes Reimbursement Agreement"), by and between the Issuer and the Series A Notes Facility Provider;

**WHEREAS**, the Series B Notes are supported by an irrevocable, direct-pay letter of credit (the "Series B Notes Facility") which has been issued by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (the "Series B Notes Facility Provider") pursuant to the Reimbursement Agreement dated as of May 1, 2016 (the "Series B Notes

Reimbursement Agreement”), by and between the Issuer and the Series B Notes Facility Provider; and

**WHEREAS**, the Dealer has agreed to act as a Dealer for the Notes and to perform the duties imposed upon the Dealer with respect to the Notes by the Ordinance, the Note Resolution, the Issuing and Paying Agency Agreement and this Agreement;

**NOW, THEREFORE**, for and in consideration of the mutual covenants made herein, and subject to the terms and conditions set forth herein, the parties hereto agree as follows:

**Section 1. Definitions.** Each capitalized term not otherwise defined herein shall have the same meaning given to that term in the Note Resolution or, to the extent not defined in the Note Resolution, the Issuing and Paying Agency Agreement. In addition, capitalized terms defined in the “WHEREAS” clauses of this Agreement shall have the meanings ascribed thereto in such “WHEREAS” clauses and the following capitalized terms, when used in this Agreement, shall have the following meanings:

“Authorized Representatives” shall mean the officers or employees of the Issuer authorized to act on behalf of the Issuer to effect the sale of the Notes.

“Disclosure Counsel” shall mean Nabors, Giblin & Nickerson, P.A. and Liebler, Gonzalez & Portuondo, disclosure counsel to the Issuer.

“Facility” means, individually, each of, and “Facilities” means, collectively, the Series A Notes Facility and the Series B Notes Facility.

“Facility Provider” means individually either the Series A Notes Facility Provider or the Series B Notes Facility Provider and “Facility Providers” means, collectively, the Series A Notes Facility Provider and the Series B Notes Facility Provider.

“Financing Documents” shall mean this Agreement, the Ordinance, the Master Ordinance, the Note Resolution, the Reimbursement Agreements, the Issuing and Paying Agency Agreement, the Facilities, and the Notes, together with any other agreements executed and delivered by the Issuer in connection with the issuance or sale of the Notes.

“Master Ordinance” means Ordinance No. 93-134, enacted by the Board on November 16, 1993, as amended by Ordinance No. 13-47, enacted by the Board on June 4, 2013.

“Note Counsel” shall mean Squire Patton Boggs (US) LLP and D. Seaton and Associates, P.A., note counsel to the Issuer.

“Offering Memorandum” shall mean the Offering Memorandum, dated May 18, 2016, relating to the Notes, as may be supplemented, updated or amended.

“Reimbursement Agreement” means, individually, each of, and “Reimbursement Agreements” means, collectively, the Series A Notes Reimbursement Agreement and the Series B Notes Reimbursement Agreement including any further amendment or supplement thereto or

restatement thereof, or any agreement pursuant to which an alternate credit facility with respect to the Notes is issued.

“SEC” shall mean the U.S. Securities and Exchange Commission.

“Securities Act” shall mean the Securities Act of 1933, as amended.

**Section 2. Appointment of the Dealer.** Subject to the terms and conditions set forth in this Agreement, the Issuer hereby appoints the Dealer as its (a) exclusive dealer for the initial sale of the Series A Notes and (b) non-exclusive dealer for subsequent sales of such portion of the Series A Notes and the Series B Notes as may be from time to time allocated to the Dealer by the Issuer in one or more letter of instructions referenced in Section 4(b) hereof, and the Dealer hereby accepts such appointment.

**Section 3. Issuance, Sale and Purchase of Notes.**

(a) After the initial sale of the Notes, the Issuer shall have the right to allocate the Notes to Dealer and the other dealer for the Notes (provided that if such dealer is not a dealer as of the effective date of an applicable Reimbursement Agreement, with the prior written consent of the applicable Facility Provider, such consent not to be unreasonably withheld) as it deems appropriate during the time that this Agreement is effective. The Issuer shall issue the Notes in accordance with and in compliance with the terms of the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement. The Issuer shall issue the Notes in an aggregate principal amount not to exceed \$400,000,000 outstanding at any one time; provided, however that while the Facilities are in place, the aggregate principal amount of the Series A Notes outstanding at any one time shall not exceed \$200,000,000 and the aggregate principal amount of the Series B Notes outstanding at any one time shall not exceed \$200,000,000. No Notes may be outstanding after the earliest of (i) 270 days from their respective dates of issuance, (ii) the second Business Day (as defined in the Issuing and Paying Agency Agreement) prior to the expiry date of the then current applicable Facility; or (iii) May 17, 2021.

(b) Each of the Notes shall: (i) be issued in denominations of \$100,000.00 or any integral multiple of \$1,000.00 in excess of \$100,000.00; (ii) have maturities not exceeding 270 days from the date of issue; (iii) not contain any condition of redemption or right to prepay; (iv) bear such interest rate or rates per annum not exceeding 12% (the Dealer may assume such maximum note rate remains unchanged unless it receives written notice to the contrary from the Issuer); (v) be sold at par; and (vi) with respect to Series B Notes only, Series B Notes shall mature not earlier than two (2) Business Days from their date of issuance, unless either the Issuer or the Dealer has provided three (3) Business Days prior written notice to the Series B Notes Facility Provider with a copy to the Issuing and Paying Agent; provided, however, that no written notice will be required to be provided to the Series B Notes Facility Provider by the Issuer or the Dealer in the event that (x) the Series B Notes are issued with a maturity of one (1) Business Day and the Dealer for the Series B Notes is the registered Holder of all such Series B Notes or (y) the Dealer is unable to market Series B Notes up to the maximum interest rate set forth in clause (iv) hereof, the proceeds of which shall be used to repay the principal of and/or interest on maturing Series B Notes or unreimbursed Drawings or Advances under and as

defined in the Series B Notes Facility, with a maturity of more than one (1) Business Day (in the event that the Dealer markets Series B Notes with a maturity of one (1) Business Day without three (3) Business Days prior written notice to the Series B Notes Facility Provider as described in this clause (y), the Dealer shall be deemed to have certified to the Series B Notes Facility Provider that it is unable to market Series B Notes up to the maximum interest rate set forth in clause (iv) hereof, the proceeds of which shall be used to repay the principal of and/or interest on maturing Series B Notes or unreimbursed Drawings or Advances under and as defined in the Series B Notes Reimbursement Agreement, with a maturity of more than one (1) Business Day); provided, further, however, that in the event that the Dealer is unable to market Series B Notes up to the maximum interest rate set forth in clause (iv) hereof, the proceeds of which shall be used to repay the principal of and/or interest on maturing Series B Notes or unreimbursed Drawings or Advances under and as defined in the Series B Notes Facility, with a maturity of more than one (1) Business Day, it will give the Series B Notes Facility Provider prior written notice of the sale of Series B Notes with a maturity of one (1) Business Day.

(c) The Dealer shall use its best efforts to solicit and arrange sales of (i) the Series A Notes upon the initial issuance and sale thereof and (ii) such portion of the Series A Notes and the Series B Notes as may be allocated to the Dealer by the Issuer in connection with subsequent issuances and sales thereof, in each case at such rates (subject to any limitations set forth in the Ordinance, the Note Resolution, the Reimbursement Agreements or the Issuing and Paying Agency Agreement upon the maximum rate with respect to such Notes and without regard to the Bank Rate (as defined in the applicable Reimbursement Agreement)), and maturities as may prevail from time to time in the commercial paper market; provided, however, the Dealer shall have no obligation to purchase Notes for its own account from the Issuer.

(d) The Dealer and the Issuer agree that any Notes for which the Dealer may arrange the sale, or which the Dealer may purchase, will be sold or purchased on the terms and conditions and in the manner provided in this Agreement, the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement. The Dealer agrees that it shall not arrange the sale of or purchase any Series A Notes or Series B Notes following the receipt by it of a No-Issuance Notice or a Final Drawing Notice (each as defined in the applicable Reimbursement Agreement), in either case, instructing it not to issue Series A Notes or Series B Notes, respectively, until such time as provided in the applicable Reimbursement Agreement.

#### **Section 4. Transactions in Notes.**

(a) All transactions in Notes between the Dealer and the Issuer shall be in accordance with this Agreement, the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement, and the custom and practice in the commercial paper market to the extent such custom and practice is not inconsistent with this Agreement, the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement.

(b) As early as possible, but not later than 1:00 p.m., New York, New York time on the day on which any Notes are to be issued or sold hereunder, the Dealer shall notify the Issuer of the confirmed terms of the maturities, prices and interest rates at which the Dealer has

purchased and/or will arrange the sale of the Notes, as applicable, and the Dealer shall provide the Issuer with any other information required for the Issuer or the Dealer to deliver such Notes under the terms and conditions of this Agreement, the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement. As long as the terms of the Notes conform to the direction from the Issuer in any standing letter of instructions then in effect (which letter of instructions shall be substantially in the form of Exhibit A attached hereto and by this reference incorporated herein), the Dealer shall not be required to obtain additional direction or confirmation from the Issuer. In the absence of any standing letter of instructions, the Issuer must confirm the terms of the transactions proposed by the Dealer. Such confirmation or notification shall be delivered electronically or by telephone to the Issuer and the Issuing and Paying Agent in the Dealer's customary manner. Pursuant to Section 13 ("Dealing in Notes by the Dealer") hereof, the Dealer shall only be obligated to purchase or arrange the sale of any Notes when it has agreed to purchase or arrange the sale of such Notes and the Issuer has agreed thereto in accordance with the provisions of this Section 4(b).

(c) Not later than 1:00 p.m., New York, New York time on the day of each transaction, the Dealer shall, absent a standing letter of instructions, confirm each transaction, if any, made with or arranged by Dealer. Such confirmation shall be delivered electronically or by telephone to the Issuer and the Issuing and Paying Agent in the Dealer's customary manner.

**Section 5. Payment and Delivery of the Notes.**

The Dealer shall pay for the Notes, if any, purchased by the Dealer or sold by the Dealer in immediately available funds in the manner provided for in the Issuing and Paying Agency Agreement on the business day such Notes are delivered to the Dealer. All Notes will be delivered to The Depository Trust Company, in accordance with the Issuing and Paying Agency Agreement.

**Section 6. Offering Memorandum.**

(a) The Issuer will prepare and provide to the Dealer for distribution to investors and potential investors the Offering Memorandum containing information about the Issuer in form and substance reasonably acceptable to the Dealer.

(b) If it is reasonably determined by the Dealer that updating or supplementing of the Offering Memorandum is necessary to ensure that the Offering Memorandum and the ongoing offer and sale of Notes thereunder comply with federal or state securities laws, the Issuer will promptly update the Offering Memorandum in form and substance reasonably satisfactory to the Dealer.

(c) Upon the request of the Dealer, the Issuer will promptly prepare and provide to the Dealer for distribution to investors or potential investors an updated Offering Memorandum with respect to the Notes; provided that the Issuer shall not be required to prepare an amended Offering Memorandum more than once every 12 months unless an update to the Offering Memorandum for the offer and sale of the Notes is necessary (in the reasonable determination of the Dealer) to comply with applicable laws and regulations.

(d) In connection with any amendment, update or supplement of the Offering Memorandum relating to Notes issued subsequent to the initial issuance of the Notes, the Issuer agrees to provide, on the date of the issuance and sale of the Notes to which such Offering Memorandum relates: (i) a certificate of an Authorized Representative of the Issuer (in form and substance reasonably satisfactory to the Dealer) as of the date of such amendment, update or supplement of the Offering Memorandum to the effect that the Offering Memorandum, as so amended, updated or supplemented, does not contain any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; (ii) an opinion of Disclosure Counsel (in form and substance reasonably satisfactory to the Dealer), dated as of the date of such amendment, update or supplement, to the effect that nothing has come to the attention of such counsel that would cause such counsel to conclude that the Offering Memorandum as so amended, updated or supplemented, contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading; and (iii) such other opinions of counsel (in form and substance reasonably satisfactory to the Dealer), dated as of the date of such amendment, update or supplement as may be required under the circumstances surrounding such amendment, update or supplement, to the effect that the descriptions of the Financing Documents contained in the Offering Memorandum, as so amended, updated or supplemented, are true and correct in all material respects.

**Section 7. Deliverable Obligations of Issuer.**

The Issuer agrees that, on or prior to the date Notes are first issued, the Issuer shall deliver to the Dealer:

(a) A certificate signed by an Authorized Representative of the Issuer: (i) setting forth a list of the Authorized Representatives; and (ii) certifying as to the incumbency of those Authorized Representatives authorized to sign Notes on the Issuer's behalf and containing the true signatures of each of such persons. The Dealer may rely upon such authorization until otherwise notified in writing by the Issuer;

(b) An opinion of Note Counsel, addressed to the Dealer, that is in form and substance satisfactory to the Dealer, including without limitation, that (i) the Financing Documents to which the Issuer is a party have been duly authorized and issued, (ii) the Notes are valid and enforceable in accordance with their terms, (iii) the Notes are exempt from registration under the Securities Act and the Ordinance and the Note Resolution are exempt from registration under the Trust Indenture Act of 1939, as amended, (iv) the interest on the Series A-1 Notes and the Series B-1 Notes (hereinafter sometimes collectively referred to as the "Tax-Exempt Notes") is excluded from gross income for federal income tax purposes, and (v) the statements contained in the Offering Memorandum under the captions "INTRODUCTION" and "SECURITY AND SOURCES OF PAYMENT FOR THE NOTES," insofar as such statements purport to summarize certain provisions of the Note Resolution, the Notes, the Issuing and Paying Agency Agreement, the Ordinance, and the Master Ordinance fairly represent the information or statements contained in the Offering Memorandum; and the statements in the Offering Memorandum on the cover relating to the opinion of Note Counsel and under the caption "TAX MATTERS" are accurate statements or summaries of the matters set forth therein;

(c) A copy of each of the executed Reimbursement Agreements, the Issuing and Paying Agency Agreement, the Letter of Representations (as described in Section 11 of the Issuing and Paying Agency Agreement), the Notes and the Facilities, as then in effect;

(d) A copy of the Master Ordinance and the Ordinance, in each case certified by the Clerk of the Board;

(e) A copy of the Note Resolution, satisfactory in form and substance to the Dealer and certified by the Clerk of the Board, authorizing execution and delivery by the Issuer of the Financing Documents;

(f) An opinion of Disclosure Counsel, addressed to the Dealer, that is in form and substance satisfactory to the Dealer, to the effect that nothing has come to the attention of such counsel that would cause such counsel to conclude that the Offering Memorandum contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading;

(g) Evidence of the ratings assigned to the Notes by each rating agency then rating the Notes;

(h) A certificate executed by an Authorized Representative of the Issuer to the effect that (i) the information regarding the Issuer, the Water and Sewer Utility and the Notes in the Offering Memorandum does not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (ii) as of the date of such certificate, (A) the representations and warranties of the Issuer contained in Section 8 of this Agreement are true and accurate and (B) the Issuer is in compliance with the covenants and agreements contained in Section 9 of this Agreement; and

(i) Such other certificates, opinions, letters and documents as the Dealer shall have reasonably requested.

**Section 8. Representations and Warranties of the Issuer.**

The Issuer represents and warrants to the Dealer as of the date hereof, and as of the date of each issuance of Notes, as follows:

(a) The Master Ordinance is in full force and effect and has not been further modified or amended since the enactment of Ordinance No. 13-47 on June 4, 2013 and the Ordinance is in full force and effect and has not been modified or amended since its enactment. The Issuer has full power and authority to issue the Notes, to enter into, perform and observe the covenants and agreements on its part contained in the Financing Documents and to carry out and consummate all transactions contemplated hereby and by the other Financing Documents.

(b) The Financing Documents have been duly enacted, adopted, authorized, executed and delivered, as applicable, by the Issuer. The Financing Documents constitute legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, subject to the exercise of judicial discretion in accordance with general

principles of equity and bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter in effect affecting creditors' rights.

(c) The Notes have been duly authorized and executed by the Issuer and, when authenticated and delivered by the Issuing and Paying Agent, will constitute legal, valid and binding limited obligations of the Issuer in accordance with their terms, and the terms of the Ordinance, the applicable Reimbursement Agreement, the Note Resolution and the Issuing and Paying Agency Agreement, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter in effect affecting creditors' rights.

(d) The issuance and sale of the Notes do not require registration of the Notes under the Securities Act.

(e) The then-current Offering Memorandum does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) There are no consents, authorizations or approvals of, or filings with, any federal or state government authority (other than the Issuer) required in connection with the issuance or sale by the Issuer of the Notes, the execution and delivery of the Financing Documents and the performance of its obligations thereunder except as may be required by state securities laws (as to which no representation is made) and those which have already been obtained or made.

(g) The execution, enactment, adoption and delivery, as applicable, and performance by the Issuer of the Financing Documents have not and will not result in a breach or violation of, conflict with, or constitute a default under any law, regulation, order, judgment, agreement or instrument to which the Issuer is a party or by which the Issuer or any of its property is bound which could reasonably be expected to result in a material adverse effect on the ability of the Issuer to perform its obligations under the Financing Documents.

(h) Except as disclosed in the Offering Memorandum, there is no litigation or governmental proceeding pending, or to the knowledge of the Issuer threatened, against or affecting the Issuer:

(i) which might reasonably be expected to result in a material adverse change in the condition (financial or otherwise), operations or business prospects of the Issuer with respect to the Department or the Water and Sewer Utility or the ability of the Issuer to perform its obligations under the Financing Documents;

(ii) contesting the validity or enforceability of the Financing Documents; or

(iii) contesting the existence of the Issuer or the powers of the Issuer to perform its obligations under the Financing Documents.

(i) At the time of each delivery of Notes to the Dealer, the Issuer shall be deemed to make a representation and warranty, as of the date thereof, that (i) the Notes issued on such date

have been duly authorized, validly issued and delivered and, upon payment therefor, will constitute legal, valid and binding limited obligations of the Issuer in accordance with their terms, and the terms of the Ordinance, the applicable Reimbursement Agreement, the Note Resolution and the Issuing and Paying Agency Agreement, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter in effect affecting creditors' rights; (ii) the representations and warranties of the Issuer set forth in this Section 8 are true and correct as if made as of such date; and (iii) the Issuer is in compliance with all other conditions precedent to the issuance of the Notes, including, with respect to the Tax-Exempt Notes, all tax covenants and requirements contained in the Note Resolution.

(j) The Issuer is not now in breach of or in default under any applicable law or administrative regulation of the State of Florida or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer is a party or is otherwise subject, the consequence of any of the foregoing of which could reasonably be expected to result in a material adverse effect on (i) the ability of the Issuer to perform its obligations under the Financing Documents or (ii) the operations of the Water and Sewer Utility.

#### **Section 9. Covenants and Agreements of the Issuer.**

The Issuer covenants and agrees that:

(a) The Issuer will immediately notify the Dealer (i) if any event shall have occurred or information shall become known as a result of which (A) the Offering Memorandum, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or (B) any representation or warranty of the Issuer under any of the Financing Documents would become false in any material respect, (ii) of any material fact that the Issuer is aware of that may affect the issuance, offering or sale of the Notes or the marketability of the Notes including, but not limited to (A) any material adverse change in the financial condition, prospects or general affairs of the Issuer with respect to the Department or the Water and Sewer Utility, (B) any reduction or threatened reduction (by way of credit watch or similar rating agency action) in the ratings of the Notes, (C) any adverse change in the tax treatment of interest on the Tax-Exempt Notes received by the holders of the Tax-Exempt Notes or (D) any other material adverse change that may affect the issuance, offer and sale of the Notes or any fact or circumstance which constitutes, or with the passage of time would constitute, an event of default under the Financing Documents and (iii) any proposed action the taking of which requires an opinion of Note Counsel as to the tax status of any Tax-Exempt Notes under any Financing Document.

(b) The Issuer will not permit to become effective any amendment to or modification of the Financing Documents which could reasonably be expected to adversely affect the interest of the holder of any Notes then outstanding. The Issuer will give the Dealer notice of any proposed amendment to or modification of the Financing Documents prior to the effective date thereof.

(c) The Issuer will provide to the Dealer as soon as the same shall be publicly available, which shall not be later than 270 days after the end of the Issuer's fiscal year, copies of the Issuer's annual audited financial statements and such additional information concerning the operations and financial condition of the Issuer as the Dealer may from time to time reasonably request, and shall file the same with the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Market Access System.

(d) The Issuer shall furnish such information, execute such instruments and take such other action in cooperation with the Dealer as the Dealer may reasonably request in order (i) to qualify the Notes for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Dealer may designate and (ii) to determine the eligibility of the Notes for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification under clause (i) in effect so long as required for distribution of the Notes by the Dealer; provided, however, that in no event shall the Issuer be required to consent to suit or to service of process in any jurisdiction or to take any action which would subject it to service of process in any jurisdiction in which it is not now so subject.

(e) The Issuer will not sell Notes to the Dealer in the event that legal opinions provided by Note Counsel delivered in connection with the initial issuance of the Notes have been withdrawn, adversely modified or retracted.

(f) The Issuer will take all actions within its control necessary to maintain the exclusion of interest on the Tax-Exempt Notes from the gross income of the holders thereof for federal income tax purposes.

(g) The Issuer will not effect any credit or liquidity facility substitution except on a day on which no Notes covered by the credit or liquidity facility to be substituted are then outstanding or on such day when all Notes supported by such credit or liquidity facility are maturing.

#### **Section 10. Fees and Expenses.**

(a) For the services to be performed by the Dealer under this Agreement, the Issuer agrees to pay the Dealer during each calendar year a fee equal to .05% of the principal amount of each of the Notes outstanding sold by the Dealer calculated as follows: 0.0005 times the principal amount of the Notes outstanding sold by the Dealer times the number of days such Notes shall be outstanding, divided by 365 or 366 days (as appropriate); payable quarterly in arrears from the date of issuance of the first installment of the Notes, which payments are due on the first day of each July, October, January and April thereafter.

(b) The Issuer will pay all expenses of delivering Notes and reimburse the Dealer for all out-of-pocket expenses incurred by it as Dealer in connection with the provision of its services hereunder, including reasonable counsel fees in the amount of twenty-five thousand dollars (\$25,000.00) payable on the date of issuance of the first installment of the Notes, and disbursements.

**Section 11. Termination or Suspension.**

In addition to the provisions of Section 12 ("Resignation and Removal of the Dealer") hereof, the Dealer shall have the right in its sole discretion to immediately terminate or suspend its obligations under this Agreement at any time by notifying the Issuer in writing or by electronic means of its election to do so if the Dealer reasonably determines that one or more of the following events has occurred:

(a) any one or more of the Issuer's representations and warranties made hereunder is not true and correct in any material respect;

(b) the Issuer has breached one or more of its covenants, agreements or obligations under this Agreement in any material respect;

(c) the Issuer shall fail to observe in any material respect any of its covenants or agreements made under the Financing Documents;

(d) any event shall occur or information shall become known, which, at any time, in the Dealer's reasonable opinion, makes untrue, incorrect, incomplete or misleading in any material respect any statement or information contained in the then-current Offering Memorandum relating to the Notes, as the information contained therein has been supplemented or amended by other information, or causes such Offering Memorandum, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(e) the marketability of the Notes or the market price thereof, in the reasonable opinion of the Dealer, has been materially adversely affected by an amendment to the Constitution of the United States or the State of Florida or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of Florida or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of Florida authority, with respect to federal or

State of Florida taxation upon revenues or other income of the general character to be derived by the Issuer or upon interest received on obligations of the general character of the Notes which, in the judgment of the Dealer, may have the purpose or effect, directly or, indirectly, of affecting the tax status of the Issuer, its property or income, its securities (including the Tax-Exempt Notes) or the interest thereon, or any tax exemption granted or authorized by State of Florida legislation;

(f) legislation shall have been enacted, proposed, introduced or reported by any committee for passage by either house of the Congress or by any body of the State legislature of the State of Florida or recommended for passage by the President of the United States, or a decision rendered by any federal court or Florida court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the SEC, or any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that the Notes, other securities of the Issuer or obligations of the general character of the Notes are not exempt from registration under the Securities Act, or that the Ordinance or the Note Resolution are not exempt from qualification under the Trust Indenture Act;

(g) a stop order, ruling, regulation or official statement by the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Notes, including any underlying obligations, or the execution and delivery of any document relating to the issuance, as contemplated hereby or by the Offering Memorandum, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws, including (without limitation) the Securities Act, the Securities Exchange Act of 1934 or the Trust Indenture Act, each as amended and as then in effect;

(h) 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 general character of the Notes, or the issuance, offering or sale of the Notes, including any or all underlying obligations, as contemplated hereby or by the Offering Memorandum, 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;

(i) additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(j) (i) any two of the rating agencies then rating the Notes shall downgrade the short-term ratings assigned to the Notes below the highest short-term category of such rating agency (without regard to subcategory) or (ii) any rating agency shall suspend or withdraw the then current ratings assigned to the Notes;

(k) a general banking moratorium is declared by (i) federal, New York or Florida authorities, (ii) British banking authorities with respect to the Series A Notes or (iii) Japanese banking authorities with respect to the Series B Notes;

- (l) the general suspension of trading on any national securities exchange;
- (m) an actual or imminent default or a moratorium in respect of payment of any United States Treasury bills, bonds or notes, the effect of which in the Dealer's reasonable judgment makes it impracticable to market the Notes or to enforce contracts for the sale of the Notes;
- (n) there shall have occurred any new outbreak of hostilities or any material escalation in any present hostilities or other new national or international calamity, crisis or terrorist activity, the effect of such outbreak, escalation, calamity, crisis or terrorist activity on the operation of the government or financial markets of the United States being such, in the reasonable judgment of the Dealer, as to materially adversely affect the marketability of the Notes;
- (o) the occurrence of a major financial crisis, a material disruption in commercial banking or securities settlement or clearance services, or a material disruption or deterioration in the fixed income or municipal securities market;
- (p) an "event of default" shall have occurred and be continuing under any of the Financing Documents;
- (q) the Issuer shall fail to pay, or cause to be paid, when due, or shall declare a moratorium on the payment of, or shall repudiate its obligations under, any Notes or any of its other bonds or indebtedness;
- (r) a court of competent jurisdiction shall have entered a final, nonappealable order or judgment that any Notes or any of the Issuer's other outstanding bonds or indebtedness are illegal or unenforceable; or
- (s) in the reasonable judgment of the Dealer, the market price or marketability of the Notes or the ability of the Dealer to enforce contracts for the sale of Notes shall have been materially adversely affected by an amendment of or supplement to the Offering Memorandum, notwithstanding the Dealer's approval or consent of such amendment or supplement prior to its distribution.

**Section 12. Resignation and Removal of the Dealer.**

The Dealer may at any time resign and be discharged of its duties and obligations hereunder upon providing the Issuer with sixty (60) days' prior written notice; provided that Dealer's resignation may take effect on such earlier date as a successor entity is appointed by the Issuer. The Dealer may be removed at any time by the Issuer not earlier than (30) days following written confirmation by the Dealer of a written notice by the Issuer exercising its right of removal. Upon resignation or removal of the Dealer, the Issuer shall promptly cause the Issuing and Paying Agent to give notice thereof to all holders of the Notes and to any rating agency which has assigned a rating to the Notes.

**Section 13. Dealing in Notes by the Dealer.**

(a) The Dealer, in its individual capacity, may in good faith buy, sell, own, hold and deal in any of the Notes, including, without limitation, any Notes offered and sold by the Dealer pursuant to this Agreement, and may join in any action which any owner of the Notes may be entitled to take with like effect as if it did not act in any capacity hereunder. The Dealer may sell any of the Notes at prices above or below par, at any time. The Dealer, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer and may act as depository, account party, or agent for any committee or body of owners of the Notes or other obligations of the Issuer as freely as if it did not act in any capacity hereunder.

(b) Nothing in this Agreement shall be deemed to characterize the Dealer as an underwriter of the Notes or to obligate the Dealer to purchase any Notes for its own account at any time.

(c) While the Dealer has and shall have no obligation to purchase the Notes from the Issuer or to arrange any sale of the Notes for the account of the Issuer, the parties hereto agree that in any case where the Dealer purchases Notes from the Issuer, or arranges for the sale of Notes by the Issuer, such Notes will be purchased or sold by the Dealer in reliance on the representations, warranties, covenants and agreements of the Issuer contained herein and in the Note Resolution or made pursuant hereto and on the terms and conditions and in the manner provided herein and in the Ordinance, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement.

**Section 14. No Advisory or Fiduciary Role.**

The Issuer acknowledges and agrees that: (a) the transactions contemplated by this Agreement are arm's length, commercial transactions between the Issuer and the Dealer in which the Dealer is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer and that the Dealer has financial and other interests that differ from those of the Issuer; (b) the Dealer has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Dealer has provided other services or is currently providing other services to the Issuer on other matters); (c) the only obligations Dealer has to the Issuer with respect to the transactions contemplated hereby are expressly set forth in this Agreement; and (d) the Issuer has consulted its own municipal, legal, accounting, tax, financial and other advisors, as applicable to the extent it has deemed appropriate.

**Section 15. Term of Agreement.**

This Agreement shall become effective on the date hereof and shall continue in full force and effect until terminated pursuant to the terms hereof. Notwithstanding any provision of the Financing Documents or this Agreement to the contrary, the provisions of Section 10 ("Fees and Expenses") and the obligations of the Issuer and the Dealer thereunder shall survive any

termination or expiration of this Agreement under Section 11 (“Termination or Suspension”), Section 12 (“Resignation and Removal of the Dealer”) or this Section 15.

**Section 16. Governing Law.**

This Agreement shall be deemed to be a contract under, and for all purposes shall be governed by, and construed and interpreted in accordance with, the laws of the State of Florida without regard to choice of law rules. Any claim, action or proceeding, directly or indirectly, arising out of, or relating to this Agreement or the Notes or the offer and sale of the Notes shall be brought solely in the U.S. federal courts located in the Southern District of Florida, or the courts of the State of Florida located in Miami-Dade County, Florida, and, in connection with any such claim, action or proceeding, the parties hereto submit to the exclusive jurisdiction of, and venue in, federal or state courts located in Miami-Dade County, Florida.

**Section 17. Waiver of Trial by Jury.**

ANY RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY CLAIM, ACTION OR PROCEEDING, DIRECTLY OR INDIRECTLY, ARISING OUT OF, OR RELATING TO, THIS AGREEMENT ARE EXPRESSLY AND IRREVOCABLY WAIVED BY THE PARTIES HERETO.

**Section 18. Miscellaneous.**

(a) The Issuer acknowledges and agrees that the Dealer shall have no obligation under this Agreement to provide any services, provide any advice or take any other action to the extent that the Dealer determines, in its sole discretion, would cause the Dealer to be considered a “municipal advisor” as defined under Section 15B of the Securities Exchange Act of 1934, as amended, and SEC Rule 15Ba1-1.

(b) Except as otherwise specifically provided herein, all notices, demands and formal actions under this Agreement shall be in writing and either (i) hand delivered, (ii) sent by electronic means, or (iii) mailed by registered or certified mail, return receipt requested, postage prepaid. Any such notice shall be effective when received at the address specified below for the intended recipient (or at such other address as such recipient may designate from time to time by notice to the other party).

The Issuer:

Miami-Dade County Florida  
Finance Department  
111 N.W. 1st Street, Suite 2550  
Attention: Deputy Mayor & Director of Finance  
Telephone: (305) 375-5147  
Facsimile: (305) 375-5659  
Email: [marquez@miamidade.gov](mailto:marquez@miamidade.gov)

and

Miami-Dade County, Florida  
Finance Department  
111 N.W. 1st Street, Suite 2550  
Attention: Director, Division of Bond Administration  
Telephone: (305) 375-5147  
Facsimile: (305) 375-5659  
Email: [fphl@miamidade.gov](mailto:fphl@miamidade.gov)

The Dealer:

Barclays Capital Inc.  
745 7<sup>th</sup> Avenue  
New York, NY 10019  
Attn: Municipals (Muni CP)  
Telephone: (212) 528-1061  
Facsimile: (917) 265-0750  
E-mail: [MuniCP@barclays.com](mailto:MuniCP@barclays.com); [rommel.medina@barclays.com](mailto:rommel.medina@barclays.com)

(c) This Agreement shall inure to the benefit of and be binding only upon the parties hereto and their respective successors and assigns. The terms “successors” and “assigns” shall not include any purchaser of any of the Notes merely because of such purchase. No Holder or other third party shall have any rights or privileges hereunder.

(d) This Agreement is not assignable by either party hereto without the written consent of the other party; provided, however, that the Dealer may assign or transfer any or all of its rights and obligations as dealer hereunder to any of its affiliates (as such term is defined in Rule 405 under the Securities Act) or to its successors in interest.

(e) All of the representations and warranties of the Issuer contained herein shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Dealer; (ii) the offering and sale of and any payment for any Notes hereunder; or (iii) the termination or cancellation of this Agreement.

(f) This Agreement and each provision hereof shall not be waived, altered, modified, amended or supplemented in any manner whatsoever except by written instrument signed by each of the parties hereto.

(g) If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

(h) This Agreement may be executed in several counterparts, each of which shall be regarded as an original but all of which shall constitute one and the same document.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed and delivered as of the date hereof.

**MIAMI-DADE COUNTY, FLORIDA**

By: \_\_\_\_\_  
Deputy Mayor/Finance Director

**BARCLAYS CAPITAL INC.**

By: \_\_\_\_\_  
Luis Alfaro  
Managing Director

## EXHIBIT A

### EXAMPLE OF WRITTEN INSTRUCTIONS

[Date]

Barclays Capital, Inc.  
745 7<sup>th</sup> Avenue  
New York, NY 10019  
Attn: Rommel Medina  
Municipals

Re: \$200,000,000 Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt) and Series A-2 (Taxable) (collectively, the "Series A Notes") and \$200,000,000 Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt) and Series B-2 (Taxable) (collectively, the "Series B Notes" and, together with the Series A Notes, the "Notes")

Dear Sir or Madam:

This letter agreement will serve to confirm the understanding of the parties hereto regarding the instructions and parameters concerning the initial issuance and sale of Series A Notes. Miami-Dade County, Florida (the "Issuer") hereby instructs Barclays Capital Inc. (the "Dealer") to arrange for the initial sale of the Series A Notes without any additional confirmation from the Issuer, pursuant to the following terms: (i) the interest rates on the Series A Notes shall be 12% or less; (ii) the Series A Notes shall mature no later than 270 days after their date of issuance; (iii) the par amount of Series A Notes issued on any day shall not exceed the amount of Series A Notes maturing on such day; and (iv) the Series A Notes shall be issued and sold at par.

After the initial issuance and sale of the Series A Notes, the Dealer shall arrange for the subsequent sale of such principal amount of Series A Notes and such principal amount of Series B Notes, if any, as the Issuer shall from time to time allocate to the Dealer in a written supplement to this letter of instructions. Any such subsequent sale of Series A Notes and Series B Notes allocated to the Dealer shall be on the same terms as set forth in the immediately preceding paragraph unless the Issuer modifies one or more of such terms in such written supplement to this letter of instructions.

These standing instructions shall remain in effect until terminated by either party hereto upon five (5) days notice. If a sale of Notes does not comply with the above parameters, the Dealer shall seek the approval of the Issuer pursuant to the Commercial Paper Dealer Agreement dated as of May 1, 2016, between the Issuer and the Dealer.

If the foregoing is satisfactory, please execute a copy of this letter. This agreement may be executed in counterpart originals.

Very truly yours,

**MIAMI-DADE COUNTY, FLORIDA**

By: \_\_\_\_\_  
Deputy Mayor/Finance Director

AGREED AND ACCEPTED:

**BARCLAYS CAPITAL INC.**

By: \_\_\_\_\_  
Luis Alfaro  
Managing Director

- Exhibit H -

**\$200,000,000**  
**MIAMI-DADE COUNTY, FLORIDA**  
**WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES,**  
**SERIES A-1 (TAX-EXEMPT) AND SERIES A-2 (TAXABLE)**

**and**

**\$200,000,000**  
**MIAMI-DADE COUNTY, FLORIDA**  
**WATER AND SEWER SYSTEM COMMERCIAL PAPER NOTES,**  
**SERIES B-1 (TAX-EXEMPT) AND SERIES B-2 (TAXABLE)**

**COMMERCIAL PAPER DEALER AGREEMENT**

This Commercial Paper Dealer Agreement, dated as of May 1, 2016 (the "Agreement"), is entered into by and between Miami-Dade County, Florida (the "Issuer") and Citigroup Global Markets Inc. (the "Dealer").

**WHEREAS**, the Issuer proposes to issue its Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt)(the "Series A-1 Notes") and Water and Sewer System Commercial Paper Notes, Series A-2 (Taxable) (the "Series A-2 Notes" and, together with the Series A-1 Notes, the "Series A Notes") and its Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt)(the "Series B-1 Notes") and Water and Sewer System Commercial Paper Notes, Series B-2 (Taxable) (the "Series B-2 Notes", and together with the Series B-1 Notes, the "Series B Notes"; with the Series A Notes and the Series B Notes being collectively referred to as the "Notes"), in an aggregate principal amount not to exceed \$400,000,000 outstanding at any one time pursuant to: (i) the Constitution and laws of the State of Florida, including but not limited to, the Home Rule Amendment and Charter of Miami-Dade County, Florida, Chapters 125 and 166, Florida Statutes, as amended, the Code of Miami-Dade County, as amended, and other applicable provisions of law; (ii) Ordinance No. 09-67, enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on July 23, 2009 (the "Ordinance"), (iii) Resolution No. R-\_\_\_, adopted by the Board on May 17, 2016 (the "Note Resolution"), and (iv) the Issuing and Paying Agency Agreement dated as of May 1, 2016 (the "Issuing and Paying Agency Agreement"), by and between the Issuer and U.S. Bank National Association (the "Issuing and Paying Agent");

**WHEREAS**, the Series A Notes are supported by an irrevocable direct-pay letter of credit (the "Series A Notes Facility") which has been issued by Barclays Bank PLC (the "Series A Notes Facility Provider") pursuant to the Reimbursement Agreement dated as of May 1, 2016 (the "Series A Notes Reimbursement Agreement"), by and between the Issuer and the Series A Notes Facility Provider;

**WHEREAS**, the Series B Notes are supported by an irrevocable direct-pay letter of credit (the "Series B Notes Facility") which has been issued by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (the "Series B Notes Facility Provider")

pursuant to the Reimbursement Agreement dated as of May 1, 2016 (the "Series B Notes Reimbursement Agreement"), by and between the Issuer and the Series B Notes Facility Provider; and

**WHEREAS**, the Dealer has agreed to act as a Dealer for the Notes and to perform the duties imposed upon the Dealer with respect to the Notes by the Ordinance, the Note Resolution, the Issuing and Paying Agency Agreement and this Agreement;

**NOW, THEREFORE**, for and in consideration of the mutual covenants made herein, and subject to the terms and conditions set forth herein, the parties hereto agree as follows:

**Section 1. Definitions.** Each capitalized term not otherwise defined herein shall have the same meaning given to that term in the Note Resolution or, to the extent not defined in the Note Resolution, the Issuing and Paying Agency Agreement. In addition, capitalized terms defined in the "WHEREAS" clauses of this Agreement shall have the meanings ascribed thereto in such "WHEREAS" clauses and the following capitalized terms, when used in this Agreement, shall have the following meanings:

"Authorized Representatives" shall mean the officers or employees of the Issuer authorized to act on behalf of the Issuer to effect the sale of the Notes.

"Disclosure Counsel" shall mean Nabors, Giblin & Nickerson, P.A. and Liebler, Gonzalez & Portuondo, disclosure counsel to the Issuer.

"Facility" means, individually, each of, and "Facilities" means, collectively, the Series A Notes Facility and the Series B Notes Facility.

"Facility Provider" means individually either the Series A Notes Facility Provider or the Series B Notes Facility Provider and "Facility Providers" means, collectively, the Series A Notes Facility Provider and the Series B Notes Facility Provider.

"Financing Documents" shall mean this Agreement, the Ordinance, the Master Ordinance, the Note Resolution, the Reimbursement Agreements, the Issuing and Paying Agency Agreement, the Facilities, and the Notes, together with any other agreements executed and delivered by the Issuer in connection with the issuance or sale of the Notes.

"Master Ordinance" means Ordinance No. 93-134, enacted by the Board on November 16, 1993, as amended by Ordinance No. 13-47, enacted by the Board on June 4, 2013.

"Note Counsel" shall mean Squire Patton Boggs (US) LLP and D. Seaton and Associates, P.A., note counsel to the Issuer.

"Offering Memorandum" shall mean the Offering Memorandum, dated May 18, 2016, relating to the Notes, as may be supplemented, updated or amended.

"Reimbursement Agreement" means, individually, each of, and "Reimbursement Agreements" means, collectively, the Series A Notes Reimbursement Agreement and the Series B Notes Reimbursement Agreement including any further amendment or supplement thereto or

restatement thereof, or any agreement pursuant to which an alternate credit facility with respect to the Notes is issued.

"SEC" shall mean the U.S. Securities and Exchange Commission.

"Securities Act" shall mean the Securities Act of 1933, as amended.

**Section 2. Appointment of the Dealer.** Subject to the terms and conditions set forth in this Agreement, the Issuer hereby appoints the Dealer as its (a) exclusive dealer for the initial sale of the Series B Notes, and (b) non-exclusive dealer for subsequent sales of such portion of the Series A Notes and the Series B Notes as may be from time to time allocated to the Dealer by the Issuer in one or more letter of instructions referenced in Section 4(b) hereof, and the Dealer hereby accepts such appointment.

**Section 3. Issuance, Sale and Purchase of Notes.**

(a) After the initial sale of the Notes, the Issuer shall have the right to allocate the Notes to the Dealer and the other dealer for the Notes (provided that if such dealer is not a dealer as of the effective date of an applicable Reimbursement Agreement, with the prior written consent of the applicable Facility Provider, such consent not to be unreasonably withheld) as it deems appropriate during the time that this Agreement is effective. The Issuer shall issue the Notes in accordance with and in compliance with the terms of the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement. The Issuer shall issue the Notes in an aggregate principal amount not to exceed \$400,000,000 outstanding at any one time; provided, however that while the Facilities are in place, the aggregate principal amount of the Series A Notes outstanding at any one time shall not exceed \$200,000,000 and the aggregate principal amount of the Series B Notes outstanding at any one time shall not exceed \$200,000,000. No Notes may be outstanding after the earliest of (i) 270 days from their respective dates of issuance; (ii) the second Business Day (as defined in the Issuing and Paying Agency Agreement) prior to the expiry date of the then current applicable Facility; or (iii) May 17, 2021.

(b) Each of the Notes shall: (i) be issued in denominations of \$100,000 or any integral multiple of \$1,000 in excess of \$100,000; (ii) have maturities not exceeding 270 days from the date of issue; (iii) not contain any condition of redemption or right to prepay; (iv) bear such interest rate or rates per annum not exceeding 12% (the Dealer may assume such maximum note rate remains unchanged unless it receives written notice to the contrary from the Issuer); (v) be sold at par; and (vi) with respect to Series B Notes only, Series B Notes shall mature not earlier than two (2) Business Days from their date of issuance, unless either the Issuer or the Dealer has provided three (3) Business Days prior written notice to the Series B Notes Facility Provider with a copy to the Issuing and Paying Agent; provided, however, that no written notice will be required to be provided to the Series B Notes Facility Provider by the Issuer or the Dealer in the event that (x) the Series B Notes are issued with a maturity of one (1) Business Day and the Dealer for the Series B Notes is the registered Holder of all such Series B Notes or (y) the Dealer is unable to market Series B Notes up to the maximum interest rate set forth in clause (iv) hereof, the proceeds of which shall be used to repay the principal of and/or interest on maturing Series B Notes or unreimbursed Drawings or Advances under and as defined in the Series B

Notes Facility, with a maturity of more than one (1) Business Day (in the event that the Dealer markets Series B Notes with a maturity of one (1) Business Day without three (3) Business Days prior written notice to the Series B Notes Facility Provider as described in this clause (y), the Dealer shall be deemed to have certified to the Series B Notes Facility Provider that it is unable to market Series B Notes up to the maximum interest rate set forth in clause (iv) hereof, the proceeds of which shall be used to repay the principal of and/or interest on maturing Series B Notes or unreimbursed Drawings or Advances under and as defined in the Series B Notes Reimbursement Agreement, with a maturity of more than one (1) Business Day); provided, further, however, that in the event that the Dealer is unable to market Series B Notes up to the maximum interest rate set forth in clause (iv) hereof, the proceeds of which shall be used to repay the principal of and/or interest on maturing Series B Notes or unreimbursed Drawings or Advances under and as defined in the Series B Notes Facility, with a maturity of more than one (1) Business Day, it will give the Series B Notes Facility Provider prior written notice of the sale of Series B Notes with a maturity of one (1) Business Day.

(c) The Dealer shall use its best efforts to solicit and arrange sales of (i) the Series B Notes upon the initial issuance and sale thereof and (ii) such portion of the Series A Notes and the Series B Notes as may be allocated to the Dealer by the Issuer in connection with subsequent issuances and sales thereof, in each case at such rates (subject to any limitations set forth in the Ordinance, the Note Resolution, the Reimbursement Agreements or the Issuing and Paying Agency Agreement upon the maximum rate with respect to such Notes and without regard to the Bank Rate (as defined in the applicable Reimbursement Agreement)), and maturities as may prevail from time to time in the commercial paper market; provided, however, the Dealer shall have no obligation to purchase Notes for its own account from the Issuer.

(d) The Dealer and the Issuer agree that any Notes for which the Dealer may arrange the sale, or which the Dealer may purchase, will be sold or purchased on the terms and conditions and in the manner provided in this Agreement, the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement. The Dealer agrees that it shall not arrange the sale of or purchase any Series A Notes or Series B Notes following the receipt by it of a No-Issuance Notice or a Final Drawing Notice (each as defined in the applicable Reimbursement Agreement), in either case, instructing it not to issue Series A Notes or Series B Notes, respectively, until such time as provided in the applicable Reimbursement Agreement.

#### **Section 4. Transactions in Notes.**

(a) All transactions in Notes between the Dealer and the Issuer shall be in accordance with this Agreement, the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement, and the custom and practice in the commercial paper market to the extent such custom and practice is not inconsistent with this Agreement, the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement.

(b) As early as possible, but not later than 1:00 p.m., New York, New York time on the day on which any Notes are to be issued or sold hereunder, the Dealer shall notify the Issuer of the confirmed terms of the maturities, prices and interest rates at which the Dealer has

purchased and/or will arrange the sale of the Notes, as applicable, and the Dealer shall provide the Issuer with any other information required for the Issuer or the Dealer to deliver such Notes under the terms and conditions of this Agreement, the Ordinance, the Note Resolution, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement. As long as the terms of the Notes conform to the direction from the Issuer in any standing letter of instructions then in effect (which letter of instructions shall be substantially in the form of Exhibit A attached hereto and by this reference incorporated herein), the Dealer shall not be required to obtain additional direction or confirmation from the Issuer. In the absence of any standing letter of instructions, the Issuer must confirm the terms of the transactions proposed by the Dealer. Such confirmation or notification shall be delivered electronically or by telephone to the Issuer and the Issuing and Paying Agent in the Dealer's customary manner. Pursuant to Section 13 ("Dealing in Notes by the Dealer") hereof, the Dealer shall only be obligated to purchase or arrange the sale of any Notes when it has agreed to purchase or arrange the sale of such Notes and the Issuer has agreed thereto in accordance with the provisions of this Section 4(b).

(c) Not later than 1:00 p.m., New York, New York time on the day of each transaction, the Dealer shall, absent a standing letter of instructions, confirm each transaction, if any, made with or arranged by Dealer. Such confirmation shall be delivered electronically or by telephone to the Issuer and the Issuing and Paying Agent in the Dealer's customary manner.

**Section 5. Payment and Delivery of the Notes.** The Dealer shall pay for the Notes, if any, purchased by the Dealer or sold by the Dealer in immediately available funds in the manner provided for in the Issuing and Paying Agency Agreement on the business day such Notes are delivered to the Dealer. All Notes will be delivered to The Depository Trust Company, in accordance with the Issuing and Paying Agency Agreement.

**Section 6. Offering Memorandum.**

(a) The Issuer will prepare and provide to the Dealer for distribution to investors and potential investors the Offering Memorandum containing information about the Issuer in form and substance reasonably acceptable to the Dealer.

(b) If it is reasonably determined by the Dealer that updating or supplementing of the Offering Memorandum is necessary to ensure that the Offering Memorandum and the ongoing offer and sale of Notes thereunder comply with federal or state securities laws, the Issuer will promptly update the Offering Memorandum in form and substance reasonably satisfactory to the Dealer.

(c) Upon the request of the Dealer, the Issuer will promptly prepare and provide to the Dealer for distribution to investors or potential investors an updated Offering Memorandum with respect to the Notes; provided that the Issuer shall not be required to prepare an amended Offering Memorandum more than once every 12 months unless an update to the Offering Memorandum for the offer and sale of the Notes is necessary (in the reasonable determination of the Dealer) to comply with applicable laws and regulations.

(d) In connection with any amendment, update or supplement of the Offering Memorandum relating to Notes issued subsequent to the initial issuance of the Notes, the Issuer agrees to provide, on the date of the issuance and sale of the Notes to which such Offering Memorandum relates: (i) a certificate of an Authorized Representative of the Issuer (in form and substance reasonably satisfactory to the Dealer) as of the date of such amendment, update or supplement of the Offering Memorandum to the effect that the Offering Memorandum, as so amended, updated or supplemented, does not contain any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; (ii) an opinion of Disclosure Counsel (in form and substance reasonably satisfactory to the Dealer), dated as of the date of such amendment, update or supplement, to the effect that nothing has come to the attention of such counsel that would cause such counsel to conclude that the Offering Memorandum as so amended, updated or supplemented, contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading; and (iii) such other opinions of counsel (in form and substance reasonably satisfactory to the Dealer), dated as of the date of such amendment, update or supplement as may be required under the circumstances surrounding such amendment, update or supplement, to the effect that the descriptions of the Financing Documents contained in the Offering Memorandum, as so amended, updated or supplemented, are true and correct in all material respects.

**Section 7. Deliverable Obligations of Issuer.** The Issuer agrees that, on or prior to the date Notes are first issued, the Issuer shall deliver to the Dealer:

(a) A certificate signed by an Authorized Representative of the Issuer: (i) setting forth a list of the Authorized Representatives; and (ii) certifying as to the incumbency of those Authorized Representatives authorized to sign Notes on the Issuer's behalf and containing the true signatures of each of such persons. The Dealer may rely upon such authorization until otherwise notified in writing by the Issuer;

(b) An opinion of Note Counsel, addressed to the Dealer, that is in form and substance satisfactory to the Dealer, including without limitation, that (i) the Financing Documents to which the Issuer is a party have been duly authorized and issued, (ii) the Notes are valid and enforceable in accordance with their terms, (iii) the Notes are exempt from registration under the Securities Act and the Ordinance and the Note Resolution are exempt from registration under the Trust Indenture Act of 1939, as amended, (iv) the interest on the Series A-1 Notes and the Series B-1 Notes (hereinafter sometimes collectively referred to as the "Tax-Exempt Notes") is excluded from gross income for federal income tax purposes, and (v) the statements contained in the Offering Memorandum under the captions "INTRODUCTION" and "SECURITY AND SOURCES OF PAYMENT FOR THE NOTES", insofar as such statements purport to summarize certain provisions of the Note Resolution, the Notes, the Issuing and Paying Agency Agreement, the Ordinance, and the Master Ordinance fairly represent the information or statements contained in the Offering Memorandum; and the statements in the Offering Memorandum on the cover relating to the opinion of Note Counsel and under the caption "TAX MATTERS" are accurate statements or summaries of the matters set forth therein;

(c) A copy of each of the executed Reimbursement Agreements, the Issuing and Paying Agency Agreement, the Letter of Representations (as described in Section 11 of the Issuing and Paying Agency Agreement), the Notes and the Facilities, as then in effect;

(d) A copy of the Master Ordinance and the Ordinance, in each case certified by the Clerk of the Board;

(e) A copy of the Note Resolution, satisfactory in form and substance to the Dealer and certified by the Clerk of the Board, authorizing execution and delivery by the Issuer of the Financing Documents;

(f) An opinion of Disclosure Counsel, addressed to the Dealer, that is in form and substance satisfactory to the Dealer, to the effect that nothing has come to the attention of such counsel that would cause such counsel to conclude that the Offering Memorandum contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading;

(g) Evidence of the ratings assigned to the Notes by each rating agency then rating the Notes;

(h) A certificate executed by an Authorized Representative of the Issuer to the effect that (i) the information regarding the Issuer, the Water and Sewer Utility and the Notes in the Offering Memorandum does not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (ii) as of the date of such certificate, (A) the representations and warranties of the Issuer contained in Section 8 of this Agreement are true and accurate and (B) the Issuer is in compliance with the covenants and agreements contained in Section 9 of this Agreement; and

(i) Such other certificates, opinions, letters and documents as the Dealer shall have reasonably requested.

**Section 8. Representations and Warranties of the Issuer.** The Issuer represents and warrants to the Dealer as of the date hereof, and as of the date of each issuance of Notes, as follows:

(a) The Master Ordinance is in full force and effect and has not been further modified or amended since the enactment of Ordinance No. 13-47 on June 4, 2013 and the Ordinance is in full force and effect and has not been modified or amended since its enactment. The Issuer has full power and authority to issue the Notes, to enter into, perform and observe the covenants and agreements on its part contained in the Financing Documents and to carry out and consummate all transactions contemplated hereby and by the other Financing Documents.

(b) The Financing Documents have been duly enacted, adopted, authorized, executed and delivered, as applicable, by the Issuer. The Financing Documents constitute legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, subject to the exercise of judicial discretion in accordance with general

principles of equity and bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter in effect affecting creditors' rights.

(c) The Notes have been duly authorized and executed by the Issuer and, when authenticated and delivered by the Issuing and Paying Agent, will constitute legal, valid and binding limited obligations of the Issuer in accordance with their terms, and the terms of the Ordinance, the applicable Reimbursement Agreement, the Note Resolution and the Issuing and Paying Agency Agreement, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter in effect affecting creditors' rights.

(d) The issuance and sale of the Notes do not require registration of the Notes under the Securities Act.

(e) The then-current Offering Memorandum does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) There are no consents, authorizations or approvals of, or filings with, any federal or state government authority (other than the Issuer) required in connection with the issuance or sale by the Issuer of the Notes, the execution and delivery of the Financing Documents and the performance of its obligations thereunder except as may be required by state securities laws (as to which no representation is made) and those which have already been obtained or made.

(g) The execution, enactment, adoption and delivery, as applicable, and performance by the Issuer of the Financing Documents have not and will not result in a breach or violation of, conflict with, or constitute a default under any law, regulation, order, judgment, agreement or instrument to which the Issuer is a party or by which the Issuer or any of its property is bound which could reasonably be expected to result in a material adverse effect on the ability of the Issuer to perform its obligations under the Financing Documents.

(h) Except as disclosed in the Offering Memorandum, there is no litigation or governmental proceeding pending, or to the knowledge of the Issuer threatened, against or affecting the Issuer:

(i) which might reasonably be expected to result in a material adverse change in the condition (financial or otherwise), operations or business prospects of the Issuer with respect to the Department or the Water and Sewer Utility or the ability of the Issuer to perform its obligations under the Financing Documents;

(ii) contesting the validity or enforceability of the Financing Documents; or

(iii) contesting the existence of the Issuer or the powers of the Issuer to perform its obligations under the Financing Documents.

(i) At the time of each delivery of Notes to the Dealer, the Issuer shall be deemed to make a representation and warranty, as of the date thereof, that (i) the Notes issued on such date

have been duly authorized, validly issued and delivered and, upon payment therefor, will constitute legal, valid and binding limited obligations of the Issuer in accordance with their terms, and the terms of the Ordinance, the applicable Reimbursement Agreement, the Note Resolution and the Issuing and Paying Agency Agreement, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium or other similar laws heretofore or hereafter in effect affecting creditors' rights; (ii) the representations and warranties of the Issuer set forth in this Section 8 are true and correct as if made as of such date; and (iii) the Issuer is in compliance with all other conditions precedent to the issuance of the Notes, including, with respect to the Tax-Exempt Notes, all tax covenants and requirements contained in the Note Resolution.

(j) The Issuer is not now in breach of or in default under any applicable law or administrative regulation of the State of Florida or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer is a party or is otherwise subject, the consequence of any of the foregoing of which could reasonably be expected to result in a material adverse effect on (i) the ability of the Issuer to perform its obligations under the Financing Documents or (ii) the operations of the Water and Sewer Utility.

**Section 9. Covenants and Agreements of the Issuer.** The Issuer covenants and agrees that:

(a) The Issuer will immediately notify the Dealer (i) if any event shall have occurred or information shall become known as a result of which (A) the Offering Memorandum, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or (B) any representation or warranty of the Issuer under any of the Financing Documents would become false in any material respect, (ii) of any material fact that the Issuer is aware of that may affect the issuance, offering or sale of the Notes or the marketability of the Notes including, but not limited to (A) any material adverse change in the financial condition, prospects or general affairs of the Issuer with respect to the Department or the Water and Sewer Utility, (B) any reduction or threatened reduction (by way of credit watch or similar rating agency action) in the ratings of the Notes, (C) any adverse change in the tax treatment of interest on the Tax-Exempt Notes received by the holders of the Tax-Exempt Notes or (D) any other material adverse change that may affect the issuance, offer and sale of the Notes or any fact or circumstance which constitutes, or with the passage of time would constitute, an event of default under the Financing Documents and (iii) any proposed action the taking of which requires an opinion of Note Counsel as to the tax status of any Tax-Exempt Notes under any Financing Document.

(b) The Issuer will not permit to become effective any amendment to or modification of the Financing Documents which could reasonably be expected to adversely affect the interest of the holder of any Notes then outstanding. The Issuer will give the Dealer notice of any proposed amendment to or modification of the Financing Documents prior to the effective date thereof.

(c) The Issuer will provide to the Dealer as soon as the same shall be publicly available, which shall not be later than 270 days after the end of the Issuer's fiscal year, copies of the Issuer's annual audited financial statements and such additional information concerning the operations and financial condition of the Issuer as the Dealer may from time to time reasonably request, and shall file the same with the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Market Access System.

(d) The Issuer shall furnish such information, execute such instruments and take such other action in cooperation with the Dealer as the Dealer may reasonably request in order (i) to qualify the Notes for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Dealer may designate and (ii) to determine the eligibility of the Notes for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualification under clause (i) in effect so long as required for distribution of the Notes by the Dealer; provided, however, that in no event shall the Issuer be required to consent to suit or to service of process in any jurisdiction or to take any action which would subject it to service of process in any jurisdiction in which it is not now so subject.

(e) The Issuer will not sell Notes to the Dealer in the event that legal opinions provided by Note Counsel delivered in connection with the initial issuance of the Notes have been withdrawn, adversely modified or retracted.

(f) The Issuer will take all actions within its control necessary to maintain the exclusion of interest on the Tax-Exempt Notes from the gross income of the holders thereof for federal income tax purposes.

(g) The Issuer will not effect any credit or liquidity facility substitution except on a day on which no Notes covered by the credit or liquidity facility to be substituted are then outstanding or on such day when all Notes supported by such credit or liquidity facility are maturing.

**Section 10. Fees and Expenses.**

(a) For the services to be performed by the Dealer under this Agreement, the Issuer agrees to pay the Dealer during each calendar year a fee equal to .045% of the principal amount of each of the Notes outstanding sold by the Dealer calculated as follows: 0.00045 times the principal amount of the Notes outstanding sold by the Dealer times the number of days such Notes shall be outstanding, divided by 365 or 366 days (as appropriate); payable quarterly in arrears from the date of issuance of the first installment of the Notes, which payments are due on the first day of each July, October, January and April thereafter.

(b) The Issuer will pay all expenses of delivering Notes and reimburse the Dealer for all out-of-pocket expenses incurred by it as Dealer in connection with the provision of its services hereunder, including reasonable counsel fees in the amount of fifteen thousand dollars (\$15,000.00) payable on the date of issuance of the first installment of the Notes, and disbursements.

**Section 11. Termination or Suspension.** In addition to the provisions of Section 12 ("Resignation and Removal of the Dealer") hereof, the Dealer shall have the right in its sole discretion to immediately terminate or suspend its obligations under this Agreement at any time by notifying the Issuer in writing or by electronic means of its election to do so if the Dealer reasonably determines that one or more of the following events has occurred:

(a) any one or more of the Issuer's representations and warranties made hereunder is not true and correct in any material respect;

(b) the Issuer has breached one or more of its covenants, agreements or obligations under this Agreement in any material respect;

(c) the Issuer shall fail to observe in any material respect any of its covenants or agreements made under the Financing Documents;

(d) any event shall occur or information shall become known, which, at any time, in the Dealer's reasonable opinion, makes untrue, incorrect, incomplete or misleading in any material respect any statement or information contained in the then-current Offering Memorandum relating to the Notes, as the information contained therein has been supplemented or amended by other information, or causes such Offering Memorandum, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(e) the marketability of the Notes or the market price thereof, in the reasonable opinion of the Dealer, has been materially adversely affected by an amendment to the Constitution of the United States or the State of Florida or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of Florida or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of Florida authority, with respect to federal or State of Florida taxation upon revenues or other income of the general character to be derived by the Issuer or upon interest received on obligations of the general character of the Notes which, in

the judgment of the Dealer, may have the purpose or effect, directly or, indirectly, of affecting the tax status of the Issuer, its property or income, its securities (including the Tax-Exempt Notes) or the interest thereon, or any tax exemption granted or authorized by State of Florida legislation;

(f) legislation shall have been enacted, proposed, introduced or reported by any committee for passage by either house of the Congress or by any body of the State legislature of the State of Florida or recommended for passage by the President of the United States, or a decision rendered by any federal court or Florida court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the SEC, or any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that the Notes, other securities of the Issuer or obligations of the general character of the Notes are not exempt from registration under the Securities Act, or that the Ordinance or the Note Resolution are not exempt from qualification under the Trust Indenture Act;

(g) a stop order, ruling, regulation or official statement by the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Notes, including any underlying obligations, or the execution and delivery of any document relating to the issuance, as contemplated hereby or by the Offering Memorandum, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws, including (without limitation) the Securities Act, the Securities Exchange Act of 1934 or the Trust Indenture Act, each as amended and as then in effect;

(h) 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 general character of the Notes, or the issuance, offering or sale of the Notes, including any or all underlying obligations, as contemplated hereby or by the Offering Memorandum, 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;

(i) additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(j) any of the rating agencies then rating the Notes shall either (i) downgrade the short-term ratings assigned to the Notes below the highest short-term category of such rating agency (without regard to subcategory)(provided the Dealer shall not have the right to terminate or suspend its obligations under this Agreement pursuant to this clause (i) as a result of any short-term ratings assigned to the Notes on the date of the initial issuance of the Notes that are below the highest short-term category, but shall have such right as a result of any rating downgrade that occurs after the date of initial issuance of the Notes, regardless of whether such downgrade is to a rating that was in the highest short-term category on the date of initial issuance of the Notes) or (ii) any rating agency shall suspend or withdraw the then current ratings assigned to the Notes;

(k) a general banking moratorium is declared by either (i) federal, New York or Florida authorities or (ii) British banking authorities with respect to the Series A Notes or (iii) Japanese banking authorities with respect to the Series B Notes;

(l) the general suspension of trading on any national securities exchange;

(m) an actual or imminent default or a moratorium in respect of payment of any United States Treasury bills, bonds or notes, the effect of which in the Dealer's reasonable judgment makes it impracticable to market the Notes or to enforce contracts for the sale of the Notes;

(n) there shall have occurred any new outbreak of hostilities or any material escalation in any present hostilities or other new national or international calamity, crisis or terrorist activity, the effect of such outbreak, escalation, calamity, crisis or terrorist activity on the operation of the government or financial markets of the United States being such, in the reasonable judgment of the Dealer, as to materially adversely affect the marketability of the Notes;

(o) the occurrence of a major financial crisis, a material disruption in commercial banking or securities settlement or clearance services, or a material disruption or deterioration in the fixed income or municipal securities market;

(p) an "event of default" shall have occurred and be continuing under any of the Financing Documents;

(q) the Issuer shall fail to pay, or cause to be paid, when due, or shall declare a moratorium on the payment of, or shall repudiate its obligations under, any Notes or any of its other bonds or indebtedness;

(r) a court of competent jurisdiction shall have entered a final, nonappealable order or judgment that any Notes or any of the Issuer's other outstanding bonds or indebtedness are illegal or unenforceable; or

(s) in the reasonable judgment of the Dealer, the market price or marketability of the Notes or the ability of the Dealer to enforce contracts for the sale of Notes shall have been materially adversely affected by an amendment of or supplement to the Offering Memorandum, notwithstanding the Dealer's approval or consent of such amendment or supplement prior to its distribution.

**Section 12. Resignation and Removal of the Dealer.** The Dealer may at any time resign and be discharged of its duties and obligations hereunder upon providing the Issuer with sixty (60) days' prior written notice; provided that Dealer's resignation may take effect on such earlier date as a successor entity is appointed by the Issuer. The Dealer may be removed at any time by the Issuer not earlier than (30) days following written confirmation by the Dealer of a written notice by the Issuer exercising its right of removal. Upon resignation or removal of the Dealer, the Issuer shall promptly cause the Issuing and Paying Agent to give notice thereof to all holders of the Notes and to any rating agency which has assigned a rating to the Notes.

**Section 13. Dealing in Notes by the Dealer.**

(a) The Dealer, in its individual capacity, may in good faith buy, sell, own, hold and deal in any of the Notes, including, without limitation, any Notes offered and sold by the Dealer pursuant to this Agreement, and may join in any action which any owner of the Notes may be entitled to take with like effect as if it did not act in any capacity hereunder. The Dealer may sell any of the Notes at prices above or below par, at any time. The Dealer, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Issuer and may act as depository, account party, or agent for any committee or body of owners of the Notes or other obligations of the Issuer as freely as if it did not act in any capacity hereunder.

(b) Nothing in this Agreement shall be deemed to characterize the Dealer as an underwriter of the Notes or to obligate the Dealer to purchase any Notes for its own account at any time.

(c) While the Dealer has and shall have no obligation to purchase the Notes from the Issuer or to arrange any sale of the Notes for the account of the Issuer, the parties hereto agree that in any case where the Dealer purchases Notes from the Issuer, or arranges for the sale of Notes by the Issuer, such Notes will be purchased or sold by the Dealer in reliance on the representations, warranties, covenants and agreements of the Issuer contained herein and in the Note Resolution or made pursuant hereto and on the terms and conditions and in the manner provided herein and in the Ordinance, the applicable Reimbursement Agreement and the Issuing and Paying Agency Agreement.

**Section 14. No Advisory or Fiduciary Role.** The Issuer acknowledges and agrees that: (a) the transactions contemplated by this Agreement are arm's length, commercial transactions between the Issuer and the Dealer in which the Dealer is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer and that the Dealer has financial and other interests that differ from those of the Issuer; (b) the Dealer has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether Dealer has provided other services or is currently providing other services to the Issuer on other matters); (c) the only obligations Dealer has to the Issuer with respect to the transactions contemplated hereby are expressly set forth in this Agreement; and (d) the Issuer has consulted its own municipal, legal, accounting, tax, financial and other advisors, as applicable to the extent it has deemed appropriate.

**Section 15. Term of Agreement.** This Agreement shall become effective on the date hereof and shall continue in full force and effect until terminated pursuant to the terms hereof. Notwithstanding any provision of the Financing Documents or this Agreement to the contrary, the provisions of Section 10 ("Fees and Expenses") and the obligations of the Issuer and the Dealer thereunder shall survive any termination or expiration of this Agreement under Section 11 ("Termination or Suspension"), Section 12 ("Resignation and Removal of the Dealer") or this Section 15.

**Section 16. Governing Law.** This Agreement shall be deemed to be a contract under, and for all purposes shall be governed by, and construed and interpreted in accordance with, the laws of the State of Florida without regard to choice of law rules. Any claim, action or proceeding, directly or indirectly, arising out of, or relating to this Agreement or the Notes or the offer and sale of the Notes shall be brought solely in the U.S. federal courts located in the Southern District of Florida, or the courts of the State of Florida located in Miami-Dade County, Florida, and, in connection with any such claim, action or proceeding, the parties hereto submit to the exclusive jurisdiction of, and venue in, federal or state courts located in Miami-Dade County, Florida.

**Section 17. Waiver of Trial by Jury.** ANY RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY CLAIM, ACTION OR PROCEEDING, DIRECTLY OR INDIRECTLY, ARISING OUT OF, OR RELATING TO, THIS AGREEMENT ARE EXPRESSLY AND IRREVOCABLY WAIVED BY THE PARTIES HERETO.

**Section 18. Miscellaneous.**

(a) The Issuer acknowledges and agrees that the Dealer shall have no obligation under this Agreement to provide any services, provide any advice or take any other action to the extent that the Dealer determines, in its sole discretion, would cause the Dealer to be considered a "municipal advisor" as defined under Section 15B of the Securities Exchange Act of 1934, as amended, and SEC Rule 15Ba1-1.

(b) Except as otherwise specifically provided herein, all notices, demands and formal actions under this Agreement shall be in writing and either (i) hand delivered, (ii) sent by electronic means, or (iii) mailed by registered or certified mail, return receipt requested, postage prepaid. Any such notice shall be effective when received at the address specified below for the intended recipient (or at such other address as such recipient may designate from time to time by notice to the other party).

The Issuer:

Miami-Dade County Florida  
Finance Department  
111 N.W. 1st Street, Suite 2550  
Attention: Deputy Mayor & Director of Finance  
Telephone: (305) 375-5147  
Facsimile: (305) 375-5659  
Email: marquez@miamidade.gov

and

Miami-Dade County, Florida  
Finance Department  
111 N.W. 1st Street. Suite 2550  
Attention: Director, Division of Bond Administration  
Telephone: (305) 375-5147

Facsimile: (305) 375-5659  
Email: fphl@miamidade.gov

The Dealer:

Citigroup Global Markets Inc.  
390 Greenwich Street, 2nd Floor  
New York, New York 10013  
Attn: Manager, Short Term Finance Group  
Telephone: (212) 723-5594  
Facsimile: (212) 723-8939  
E-mail: robert.j.demichiel@citi.com

(c) This Agreement shall inure to the benefit of and be binding only upon the parties hereto and their respective successors and assigns. The terms "successors" and "assigns" shall not include any purchaser of any of the Notes merely because of such purchase. No Holder or other third party shall have any rights or privileges hereunder.

(d) This Agreement is not assignable by either party hereto without the written consent of the other party; provided, however, that the Dealer may assign or transfer any or all of its rights and obligations as dealer hereunder to any of its affiliates (as such term is defined in Rule 405 under the Securities Act) or to its successors in interest.

(e) All of the representations and warranties of the Issuer contained herein shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Dealer; (ii) the offering and sale of and any payment for any Notes hereunder; or (iii) the termination or cancellation of this Agreement.

(f) This Agreement and each provision hereof shall not be waived, altered, modified, amended or supplemented in any manner whatsoever except by written instrument signed by each of the parties hereto.

(g) If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

(h) This Agreement may be executed in several counterparts, each of which shall be regarded as an original but all of which shall constitute one and the same document.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed and delivered as of the date hereof.

**MIAMI-DADE COUNTY, FLORIDA**

By: \_\_\_\_\_  
Deputy Mayor/Finance Director

**CITIGROUP GLOBAL MARKETS INC.**

By: \_\_\_\_\_  
Kevin Dempsey, Director

## EXHIBIT A

### EXAMPLE OF WRITTEN INSTRUCTIONS

[Date]

Citigroup Global Markets Inc.  
390 Greenwich Street, 2nd Floor  
New York, New York 10013  
Attn: Manager, Short Term Finance Group

Re: \$200,000,000 Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt) and Series A-2 (Taxable) (collectively, the "Series A Notes") and \$200,000,000 Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series B-1 (Tax-Exempt) and, Series B-2 (Taxable) (collectively, the "Series B Notes" and together with the Series A Notes, the "Notes")

Dear Sir or Madam:

This letter agreement will serve to confirm the understanding of the parties hereto regarding the instructions and parameters concerning the initial issuance and sale of Series A Notes. Miami-Dade County, Florida (the "Issuer") hereby instructs Citigroup Global Markets Inc. (the "Dealer") to arrange for the initial sale of the Series B Notes without any additional confirmation from the Issuer, pursuant to the following terms: (i) the interest rates on the Series B Notes shall be 12% or less; (ii) the Series B Notes shall mature no later than 270 days after their date of issuance; (iii) the par amount of Series B Notes issued on any day shall not exceed the amount of Series B Notes maturing on such day; and (iv) the Series B Notes shall be issued and sold at par.

After the initial issuance and sale of the Series B Notes, the Dealer shall arrange for the subsequent sale of such principal amount of Series A Notes and such principal amount of Series B Notes, if any, as the Issuer shall from time to time allocate to the Dealer in a written supplement to this letter of instructions. Any such subsequent sale of Series A Notes and Series B Notes allocated to the Dealer shall be on the same terms as set forth in the immediately preceding paragraph unless the Issuer modifies one or more of such terms in such written supplement to this letter of instructions.

These standing instructions shall remain in effect until terminated by either party hereto upon five (5) days notice. If a sale of Notes does not comply with the above parameters, the Dealer shall seek the approval of the Issuer pursuant to the Commercial Paper Dealer Agreement dated as of May 1, 2016, between the Issuer and the Dealer.

If the foregoing is satisfactory, please execute a copy of this letter. This agreement may be executed in counterpart originals.

Very truly yours,

**MIAMI-DADE COUNTY, FLORIDA**

By: \_\_\_\_\_  
Deputy Mayor/Finance Director

AGREED AND ACCEPTED:

**CITIGROUP GLOBAL MARKETS INC.**

By: \_\_\_\_\_  
Kevin Dempsey, Director

**NEW ISSUE - BOOK-ENTRY ONLY**

**RATINGS: See "RATINGS" herein**

*In the opinion of Squire Patton Boggs (US) LLP and D. Seaton and Associates, P.A., Note Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Tax-Exempt Notes, when issued, is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) the Notes, when issued, and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Interest on the Tax-Exempt Notes may be subject to certain federal taxes imposed only on certain corporations, including the corporate alternative minimum tax on a portion of that interest. INTEREST ON THE TAXABLE NOTES IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES. For a more complete discussion of the tax aspects relating to the Notes, see "TAX MATTERS" herein.*

**\$200,000,000**  
**MIAMI-DADE COUNTY, FLORIDA**  
**WATER AND SEWER SYSTEM**  
**COMMERCIAL PAPER NOTES,**  
**SERIES A-1 (TAX-EXEMPT) AND**  
**SERIES A-2 (TAXABLE)**

[County's Logo]

**\$200,000,000**  
**MIAMI-DADE COUNTY, FLORIDA**  
**WATER AND SEWER SYSTEM**  
**COMMERCIAL PAPER NOTES,**  
**SERIES B-1 (TAX-EXEMPT) AND**  
**SERIES B-2 (TAXABLE)**

The purpose of this Offering Memorandum is to provide certain general information in connection with the issuance and sale of Miami-Dade County, Florida Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt) (the "Series A-1 Notes"), Series A-2 (Taxable) (the "Series A-2 Notes" and, together with the Series A-1 Notes, the "Series A Notes"), Series B-1 (Tax-Exempt) (the "Series B-1 Notes"), and Series B-2 (Taxable) (the "Series B-2 Notes" and, together with the Series B-1 Notes, the "Series B Notes" and collectively with the Series A Notes, the "Notes"). The Notes are being issued pursuant to the authority of, and in compliance with, the Constitution and Laws of the State of Florida (the "State"), including without limitation, (i) Chapters 125 and 166, Florida Statutes, as amended, (ii) the Home Rule Amendment and Charter of Miami-Dade County, Florida (the "County"), as amended, (iii) the Code of the County, as amended, and (iv) Ordinance No. 09-67 enacted by the Board of County Commissioners of the County (the "Board") on July 23, 2009 (the "Interim Financing Ordinance") and Resolution No. R-\_\_\_-16 adopted by the Board on May 17, 2016 (the "Resolution"). The Resolution authorizes the issuance, from time to time, of the Notes in the aggregate principal amount not exceeding \$400,000,000 outstanding at any time, maturing no later than the earliest of (A) 270 days from their respective dates, (B) the second Business Day prior to the expiry of the then current applicable Letter of Credit or (C) May 17, 2021. During the terms of the related Letters of Credit referenced below, not more than \$200,000,000 aggregate principal amount of Series A Notes can be outstanding at any one time and not more than \$200,000,000 aggregate principal amount of Series B Notes can be outstanding at any one time. The Notes shall not be subject to prepayment or redemption prior to maturity.

The Notes will be issued pursuant to the terms of the Issuing and Paying Agency Agreement dated as of May 1, 2016 (the "Issuing and Paying Agency Agreement"), between the County and U.S. Bank National Association (the "Issuing and Paying Agent"). The Notes will be issued as fully registered notes and initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Notes will be available in book-entry only form, and purchasers of the Notes will not receive physical delivery of certificates representing their interests in the Notes purchased. While held in book-entry only form, all payments of principal of and interest on the Notes will be made by wire transfer to DTC or its

nominee as the sole registered owner of the Notes. The Notes will be issued in denominations of \$100,000 or any integral multiple of \$1,000 in excess of \$100,000.

Pursuant to the respective Dealer Agreements (as defined herein), Barclays Capital Inc. ("Barclays Capital") and Citigroup Global Markets Inc. ("Citigroup" and, collectively with Barclays Capital, the "Initial Dealers") have been designated as the initial dealers with respect to the offering and sale of the Notes. Barclays Capital has been appointed the exclusive dealer for the initial sale of the Series A Notes and Citigroup has been appointed the exclusive dealer for the initial sale of the Series B Notes; provided, however, that subsequent to the initial sale of the Notes, each of the Initial Dealers is permitted to market either Series of the Notes in accordance with the Dealer Agreements and the County's instructions regarding subsequent sales of Notes.

The Notes are being issued for the purposes of (i) providing temporary funding for a portion of the costs of the Miami-Dade Water and Sewer Department's Capital Improvement Plan ("CIP") as described in this Offering Memorandum, (ii) financing the payment of the principal of and interest on any of the maturing Notes or obligations owed to any financial institutions that have provided credit support for any of the Notes and (iii) paying certain costs of issuance relating to the Notes.

Payment of principal of and interest on maturing Series A Notes is supported by an irrevocable transferrable direct-pay letter of credit issued by

**BARCLAYS BANK PLC**

("Barclays"), pursuant to a Reimbursement Agreement, dated as of May 1, 2016 (the "Series A Reimbursement Agreement"), by and between Barclays and the County.

Payment of principal of and interest on maturing Series B Notes is supported by an irrevocable transferrable direct-pay letter of credit issued by

**SUMITOMO MITSUI BANKING CORPORATION, ACTING  
THROUGH ITS NEW YORK BRANCH**

("SMBC"), pursuant to a Reimbursement Agreement, dated as of May 1, 2016 (the "Series B Reimbursement Agreement"), by and between SMBC and the County.

The letter of credit issued by Barclays (the "Barclays Letter of Credit") and the letter of credit issued by SMBC (the "SMBC Letter of Credit") are each referred to herein as a "Letter of Credit," and are collectively referred to herein as the "Letters of Credit." The Series A Reimbursement Agreement with Barclays and the Series B Reimbursement Agreement with SMBC are each referred to herein as a "Reimbursement Agreement," and are collectively referred to herein as the "Reimbursement Agreements." Barclays and SMBC are each referred to herein as a "Bank," and are collectively referred to herein as the "Banks." Pursuant to the related Reimbursement Agreement, the related Bank thereunder has agreed to issue to the Issuing and Paying Agent, for the benefit of the holders of the related Series of Notes, its own separate Letter of Credit. The Issuing and Paying Agent will draw on the related Letter of Credit to pay the principal of and interest on the related Notes on the maturity dates thereof. The Letters of Credit expire on May 24, 2019, subject to earlier termination as provided therein and to extension or renewal as provided therein and in the related Reimbursement Agreement.

**IN MAKING AN INVESTMENT DECISION REGARDING A POSSIBLE PURCHASE OF THE NOTES, PROSPECTIVE PURCHASERS SHOULD RELY SOLELY ON THE CREDIT OF THE RELATED BANK (AS DESCRIBED HEREIN) ISSUING THE RELATED LETTER OF CREDIT AND NOT ON THE CREDIT OF THE COUNTY.**

This cover page contains certain limited information for quick reference only. It is not, and is not intended to be, a summary of the matters relating to the Notes. Potential investors must read the entire Offering Memorandum (including the cover page and all appendices attached hereto) to obtain information essential to the making of an informed investment decision. The offering of the Notes to potential investors is made only by means of the entire Offering Memorandum, including all of the appendices attached hereto.

*The Notes are offered when, as and if issued by the County subject to the delivery of opinions on certain legal matters relating to their issuance of Squire Patton Boggs (US) LLP, Miami, Florida, and D. Seaton and Associates, P.A., Miami, Florida, as Note Counsel. Certain legal matters will be passed upon for the County by the Office of the Miami-Dade County Attorney. Certain other legal matters relating to disclosure will be passed upon for the County by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and Liebler, Gonzalez & Portuondo, Miami, Florida, Disclosure Counsel. Certain other legal matters in connection with each Letter of Credit and each Reimbursement Agreement will be passed upon by Chapman and Cutler LLP, Chicago, Illinois, special United States counsel to the Banks. Certain other legal matters in connection with the Barclays Letter of Credit and Series A Reimbursement Agreement will be passed upon by McDermott Will & Emery UK LLP, London, United Kingdom, English counsel to Barclays. Certain other legal matters in connection with the SMBC Letter of Credit and Series B Reimbursement Agreement will be passed upon by Yumoto, Ota & Miyazaki, Japanese counsel to SMBC. Certain legal matters will be passed upon for Barclays Capital by Greenberg Traurig, P.A., Miami, Florida, and for Citigroup by GrayRobinson, P.A., Miami, Florida. The Financial Advisor to the County and the Miami-Dade County Water and Sewer Department in connection with the issuance of the Notes is Public Resources Advisory Group, Inc., St. Petersburg, Florida. It is expected that the Notes will be available for delivery through DTC in New York, New York on or about May \_\_, 2016.*

**BARCLAYS CAPITAL INC.**

**CITIGROUP**

Dated: May \_\_, 2016

**MIAMI-DADE COUNTY, FLORIDA**

Carlos A. Gimenez, Mayor

**MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS**

Jean Monestime, Chairman  
Esteban Bovo, Jr., Vice Chair

<u>Name</u>	<u>District</u>	<u>Name</u>	<u>District</u>
Barbara J. Jordan	1	Daniella Levine Cava	8
Jean Monestime	2	Dennis C. Moss	9
Audrey M. Edmonson	3	Senator Javier D. Souto	10
Sally A. Heyman	4	Juan C. Zapata	11
Bruno A. Barreiro	5	José "Pepe" Diaz	12
Rebeca Sosa	6	Esteban Bovo, Jr.	13
Xavier L. Suarez	7		

**COUNTY CLERK**

Harvey Ruvin

**COUNTY ATTORNEY**

Abigail Price-Williams, Esq.

**DEPUTY MAYOR / FINANCE DIRECTOR**

Edward Marquez

**WATER AND SEWER DEPARTMENT**

Lester Sola,  
Director

Antonio J. Cotarelo, P.E.  
Deputy Director - Water and Wastewater  
Operations

Hardeep Anand, P.E.  
Deputy Director - Capital Improvement  
Program

L. Douglas Yoder, DPA,  
Deputy Director

Francis G. Morris,  
Chief Financial Officer

**NOTE COUNSEL**

Squire Patton Boggs (US) LLP  
Miami, Florida

D. Seaton and Associates, P.A.  
Miami, Florida

**DISCLOSURE COUNSEL**

Nabors, Giblin & Nickerson, P.A.  
Tampa, Florida

Liebler, Gonzalez & Portuondo  
Miami, Florida

**FINANCIAL ADVISOR**

Public Resources Advisory Group  
St. Petersburg, Florida

No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representations other than those contained in this Offering Memorandum, and if given or made, such other information or representations must not be relied upon as having been authorized by the County. This Offering Memorandum neither constitutes an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the County, DTC (as to itself and the book-entry only system), the Banks, the Initial Dealers (but as to each Initial Dealer, only with respect to the information set forth in the immediately following paragraph and under the caption "THE DEALERS" relating to such Initial Dealer and the Series of Notes initially allocated to it) and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the County with respect to information provided by others. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Offering Memorandum nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the affairs of the County or the Banks since the date hereof.

The Initial Dealers have provided the following sentence for inclusion in this Offering Memorandum. The Initial Dealers have each reviewed the information in this Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Initial Dealers do not guarantee the accuracy or completeness of such information.

Barclays has no responsibility for the form and content of this Offering Memorandum, other than solely with respect to the information describing itself in Appendix B under the heading "**CERTAIN INFORMATION REGARDING THE BANKS — BARCLAYS BANK PLC**" and has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Offering Memorandum or any information or disclosure contained herein or omitted herefrom, other than solely with respect to the information describing itself in Appendix B under the heading "**CERTAIN INFORMATION REGARDING THE BANKS — BARCLAYS BANK PLC.**"

SMBC has no responsibility for the form and content of this Offering Memorandum, other than solely with respect to the information describing itself in Appendix B under the heading "**CERTAIN INFORMATION REGARDING THE BANKS — SUMITOMO MITSUI BANKING CORPORATION, ACTING THROUGH ITS NEW YORK BRANCH**" and has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Offering Memorandum or any information or disclosure contained herein or omitted herefrom, other than solely with respect to the information describing itself in Appendix B under the heading "**CERTAIN INFORMATION REGARDING THE BANKS — SUMITOMO MITSUI BANKING CORPORATION, ACTING THROUGH ITS NEW YORK BRANCH.**"

THE NOTES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE NOTES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE NOTES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE NOTES OR THE ACCURACY OR COMPLETENESS OF THIS OFFERING MEMORANDUM. ANY REPRESENTATIONS TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

References herein to laws, rules, regulations, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFERING MEMORANDUM CONSTITUTE "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS.

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## OFFERING MEMORANDUM

relating to

**\$200,000,000**  
**MIAMI-DADE COUNTY, FLORIDA**  
**WATER AND SEWER SYSTEM**  
**COMMERCIAL PAPER NOTES,**  
**SERIES A-1 (TAX-EXEMPT) AND**  
**SERIES A-2 (TAXABLE)**

**\$200,000,000**  
**MIAMI-DADE COUNTY, FLORIDA**  
**WATER AND SEWER SYSTEM**  
**COMMERCIAL PAPER NOTES,**  
**SERIES B-1 (TAX-EXEMPT) AND**  
**SERIES B-2 (TAXABLE)**

### INTRODUCTION

Miami-Dade County, Florida (the "County") is issuing its Water and Sewer System Commercial Paper Notes, Series A-1 (Tax-Exempt) (the "Series A-1 Notes"), Series A-2 (Taxable) (the "Series A-2 Notes" and, together with the Series A-1 Notes, the "Series A Notes"), Series B-1 (Tax Exempt) (the "Series B-1 Notes") and Series B-2 (Taxable) (the "Series B-2 Notes" and, together with the Series B-1 Notes, the "Series B Notes" and collectively with the Series A Notes, the "Notes"), which are being issued pursuant to the authority of, and in compliance with, the Constitution and Laws of the State of Florida (the "State"), including without limitation, (i) Chapters 125 and 166, Florida Statutes, as amended, (ii) the Home Rule Amendment and Charter of the County, as amended, (iii) the Code of the County, as amended, and (iv) Ordinance No. 09-67 enacted by the Board of County Commissioners of the County (the "Board") on July 21, 2009 (the "Interim Financing Ordinance") and as further authorized by Resolution No. R-\_\_\_-16 of the Board, adopted on May 17, 2016 (the "Resolution"). The Series A-1 Notes and the Series B-1 Notes are collectively referred to as the "Tax-Exempt Notes," and the Series A-2 Notes and the Series B-2 Notes are collectively referred to as the "Taxable Notes." Capitalized terms used but not defined in this Offering Memorandum shall have the meanings assigned to them in the Interim Financing Ordinance, the Master Ordinance (hereinafter defined), the Resolution and the relevant financing agreements described herein.

The Interim Financing Ordinance authorizes the County to issue commercial paper notes at one time or from time to time in one or more series, and enter into one or more lines of credit at one time or from time to time in an aggregate principal amount not to exceed \$400,000,000 outstanding at any one time (collectively, "Interim Financing"), for the purpose of (i) paying a portion of the costs of the Miami-Dade Water and Sewer Department's Capital Improvement Plan ("CIP") projects and/or (ii) paying Interim Financing (including accrued interest thereon) previously issued or entered into, including in each case paying costs and expenses incurred in connection with the issuance of or entering into the Interim Financing.

The Notes are being issued for the purposes of (i) providing temporary funding for a portion of the costs of the CIP of the Miami-Dade Water and Sewer Department (the "Department") (See "CAPITAL PROJECTS OF THE WATER AND SEWER DEPARTMENT"), (ii) financing the payment of the principal of and interest on any of the maturing Notes or obligations owed to any financial institutions that have provided credit support for any of the Notes and (iii) paying certain costs of issuance relating to the Notes.

Payment of principal of and interest on maturing Series A Notes is supported by an irrevocable transferrable direct-pay letter of credit issued by Barclays Bank PLC ("Barclays") pursuant to a Reimbursement Agreement, dated as of May 1, 2016 (the "Series A Reimbursement Agreement"), by and between Barclays and the County. Payment of principal of and interest on maturing Series B Notes is

supported by an irrevocable transferrable direct-pay letter of credit issued by Sumitomo Mitsui Banking Corporation, acting through its New York branch ("SMBC") pursuant to a Reimbursement Agreement, dated as of May 1, 2016 (the "Series B Reimbursement Agreement"), by and between SMBC and the County. The letter of credit issued by Barclays (the "Barclays Letter of Credit") and the letter of credit issued by SMBC (the "SMBC Letter of Credit") are each referred to herein as a "Letter of Credit," and are collectively referred to herein as the "Letters of Credit." The Series A Reimbursement Agreement with Barclays and the Series B Reimbursement Agreement with SMBC are each referred to herein as a "Reimbursement Agreement," and are collectively referred to herein as the "Reimbursement Agreements." Barclays and SMBC are each referred to herein as a "Bank," and are collectively referred to herein as the "Banks." Pursuant to the related Reimbursement Agreement, the related Bank thereunder has agreed to issue to the Issuing and Paying Agent, for the benefit of the holders of the related Series of Notes, its own Letter of Credit.

The Letters of Credit expire on May 24, 2019, subject to earlier termination as provided therein and to extension or renewal as provided therein. (See "THE LETTERS OF CREDIT AND THE BANKS").

The County may issue up to \$400,000,000 in aggregate outstanding principal amount of Notes, as authorized by the Resolution, which is the maximum principal component of the combined Letters of Credit. During the terms of the related Letters of Credit, not more than \$200,000,000 aggregate principal amount of Series A Notes can be outstanding at any one time and not more than \$200,000,000 aggregate principal amount of Series B Notes can be outstanding at any one time. The Notes shall be dated the respective dates on which they are originally issued and delivered and paid for, shall be issued in book-entry only form in denominations of \$100,000 or any integral multiple of \$1,000 in excess of \$100,000, shall be numbered consecutively, shall mature at such time or times not later than the earliest of (i) 270 days from their respective dated dates, (ii) the second Business Day prior to the expiry of the then current applicable Letter of Credit or (iii) May 17, 2021, and shall not be subject to prepayment or redemption prior to maturity. The Notes shall bear interest at such rate or rates not exceeding 12% per annum. See "THE LETTERS OF CREDIT AND THE BANKS."

The Notes shall be issued as fully registered notes and initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Beneficial ownership interests in the Notes will be available in book-entry only form, and purchasers of the Notes will not receive physical delivery of certificates representing their interests in the Notes purchased. While held in book-entry only form, all payments of principal of and interest on the Notes will be made by wire transfer to DTC or its nominee as the sole registered owner of the Notes. Payments to the beneficial owners are the responsibility of DTC and its participants (See Appendix D – "BOOK-ENTRY ONLY SYSTEM").

Each Note (i) will bear interest payable at maturity at an annual rate calculated on the basis of (A) with respect to the Tax-Exempt Notes, a year of 365 days or 366 days, as applicable, for the actual number of days elapsed, and (B) with respect to the Taxable Notes, a year of 360 days for the actual number of days elapsed; (ii) will be sold at 100% of the principal amount of the Note; and (iii) will mature on a Business Day. While held in book-entry only form, payments of principal of and interest on maturing Notes will be made by the Issuing and Paying Agent directly to DTC.

U.S. Bank National Association has been appointed as issuing and paying agent for the Notes (the "Issuing and Paying Agent") pursuant to the Resolution and the Issuing and Paying Agency Agreement, dated as of May 1, 2016, between the County and the Issuing and Paying Agent (the "Issuing and Paying Agency Agreement"). The Issuing and Paying Agent will draw on the applicable Letter of Credit to pay the principal of and interest on the applicable Notes on the maturity dates thereof.

**IN MAKING AN INVESTMENT DECISION REGARDING A POSSIBLE PURCHASE OF NOTES, PROSPECTIVE PURCHASERS SHOULD RELY SOLELY ON THE CREDIT OF THE RELATED BANK (AS DESCRIBED HEREIN) ISSUING THE RELATED LETTER OF CREDIT AND NOT ON THE CREDIT OF THE COUNTY.**

**SECURITY AND SOURCES OF PAYMENT FOR THE NOTES**

The principal of and the interest on the Notes and all payments which are required to be made by the County under the related agreements will be payable solely from the following sources:

- (1) Principal on maturing Notes shall be payable solely from:
  - (a) funds drawn under the respective Letter of Credit for such purpose;
  - (b) proceeds of Additional Bonds which the County issues pursuant to the provisions of Section 208 of the Master Ordinance (as hereinafter defined); or
  - (c) a rollover of the maturing Series of Notes or the issuance of additional Notes issued to finance the payment of the principal or interest on any of the Notes and Drawings (as defined in the applicable Reimbursement Agreement).
- (2) Interest on the Notes shall be payable solely from:
  - (a) funds drawn under the respective Letter of Credit for such purpose;
  - (b) capitalized Note interest and proceeds of Notes refunding the same;
  - (c) proceeds of Additional Bonds which the County issues pursuant to the provisions of Section 208 of the Master Ordinance;
  - (d) the issuance of additional Notes issued to finance the payment of the principal of or interest on the Notes; or
  - (e) Net Operating Revenues (as defined below) of the County's water and wastewater utility system (the "Utility") to the same extent as other Subordinated Obligations.
- (3) Any amounts which are required to be paid under the Reimbursement Agreements shall be payable solely from the sources specified in and in accordance with the provisions of the Reimbursement Agreements.
- (4) All fees and other amounts required to be paid by the County under the Issuing and Paying Agency Agreement and the Dealer Agreements shall be payable solely from legally available funds of the Department.

Issuance of water and sewer system revenue bonds for the purposes described in (1)(b) and 2(c) above is conditioned upon the County satisfying certain provisions of Section 208 of Ordinance No. 93-134 enacted by the Board on November 16, 1993 (the "Original Ordinance"), as amended and supplemented by Ordinance No. 13-47 enacted by the Board on June 4, 2013 (the "2013 Ordinance" and, together with the Original Ordinance, and supplemental bond resolutions, the "Master Ordinance"). The County may issue water and sewer system revenue bonds pursuant to Section 208 of the Master Ordinance, on a parity with other Bonds Outstanding under the Master Ordinance, at any time or times for the purpose of, among other things, paying all or any part of the cost of constructing or acquiring any Improvements and refunding any obligations of the County which financed or refinanced any

Improvements ("Additional Bonds"). The County may issue Additional Bonds if, among other things, there has been filed a certificate of the Finance Director (i) setting forth the amount of the Net Operating Revenues for any four consecutive quarters (the "Computation Period") in the six preceding quarters, subject to certain adjustments permitted under the Master Ordinance, (ii) setting forth the respective amounts of the Principal and Interest Requirements for each Fiscal Year thereafter including the Additional Bonds to be issued, (iii) certifying that the Net Operating Revenues, as adjusted in accordance with Section 208(c) of the Master Ordinance, for the Computation Period shall have equaled at least the sum of one hundred ten percent (110%) of the Maximum Principal and Interest Requirements on all Bonds to be Outstanding as of the date of such issuance, plus one hundred percent (100%) of all required deposits to the Reserve Account during the Computation Period and (iv) certifying that the Net Operating Revenues (as adjusted in accordance with Section 208(c) of the Master Ordinance) remaining after deduction of Maximum Principal and Interest Requirements on all Bonds shall be at least equal to one hundred percent (100%) of all debt service and reserve requirements on all Subordinate Obligations.

In addition to the certificate of the Finance Director described above, there shall be filed with the Finance Director a certificate signed by a Consultant meeting the criteria set forth in the Master Ordinance setting forth (x) the estimated date on which the Improvements being financed or refinanced with the Additional Bonds will be placed in operation, (y) the Consultant's estimate of the Net Operating Revenues for each of the three Fiscal Years following the Fiscal Year in which the Improvements will be placed in operation as estimated in item (x) of said certificate, taking into account the rates and charges in effect on the date of delivery of such Additional Bonds and any revised rates and charges that shall become effective prior to or during such Fiscal Year, and (z) that after taking into account (x) and (y) above, the Net Operating Revenues (as adjusted in accordance with Section 208(c) of the Master Ordinance) will satisfy the ratio set forth in (iii) of the preceding paragraph, and that the adjusted Net Operating Revenues remaining after deduction of the Maximum Principal and Interest Requirements on all Bonds shall be at least equal to one hundred percent (100%) of all debt service and reserve requirements on Subordinate Obligations.

### **Pledged Revenues**

As noted in 2(e) above, payment of interest on the Notes may be made from Net Operating Revenues of the Utility. HOWEVER, SUCH APPLICATION OF NET OPERATING REVENUES IS SUBORDINATE TO THE PLEDGE OF NET OPERATING REVENUES TO THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE COUNTY'S OUTSTANDING WATER AND SEWER SENIOR LIEN REVENUE BONDS ISSUED UNDER THE MASTER ORDINANCE AND CERTAIN OTHER OBLIGATIONS AS SET FORTH IN THE MASTER ORDINANCE. See "OUTSTANDING BONDS AND OTHER PAYMENT OBLIGATIONS – Outstanding Bonds" herein.

The term "Net Operating Revenues" is defined in the Master Ordinance as Operating Revenues reduced by Operating Expenses. The term "Operating Revenues" is defined in the Master Ordinance as all operating income or earnings received or accrued by the County from the ownership, operation or use of the Utility, or any part of the Utility, including, but not limited to, user charges for the provision of water service and sewer service, meter installation fees, and the like, delinquent charges and investment earnings, but shall exclude any income from the investment of the Construction Fund, proceeds from insurance (except business interruption insurance), condemnation or the disposition of property not in the ordinary course of business, Capital Facilities Charges, grants and proceeds from the sale of any obligations of the County (exclusive of short-term obligations for Utility working capital) and payments on special assessments for water and sewer improvements.

The term "Capital Facilities Charges" is defined in the Master Ordinance as all payments received by the County or the Department which are related to acquiring, constructing, expanding or equipping capacity and facilities of the Utility, for the purpose of reserving capacity in either the Water System or

the Sewer System, connecting to either System, or paying or reimbursing any capital cost relating to such acquisition, construction, expansion or equipping of excess and unused capacity of either System or any expansion thereof, including connection charges and impact fees relative to the Utility, but shall not include (i) amounts received for the acceptance, treatment or disposal of sewage, (ii) amounts received from the sale of water, (iii) meter installation fees and (iv) other revenues constituting Operating Revenues.

The term "Operating Expenses" is defined in the Master Ordinance as all current expenses, paid or accrued, and any Operating Expense reserve described in Section 503 of the Master Ordinance, for the operation, maintenance and ordinary current repairs of the Utility and its components, as calculated in accordance with generally accepted accounting principles for municipal utilities ("GAAP"), including, without limitation, insurance premiums (or comparable payments under a self-insurance or risk management program), labor, cost of materials and supplies used for current operation, charges for the accumulation of appropriate reserves for current expenses not annually recurrent but which are such as may reasonably be expected to be incurred in accordance with GAAP and Credit Facility Charges, administrative expenses and professional fees and expenses, before depreciation, amortization and interest expense determined in accordance with GAAP, provided, however, there will not be taken into account:

- (a) any gain or loss resulting from either the extinguishment or refinancing of indebtedness;
- (b) loss from the sale, exchange or other disposition of capital assets not made in the ordinary course of business; and
- (c) any capital expenditures for renewal, replacement, expansion or acquisition of capital assets of the Utility (including any deposit to reserves therefor).

The Master Ordinance would permit the County to acquire a water and/or sewer system and specifically designate such system to be a "Separate System" for purposes of the Master Ordinance. Any Separate System so designated would not constitute a part of the Utility, and revenues generated by such Separate System would not constitute Operating Revenues subject to the lien of the Master Ordinance and costs allocable thereto would not be taken into account for purposes of determining Operating Expenses and Net Operating Revenues. There are currently no Separate Systems.

#### **Rate Covenant**

The County has covenanted in Section 602 of the Master Ordinance to fix, charge and collect rates and charges for the use of the services and facilities furnished by the Utility and, from time to time and as often as it shall be necessary, to adjust such rates and charges by increasing or decreasing the same or any selected categories of such rates and charges so as to provide Net Operating Revenues in each Fiscal Year equal to (a) one hundred twenty five percent (125%) of the Principal and Interest Requirements on the Bonds for such Fiscal Year, plus (b) one hundred percent (100%) of the required deposits into the Reserve Account (less any portion of such deposits to be deposited from proceeds of Bonds) together with any Reserve Account Credit Facility costs payable in such Fiscal Year. In addition to satisfying the debt service coverage requirements set forth above, the adjusted Net Operating Revenues remaining after deduction of the Maximum Principal and Interest Requirements on all Bonds shall be at least equal to one hundred percent (100%) of all debt service and reserve requirements on Subordinate Obligations. As noted above, the obligation to repay interest on the Notes is payable under the Master Ordinance as a Subordinate Obligation.

The term "Principal and Interest Requirements" is defined in the Master Ordinance as the respective amounts which are required in each Fiscal Year to pay (a) principal and interest on all Bonds then Outstanding and (b) the Amortization Requirements, if any, for all Term Bonds then Outstanding for

such Fiscal Year; provided, however, that: (i) the amount of such Principal and Interest Requirements for any Fiscal Year may be reduced by the amount of any capitalized interest to be used to pay interest in such Fiscal Year and by the anticipated earnings on money in the applicable Bond Service Account, and such earnings will be deposited to the credit of the applicable Bond Service Account; and (ii) the Principal and Interest Requirements for any Bonds bearing interest at a Variable Rate shall be determined as provided in the Definition of "Variable Rate" in the Master Ordinance. "Maximum Principal and Interest Requirements" is defined in the Master Ordinance, as of any particular date of calculation, as the greatest amount of Principal and Interest Requirements for the then current or any future Fiscal Year.

The Master Ordinance defines "Reserve Account Credit Facility" as a surety bond, a policy of insurance, a letter of credit or other financial product obtained by the County with respect to any Bonds, from an entity meeting the criteria set forth in the Master Ordinance, which provides for payment of Principal and Interest on such Bonds in amounts not greater than the Reserve Account Requirement for such Bonds in the event of an insufficiency of available moneys to pay when due principal of, premium, if any, and interest on such Bonds.

In case the County has made deposits of Net Operating Revenues to or withdrawals from the Rate Stabilization Fund during such Fiscal Year, Net Operating Revenues shall be adjusted by subtracting the amount of any such deposits and by adding the amount of any such withdrawal.

### **Limited Obligations**

THE PRINCIPAL OF AND INTEREST ON THE NOTES ARE SPECIAL LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM THE SOURCES PROVIDED IN THE RESOLUTION. NEITHER THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR THE COUNTY, NOR THE FAITH AND CREDIT OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR THE COUNTY ARE PLEDGED TO THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE NOTES. THE ISSUANCE OF THE NOTES SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF FLORIDA OR THE COUNTY TO LEVY ANY TAXES OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE COUNTY IS REQUIRED TO PAY THE NOTES ONLY FROM THE SOURCES SPECIFIED IN THE RESOLUTION.

## **THE LETTERS OF CREDIT AND THE BANKS**

### **The Banks**

Payment of principal of and interest on maturing Series A Notes is supported by the Barclays Letter of Credit. The form of the Barclays Letter of Credit (with certain information redacted therefrom) is included in Appendix A. Certain information regarding Barclays is included in Appendix B.

Payment of principal of and interest on maturing Series B Notes is supported by the SMBC Letter of Credit. The form of the SMBC Letter of Credit (with certain information redacted therefrom) is included in Appendix A. Certain information regarding SMBC is included in Appendix B.

### **The Letters of Credit**

Pursuant to the Issuing and Paying Agency Agreement, the Issuing and Paying Agent will draw on the related Letter of Credit up to the amount available thereunder at times and in amounts sufficient to pay the principal of and interest on the related Notes supported by such Letter of Credit when due.

The Barclays Letter of Credit is dated May 27, 2016 and will expire, unless otherwise terminated in accordance with its terms or extended, on May 24, 2019. The amount available to be drawn under the Barclays Letter of Credit to pay the principal of the Series A Notes outstanding will equal \$200,000,000.00, plus \$18,000,000.00, the maximum amount available to pay interest thereon (which is an amount equal to the interest that would accrue on \$200,000,000 of principal for 270 days at an interest rate of 12% per annum based on a year of 360 days). Each drawing on the Barclays Letter of Credit to pay principal or interest, respectively, on the Series A Notes will reduce the amount available to be subsequently drawn for such purposes until Barclays has been reimbursed for the amount of such drawing. The amount available to be drawn under the Barclays Letter of Credit shall be subject to reduction and reinstatement as set forth in the Barclays Letter of Credit.

The obligations of Barclays under the Series A Reimbursement Agreement or Barclays Letter of Credit may be subject to the exercise of so called "write-down and conversion powers" (also sometimes referred to as "resolution powers" or "bail-in action") in accordance with the Banking Act 2009 of the United Kingdom (as amended) and other laws, regulations, rules or requirements of the United Kingdom relating to the transposition of Directive 2014/59 of the European Union (the Bank Resolution and Recovery Directive), including the power of United Kingdom regulators to reduce, cancel or convert to equity liabilities of unsound or failing financial institutions (as set forth in the Series A Reimbursement Agreement).

The SMBC Letter of Credit is dated May 27, 2016 and will expire, unless otherwise terminated in accordance with its terms or extended, on May 24, 2019. The amount available to be drawn under the SMBC Letter of Credit to pay the principal of the Series B Notes outstanding will equal \$200,000,000.00, plus \$18,000,000.00, the maximum amount available to pay interest thereon (which is an amount equal to the interest that would accrue on \$200,000,000 of principal for 270 days at an interest rate of 12% per annum based on a year of 360 days). Each drawing on the SMBC Letter of Credit to pay principal or interest, respectively, on the Series B Notes will reduce the amount available to be subsequently drawn for such purposes until SMBC has been reimbursed for the amount of such drawing. The amount available to be drawn under the SMBC Letter of Credit shall be subject to reduction and reinstatement as set forth in the SMBC Letter of Credit.

Pursuant to the terms of the Resolution, the County Mayor, in consultation with the Director, the County Attorney, Bond Counsel and the Department's Financial Advisor, may approve from time to time additional or replacement letter of credit providers, provided that (i) there are no material changes in the terms of the letter of credit from the Letters of Credit described herein; (ii) no Notes shall be outstanding under the applicable Letter of Credit then in place after giving effect to the additional or replacement letter of credit; and (iii) such action complies with the terms and provisions of the Issuing and Paying Agency Agreement. Each Reimbursement Agreement requires that the County provide the related Bank with thirty (30) days prior written notice of its intent to terminate or reduce the related Letter of Credit.

Pursuant to the terms of each Reimbursement Agreement, the County agrees to use its best efforts to obtain an alternate or substitute Credit Facility (as defined in the related Reimbursement Agreement) to replace the SMBC Letter of Credit and/or Barclays Letter of Credit, as applicable, or otherwise refinance, redeem or defease the related Series of Notes in the event (A) Barclays or SMBC, as applicable, decides not to extend the related Letter of Credit Expiration Date (as defined in the related Reimbursement Agreement) or if the County fails to request such an extension (such replacement, refinancing, redemption or defeasance to occur on or before the related Letter of Credit Expiration Date), (B) such Letter of Credit is terminated, as applicable, (C) the County terminates the related Reimbursement Agreement, as applicable, in accordance with the terms of such Reimbursement Agreement or (D) SMBC or Barclays, as applicable, issues a No-Issuance Notice and/or a Final Drawing Notice (as those terms are defined in the related Reimbursement Agreement).

Pursuant to the terms of each Reimbursement Agreement, the County agrees that any alternate or substitute Credit Facility will require, as a condition to the effectiveness of the alternate or substitute Credit Facility, that the provider of such alternate or substitute Credit Facility provide funds to the extent necessary, on the date the alternate or substitute Credit Facility becomes effective, for payment of all Reimbursement Obligations (as defined in the related Reimbursement Agreement) (including, without limitation, all interest to accrue at the applicable rate pursuant to the terms of the related Reimbursement Agreement) through the date repaid.

Pursuant to the terms of each Reimbursement Agreement, the County shall not permit an alternate or substitute Credit Facility to become effective with respect to less than all of the related Series of Notes without the prior written consent of the related Bank.

### **The Reimbursement Agreements, No-Issuance Notices and Final Drawing Notices**

Each Letter of Credit is issued pursuant to the terms of the related Reimbursement Agreement, which Reimbursement Agreement includes certain agreements, representations and warranties of the County, any or all of which may be amended by the related Bank and the County without notice to or the consent of holders of the Notes. Upon the occurrence of certain events of default set forth in the related Reimbursement Agreement, in addition to other remedies, the related Bank may deliver to the Issuing and Paying Agent a No-Issuance Notice and/or Final Drawing Notice. After receipt by the Issuing and Paying Agent of a No-Issuance Notice, the related Bank shall not thereafter be required to honor any demand for payment under the applicable Letter of Credit with respect to any amount of the related Series of Notes issued after the effective time of such No-Issuance Notice, unless and until such Bank issuing such notice has rescinded the Notice. The issuance of a No-Issuance Notice does not, however, affect any obligation of the related Bank to honor drawings under the related Letter of Credit with respect to the related Series of Notes issued prior to the effective time of the No-Issuance Notice.

Upon the Issuing and Paying Agent's receipt of a Final Drawing Notice, the amount available to be drawn under the related Letter of Credit will not be reinstated in accordance with the related Letter of Credit and the Issuing and Paying Agent is instructed to make the final drawing under the related Letter of Credit to provide for the payment of the related Series of Notes issued in accordance with the Issuing and Paying Agency Agreement that are both (x) outstanding on the date of receipt of a Final Drawing Notice and (y) maturing on or after the date of receipt of a Final Drawing Notice. The termination of the related Letter of Credit will occur and the related Letter of Credit will expire on the earlier of (a) date which is the 15th calendar day (or if such date is not a Business Day, the immediately succeeding Business Day) after the date of receipt by the Issuing and Paying Agent of the Final Drawing Notice, and (b) the date on which the drawing resulting from the delivery of the Final Drawing Notice is honored by the related Bank. Notwithstanding anything in the Issuing and Paying Agency Agreement to the contrary, the final drawing under the related Letter of Credit shall not provide for the payment of the related Series of Notes that are issued after the receipt by the Issuing and Paying Agent of the Final Drawing Notice or a No-Issuance Notice or a notice of an Event of Default (as defined in the related Letter of Credit) as specified in the related Letter of Credit.

## **OUTSTANDING BONDS AND OTHER DEPARTMENT OBLIGATIONS**

### **Outstanding Bonds**

The County has previously issued multiple series of Water and Sewer Revenue Bonds, which are currently outstanding in the aggregate principal amount of \$2,014,265,000. In addition, the Board has authorized the issuance of up to \$4,245,000,000 in additional Water and Sewer Revenue Bonds to fund

the Department's CIP projects. \$340,265,000 of the additional amount authorized has been issued with the remaining \$3,904,735,000 authorized but not issued.

### **State Revolving Fund Loan Program**

The County has incurred the following obligations, which are secured by a subordinate pledge of and lien on the Net Operating Revenues. Under the State Revolving Fund Loan Program, the Department has received various loan commitments in the aggregate amount of \$304,315,866 for the construction of wastewater treatment facilities. Draws against wastewater treatment loan commitments totaled \$299,511,649 as of September 30, 2015. The Department has also received loan commitments in the aggregate amount of \$67,734,233 for drinking water construction projects. Draws against drinking water loan commitments totaled \$48,994,079 as of September 30, 2015. Default in payment of principal and interest on any of the aforementioned loans or any future loans could cause an acceleration of the entire amount of such loans. The payment of such loans will be on a parity with the payment of interest on the Notes.

### **Interest Rate Swap Agreements**

The County has entered into interest rate swaps relating to the Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2007 (the "Series 2007 Bonds") and the Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2013B (the "Series 2013B Bonds") and may enter into additional interest rate swaps or other synthetic financial instruments in the future for the purpose of hedging risk or otherwise managing the interest cost of its Utility debt. The County issued its Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2015 (the "Series 2015 Bonds") to, inter alia, advance refund a portion of the Series 2007 Bonds. Because the interest rate swap associated with the Series 2007 Bonds remains in effect despite such refunding, it will be recognized by the County as associated with the Series 2015 Bonds. Such interest rate swaps and other synthetic financial instruments involve risks that could result in an economic loss to the County. The County's obligations to make periodic net payments as a result of a fluctuation in hedged interest rates or a fluctuation in the value of any interest rate index (i.e., Hedge Obligations) are payable from Net Operating Revenues on a parity with any Outstanding Bonds. Any termination payments or Hedge Charges that may be due from the County are payable from Net Operating Revenues on a subordinate basis to any Outstanding Bonds and, to the extent the same are payable from Net Operating Revenues, the Notes, pursuant to the Master Agreement (defined below) relating to the outstanding interest rate swaps. In any future interest rate swap agreement that the County may enter into, the termination payments may be considered as Hedge Obligations and, therefore, be payable from Net Operating Revenues on a parity with any Outstanding Bonds if on or before the date of entering into the related agreement, the County has obtained written evidence from each Rating Agency that such agreement will not, in and of itself, result in the withdrawal or reduction of the ratings then applicable to the Outstanding Bonds. The County may elect to finance such termination payments or Hedge Charges through the issuance of Additional Bonds under Section 208 of the Master Ordinance. As of March 31, 2016, the termination value of both swaps are in favor of the County with an aggregate termination value of \$51,120,806.

The County includes in its annual budget for the Department the Hedge Receipts received from the swap counterparty for the outstanding interest rate swaps described below.

The following table describes the interest rate swaps related to the Series 2015 Bonds and the Series 2013B Bonds. The interest rate swaps were entered into pursuant to an ISDA Master Agreement, dated October 2, 2009, as amended and supplemented (the "Master Agreement"), between the County and The Bank of New York Mellon, as counterparty ("BNY Mellon").

**WATER AND SEWER DEPARTMENT  
SWAP PORTFOLIO**

<u>Associated Series of Bonds</u>	<u>Notional Amount as of 09/30/15</u>	<u>Counterparty</u>	<u>Counterparty Current Ratings (Moody's, S&amp;P, Fitch)</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Counterparty Payment</u>	<u>County Payment</u>
Series 2013B	\$205,070,000	BNY Mellon	Aa1, AA-, AA-	03/06/2006 (assigned October 2, 2009)	10/01/2029	Variable - USD-ISDA-Swap Rate multiplied by 90.15%, plus 1.580%	Variable - USD-SIFMA Municipal Swap Index divided by 0.604
Series 2015	\$200,000,000	BNY Mellon	Aa1, AA-, AA-	07/18/2002 (novated and assigned October 2, 2009)	10/01/2026	Variable - USD-LIBOR-BBA, plus 1.465%	Variable - USD-SIFMA Municipal Swap Index divided by 0.604

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## THE DEPARTMENT

### General Description

The Department is a department of the County, which is a political subdivision of the State and a home-rule county authorized by the Florida Constitution. Pursuant to Florida Statutes and the Home Rule Amendment and Charter of Miami-Dade County, as amended (the "Home Rule Charter"), the elected 13 member Board of County Commissioners is the legislative and governing body of the County. On October 3, 1972, the electorate of the County approved the formation of a new County-wide water and sewer agency by expanding the then-existing Department of Water and Sewer of the City of Miami (the "City"). Subsequently, the Board established the Miami-Dade Water and Sewer Authority (the "Authority") which began operating on April 1, 1973. On March 13, 1975, the City, the County and the Authority agreed to the transfer of all water and sewer properties, facilities and funds of the Department of Water and Sewer of the City to the Authority with the condition that certain property donated by the City would be returned to the City in the future if such property was not needed for water or sewer utility purposes.

On October 4, 1983, the Board enacted Ordinance No. 83-92, which abolished the Authority effective November 1, 1983 and established the Miami-Dade Water and Sewer Authority Department as a department within the Miami-Dade County government. On October 19, 1993, the Department changed its name to the Miami-Dade Water and Sewer Department. The Department is responsible for the everyday operation and maintenance of the Utility.

## THE WATER AND SEWER SYSTEM

### General

The Utility is divided into the Water System and the Sewer System. The Sewer System is also referred to as the "Wastewater System." The Department administers each system on a unified basis for purposes of billing but separates the two for rates, capital improvements and accounting. Water System and Sewer System funds can be used interchangeably when there is a shortfall or surplus in either system.

### Service Area

The Utility currently provides water and wastewater treatment to substantially all of the County either directly to retail customers or indirectly through wholesale contracts between the Department and various municipalities. The County is the largest county in the Southeastern United States in terms of population. In 2014, the population of the County was estimated by the County's Planning and Zoning Department at approximately 2,586,290.

The Department supplies treated water on a wholesale basis to 15 municipally-owned water utilities in the County. In addition, the County supplies treated water to approximately 436,862 retail water customers, as of September 30, 2015. The only municipalities in the County which operate water treatment facilities for customers located primarily within their municipal boundaries are the Cities of Homestead, Florida City, North Miami Beach and North Miami. The Department also provides wastewater transmission treatment and disposal service on a wholesale basis to 12 municipally-owned wastewater utilities and Homestead Air Reserve Base. In addition, the County supplies wastewater transmission treatment and disposal services to approximately 354,006 retail wastewater customers as of September 30, 2015. The City of Homestead is the only municipality in the County which owns and

operates its own wastewater treatment plant. See "WATER AND SEWER SYSTEM – Sewer System" below.

With the exception of two retail customers, the Department's wholesale customers are also its largest water and wastewater customers by revenues. The two exceptions are the County's Aviation Department and Florida Power & Light Company. The Aviation Department, which operates Miami International Airport and five general aviation airports, is the Department's third largest water customer. Florida Power & Light Company, which operates a large electric power plant in the County, is by revenue the Department's fifth largest water customer. Also, the Department has entered into long-term agreements with its wholesale customers. The majority of the wholesale water agreements expire in 2027, with one such agreement expiring in 2031. The Department's wholesale wastewater agreements, which are shorter in duration than the wholesale water agreements, have terms expiring no later than 2031.

### **Water System**

General. The principal components of the Water System include 15 wellfields, with a total of 95 active permitted wells in the Biscayne Aquifer and five installed aquifer storage and recovery wells in the Floridan Aquifer, three major water treatment plants, five smaller water treatment plants, two lime recalcining plants, and an extensive transmission and distribution system composed of storage reservoirs, pump stations and an interconnected network of transmission and distribution mains.

See "REGULATORY MATTERS" for a detailed description of certain regulatory matters with respect to the Water System.

### **Sewer (Wastewater) System**

General. The Department's Sewer (Wastewater) System consists of collection sewers, manholes, lift stations, force mains, interceptors, pump stations and three regional wastewater treatment plants: the North District Wastewater Treatment Plant at Interama (the "North District Plant"), the Central District Wastewater Treatment Plant at Virginia Key (the "Central District Plant") and the South District Wastewater Treatment Plant at Blackpoint (the "South District Plant").

Wastewater is brought to the Department's treatment facilities through 6,387 miles of local collection facilities which include gravity sewers, manholes, lift stations and force mains. The Department has divided the County into three districts in which wastewater is collected and transmitted to a wastewater treatment plant located in each of the three districts. The districts are interconnected to allow for limited redirection of flows.

The maintenance and improvement of the Utility's 1,047 sewage pump stations owned (1,028) and operated (19) by the Department was one of the requirements of the terms of the Prior Consent Decrees (as defined under "REGULATORY MATTERS"). The Department's program to upgrade its sewage pump stations is continuing. A typical station upgrade includes improvements to the electric service, controls and alarm systems, the replacement of motors, the addition of pumps or a complete replacement pump station.

Wastewater Treatment Plants. The Department operates three regional wastewater treatment plants located in various sections of the County as described above. The three plants have a combined treatment capacity of 375.5 mgd. The following table summarizes the treatment permit parameters and the actual flows of each of the County's wastewater treatment plants.

	North District	Central District	South District	Total
<u>Permit Parameters</u>				
Average Daily Flow, mgd	120.0	143.0	112.5	375.5
Effluent CBOD <sub>5</sub> , mg/L <sup>(1)</sup>	25/20 <sup>(2)</sup>	25	20	-
Effluent Suspended Solids, mg/L	30/20 <sup>(2)</sup>	30	5 <sup>(3)</sup>	-
<u>Actual Flows 12-Month Average for Fiscal Year 2015</u>				
Average Daily Flow, mgd	87.2	111.4	95.0	293.6
Effluent CBOD <sub>5</sub> , mg/L	9.3	11.9	4.1	-
Effluent Suspended Solids, mg/L (TSS)	26.5	16.6	2.5	-

<sup>(1)</sup> "CBOD<sub>5</sub>" means Chemical Biological Oxygen Demand; "mg/L" means milligrams per liter.

<sup>(2)</sup> 25mg/L TSS in secondary effluent going to the outfall; 20mg/L in effluent going to the wells.

<sup>(3)</sup> 5mg/L max in High Level Disinfection Effluent going to the wells.

Source: The Department

Disposal of Sludge and Treated Wastewater. The disposal of the by-products of the treatment process (sludge and effluent or treated wastewater) is an important part of the Department's plans to improve and expand its Sewer System. Steps taken by the Department in accordance with this plan are discussed in the following paragraphs.

Sludge is stabilized in anaerobic digesters at the Central District and South District Plants, with sludge from the North District Plant being transmitted via pipeline to the Central District Plant for treatment. After stabilization, sludge is dewatered in centrifuges to form a cake, a material that is dry enough to be loaded and hauled in a dump truck. Stabilized sludge cake can be disposed of in Class I Solid Waste Landfills. The stabilized cake can also be used as an agricultural soil supplement because it meets the requirements for Class B material, but only with State approved permits which require a substantial amount of documentation, monitoring and record keeping. After dewatering, the sludge cake can be further dried on paved drying beds and then composted to produce Class AA residuals, which can be sold as a soil supplement with relatively few restrictions. At the South District Plant, sludge cake is further dried on paved beds and a portion is composted to Class AA standards and sold as a soil supplement. The Department has discontinued the use of the sludge drying beds and composting facilities at the Central District Plant in order to reduce odors, which had caused complaints at a neighboring residential community. To this end, the Department has negotiated agreements to dispose of sludge cake; in accordance with these agreements, the sludge cake is disposed of by hauling and placing it in landfills or utilized as Class B agricultural soil supplement.

Disposal of treated wastewater at the North District Plant, which currently has a permitted treatment capacity of 120.0 mgd, is accomplished by discharge into the Atlantic Ocean and deep injection wells. The Central District Plant also disposes of effluent by discharge into the Atlantic Ocean. As noted below, state law now requires the Department to design and construct an alternative to the use of ocean outfalls by the end of 2025.

The South District Plant disposes of its effluent through 17 deep injection wells to the Lower Floridan Aquifer at a depth below 2,400 feet. The South District Plant has a permitted treatment capacity of 112.5 mgd. In January 2015, the Department received operating permits for all injection wells from the Florida Department of Environmental Protection ("FDEP").

The Department continues to explore different ways to reuse effluent. The practicality of reuse is affected by the cost of the added treatment, the cost of transmission and distribution systems, the possibility of contaminating the drinking water system through inadvertent cross connections, public

attitudes about using treated wastewater and the quality of the water available for reuse. The Department has constructed a 5.5 mgd filtering system at the North District Plant and a transmission main to provide 100,000 gallons per day of treated effluent from the plant to Florida International University's Bay Vista Campus for use in land irrigation. In April 2007, the Department completed an updated Reuse Feasibility Study. Some of the projects recommended in the Study were incorporated in the 20-year Water Use Permit and into the Multi-Year Capital Plan (as described below); however, as a result of water demand reductions through the Water Conservation Program, reuse is no longer required by the Water Use Permit. See "REGULATORY MATTERS" herein.

## **Regulations**

Other than the matters described in "REGULATORY MATTERS" the Department is in compliance with all other material federal, state and local rules and regulations.

## **MULTI-YEAR CAPITAL PLAN**

The Department has for many years used a formal capital program and budgeting process. Under this process, capital programs are projected forward over a six year period and beyond and a detailed budget is adopted and appropriated for the first year of each multi-year period. Both program and budget commitments are reviewed each year and modified as necessary.

Set forth in the following table is a summary of the Department's funding sources for the proposed Multi-Year Capital Plan ("MYCP") for Fiscal Years 2016 through 2021. The funding of the MYCP includes proceeds of the Outstanding Bonds, the Notes, Additional Bonds and Subordinate Obligations, as well as certain annual revenue sources of the Department. These MYCP capital expenditures consist of the design, construction, construction management and program management expenses associated with capital improvements related to wastewater treatment, collection facilities, and pumping stations, the expansion and improvements to the water treatment plants and water main rehabilitation, and other similar projects. These projects are consistent with the improvements identified in the Water and Wastewater Facilities Master Plans, the Consent Decrees and the Interim Peak Flow Management Plan. The capital improvement projects are necessary to: (i) provide additional capacity to serve additional customers; (ii) meet the requirements of the regulatory actions imposed by FDEP and the EPA; (iii) provide back-up reserve capacity in the water and wastewater transmission systems; (iv) comply with level service requirements contained in the Comprehensive Development Master Plan; and (v) improve operating efficiencies of the Utility.

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**Miami-Dade County Water and Sewer Department  
Proposed FY 2016 - 2021 Multi-Year Capital Plan<sup>(1)</sup>  
(Data in 000's)**

**WATER**

Fund Description	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	Future <sup>(2)</sup>	Total
Water and Sewer Department Revenue Bonds Sold	\$72,419	\$0	\$0	\$0	\$0	\$0	\$0	\$135,282
Water Renewal & Replacement Fund	\$147,696	\$43,846	\$43,000	\$40,000	\$40,000	\$40,000	\$55,000	\$466,733
Plant Expansion Fund – Water	\$8,857	\$12,507	\$3,902	\$0	\$0	\$0	\$0	\$45,371
Fire Hydrant Fund	\$28,156	\$2,500	\$2,500	\$2,500	\$3,000	\$9,500	\$0	\$50,656
General Obligation Bonds	\$17,321	\$7,433	\$3,705	\$1,470	\$2,577	\$0	\$0	\$36,639
Water Special Construction Fund	\$5,795	\$1,000	\$1,000	\$2,000	\$3,815	\$0	\$0	\$14,610
Assumed Additional Bonds	\$0	\$160,074	\$234,562	\$270,311	\$302,987	\$336,470	\$230,776	\$1,554,761
Water Construction Fund	\$2,338	\$0	\$0	\$0	\$0	\$0	\$0	\$2,388
Rock Mining Mitigation Fees	\$13,951	\$250	\$0	\$0	\$0	\$0	\$0	\$14,501
Miami Springs Construction Fund	\$687	\$0	\$0	\$0	\$0	\$0	\$0	\$687
Future Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$721,570	\$721,570
<b>TOTAL</b>	\$297,220	\$167,670	\$227,611	\$316,281	\$352,379	\$385,970	\$1,007,347	\$3,043,146

**WASTEWATER**

Fund Description	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	Future <sup>(2)</sup>	Total
Water and Sewer Department Revenue Bonds Sold	\$165,184	\$0	\$0	\$0	\$0	\$0	\$0	\$183,667
Wastewater Renewal & Replacement Fund	\$135,951	\$41,763	\$40,000	\$40,000	\$40,000	\$42,000	\$162,500	\$576,635
Plant Expansion Fund – Wastewater	\$56,379	\$5,217	\$17,550	\$20,119	\$17,151	\$0	\$0	\$151,710
General Obligation Bonds	\$16,775	\$19,085	\$44,123	\$67,003	\$2,577	\$0	\$0	\$155,473
Wastewater Special Construction Fund	\$5,308	\$500	\$500	\$500	\$1,923	\$0	\$0	\$9,131
Bond Construction Contributions – Wastewater	\$2,716	\$0	\$0	\$0	\$0	\$0	\$0	\$2,716
Assumed Additional Bonds	\$0	\$260,286	\$694,775	\$798,481	\$934,738	\$934,035	\$4,179,290	\$8,217,050
HLD – Special Construction Fund	\$39,560	\$0	\$0	\$0	\$0	\$0	\$0	\$39,560
Miami Springs Construction Fund	\$1,086	\$200	\$40	\$0	\$0	\$0	\$0	\$1,326
Future Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$1,123,885	\$1,123,885
<b>TOTAL</b>	\$422,957	\$394,994	\$796,948	\$926,104	\$996,389	\$976,035	\$5,465,675	\$10,461,152

<sup>(1)</sup> This Table sets forth expenditures by funding sources for the proposed Multi-Year Capital Plan.

<sup>(2)</sup> Future is defined as Fiscal Years 2022 through 2027.

Source: The Department as of September, 2015.

## REGULATORY MATTERS

### Water System

Ground Water Under Direct Influence of Surface Water. On January 5, 2006, the EPA published the Final Long Term Enhanced Surface Water Rule (the "Surface Water Rule"), which does not apply to the Department because the Department does not use surface water and the groundwater used by the Department has not been determined to be under the direct influence of surface water. However, the Northwest Wellfield is located in an area designated by the Florida Legislature as the Miami-Dade County Lake Belt Area. In order to maximize the efficient recovery of limestone in such area, the Florida Legislature approved a plan that will allow rock mining in the vicinity of the Northwest Wellfield. As excavations get closer to the Northwest Wellfield, there is an increased risk of the wells coming under the influence of surface water, which may result in the Surface Water Rule applying to such wells.

In January 2006, the Florida Legislature recognized the risk to the Northwest Wellfield and imposed a "water treatment plant upgrade fee" equal to \$0.15 per ton of limerock and sand sold within the Miami-Dade County Lake Belt Area. The fee became effective January 1, 2007 and was supposed to remain in effect until the total proceeds collected reach the actual amount necessary to design and construct the necessary water treatment plant upgrades. Such amount is to be determined in an open, public solicitation. The water treatment plant upgrade will consist of upgrading the filtration and disinfection processes to meet the requirements of the Surface Water Rule. In 2011, the Florida Legislature authorized the temporary diversion of the water treatment plant upgrade fee to be used to pay for seepage mitigation projects, including groundwater or surface water management structures designed to improve wetland habitat. This diversion will continue until a total of \$20 million has been diverted or until the State makes an actual determination of groundwater being under the direct influence of surface water, at which point the funds will be re-directed to the Department to advance the surface water treatment project. The Florida Legislature passed new legislation in 2015 directing the fee back to the County while reducing the water treatment plant upgrade fee to six cents (\$0.06) per ton. The new legislation provides for the expiration of the upgrade fee on July 1, 2018. Funding from this source has been used by the Department for planning and designing a new treatment plant that will fulfill the surface water rule treatment requirements and will enable taking the Department's oldest water treatment plant, the Hialeah Water Plant, out of service.

Stage 1 and Stage 2 DBP Rules. The Disinfectants and Disinfection Byproducts Rule (the "Stage 1 DBPR") effective January 2004, regulates disinfection byproducts ("DBPs"), which are formed when chlorine reacts with naturally occurring organic constituents in drinking water. The Department is in compliance with the Stage 1 DBPR having both modified its John E. Preston Water Treatment Plant and used alternate pretreatment approaches there to assure compliance.

The Disinfectants and Disinfection Byproducts Rule (the "Stage 2 DBPR") effective January 2006, builds on Stage 1 and includes the following requirements:

- Initial distribution system evaluations ("IDSE") to identify compliance monitoring locations with the high disinfection DBPs. The purpose of the IDSE is to determine locations of high total trihalomethanes and haloacetic acids. The results are used in conjunction with the Stage 1 DBPR compliance monitoring to identify and select Stage 2 DBPR compliance monitoring locations.
- Compliance is based on Locational Running Annual Averages, which averages the sample analytical results for water samples taken at a particular monitoring location during the previous calendar quarters.

- Requirements are specified for consecutive systems, which will apply to the Department's wholesale customers.

The Department is in compliance with the Stage 2 DBPR.

Ground Water Rule. The Ground Water Rule ("GWR") provides for increased protection against microbial pathogens in public water systems that use ground water sources. On November 30, 2009, the Florida Department of Health determined that all of the Department's water treatment plants meet the 4-log virus treatment requirements of the GWR and approved the associated monitoring plans implemented by the Department to comply with the GWR.

Revised Total Coliform Rule. The Revised Total Coliform Rule ("RTCR") became effective April 1, 2016. The RTCR establishes a maximum contaminant level (MCL) for *E. coli* and uses *E. coli* and total coliforms to initiate a "find and fix" approach to address fecal contamination that could enter into the distribution system. It requires public water systems (PWSs) to perform assessments to identify sanitary defects and subsequently take action to correct them. The Department is prepared to comply with this new rule.

### **Sewer (Wastewater) System**

North District Wastewater Treatment Plant. On February 20, 2012, the FDEP issued an operating permit under the National Pollutant Discharge Elimination System (NPDES) (the "NPDES Permit"), along with an Administrative Order (AO). The AO includes schedules for compliance with the OOL, a Surface Water Quality Monitoring Plan, toxicity study, and effluent monitoring and sampling requirements. The Department is in compliance with the NPDES Permit and the AO.

Central District Wastewater Treatment Plant. On October 17, 2012, the FDEP issued an operating permit, along with an AO, which did not include authorization to discharge to the ocean under the NPDES permitting. The NPDES Permit had been issued separately by the EPA. On January 23, 2015, the EPA sent a letter notifying the FDEP that they were suspending the reissuance of the NPDES Permit, based on a new survey that shows that the outfall for the facility is actually within State waters. On January 13, 2016, FDEP issued the NPDES Permit and an Amendment to Administrative Order (AOA) for the Central District Wastewater Treatment Plant. The Department is in compliance with the NPDES Permit, the AO and the AOA.

South District Wastewater Treatment Plant. On December 6, 2005, the EPA promulgated revisions to the Federal Underground Injection Control ("UIC") Requirements for Class I Municipal Disposal Wells in Florida. The UIC rule provides a regulatory alternative for the operators of Class I municipal disposal wells in specific areas of Florida that have caused or may cause movement of fluid into underground sources of drinking water. The County's recently upgraded High Level Disinfection ("HLD") facility at the plant enables the Department to fully comply with these requirements.

South District Wastewater Treatment Plant Operating Permit. On December 10, 2012, the FDEP issued a new operating permit for the South District Wastewater Treatment Plant, which includes a schedule for completing some improvements at the plant. The Department is in compliance with the operating permit.

Sewer System Consent Decree. On May 21, 2013, the Board authorized the execution of a federal consent decree ("Federal Consent Decree") between the County, the U.S. Department of Justice, the State and FDEP, for improvements to the County's wastewater collection and treatment system. On June 6, 2013, the Department of Justice lodged the proposed Federal Consent Decree with the U.S. District Court for the Southern District of Florida in the lawsuit entitled United States, State of Florida

and State of Florida Department of Environmental Protection v. Miami-Dade County, *Case No. 1:12-cv-24400-FAM*. On June 12, 2013 (the "Date of Lodging"), the Notice of Lodging was published in the Federal Register. The publication opened a 30-day public comment period on the proposed Federal Consent Decree. The effective date for the Federal Consent Decree was December 6, 2013, six months after the Date of Lodging. On April 9, 2014, the Court issued three Orders: (i) Granting Motion to enter Federal Consent Decree; (ii) Modifying Section X of the Federal Consent Decree (doubling the proposed stipulated penalties); and (iii) Requiring Status Reports.

The schedule for construction projects identified in the Federal Consent Decree began on the Date of Lodging. The schedules for the remaining deliverables dealing with assessments and reports began on the date of entry of the Federal Consent Decree. Penalty provisions became effective on the date of entry of the Federal Consent Decree. The Prior Consent Decrees were terminated upon entry of the Federal Consent Decree and the Federal Consent Decree supersedes the Prior Consent Decrees.

The Federal Consent Decree requires system improvements at the treatment plants and throughout the collection system valued at \$1.6 billion over a period of 15 years; continuation of the capacity maintenance program, including enforcement of the 10 hour criterion at pump stations; expansion of the pump station remote monitoring program (SCADA system); maintenance and application of the wastewater collection and transmission system model; a spare parts program; application of these requirements to wholesale customers through the Volume Sewer Customer Ordinance administered by the Department of Regulatory and Economic Resources; expansion of the Fats, Oils, and Grease control program; implementation of a sewer overflow response plan; enhancement of the information management system and the wastewater system asset management program; assessment of force mains; assessment of gravity sewers; enhancement of the pump station maintenance and operations program; enhancement of the wastewater treatment plant operations and maintenance program; and implementation of a financial analysis program to support the completion of all Federal Consent Decree deliverables on schedule. The Department has retained a firm to provide program and construction management services for the Federal Consent Decree program, two firms to provide design services for the Wastewater Treatment Plants (WWTPs) and the Wastewater Collection and Transmission System (WCTS), and a fourth firm to provide the CMOM Requirements. The Department has assigned dedicated internal staff to manage these projects. The Department is in compliance with the Federal Consent Decree.

Wastewater System Overflow Violations. Any unpermitted discharge from wastewater collection and treatment systems constitutes a violation of the Clean Water Act and can be subject to both federal and state enforcement action. Overflows may occur as the result of inadequate capacity, line blockages, construction and vandalism, pipeline failures due to age or corrosion, and equipment failures at pump stations and treatment plants. The Federal Consent Decree includes a civil penalty to account for overflows not previously included in the FDEP penalty program. During the five years between 2007 and 2011, the Department experienced annual overflow events ranging from 126 to 223 overflows resulting from line blockages. During the same period, the total estimated volume of overflows ranged from 1.8 million gallons in 2007 to 24.9 million gallons in 2010 (which included a single 72 inch force main failure that accounted for 20 million gallons of wastewater). Pipeline failures have accounted for the largest volume of wastewater system overflows, confirming the need for infrastructure replacement.

In April 2014, the County paid \$978,100.00 as a civil penalty for violations of the Clean Water Act and State environmental laws covering overflows documented during the five-year period from November 2007 through November 2012. The Federal Consent Decree provides for stipulated penalties ranging from \$1,000 to \$20,000 for sewage overflows depending on overflow volumes, when the overflows occur during the duration of the Federal Consent Decree and whether the overflows reach the waters of the United States.

In 2015, EPA assessed stipulated penalties pursuant to Section X, Paragraph 42.(a) of the Consent Decree and the Order Modifying Section X of the Consent Decree in the amount of \$7,000 for seven (7) Sanitary Sewer Overflow (SSO) events that reached the waters of the United States between April 9, and December 31, 2014. The Department paid \$3,500 to the EPA and \$3,500 to the FDEP. In addition, the Department paid \$7,500 to FDEP for SSOs that did not reach surface waters, reported in the same time period.

Elimination of the Use of Ocean Outfalls. Florida law was amended in 2008 to prohibit the construction of new ocean outfalls and the use of existing ones for disposal of average flows by 2025. The law was amended in 2013 to provide additional flexibility for the affected utilities to manage peak flows and to fulfill the mandated wastewater reuse requirements. The law requires the Department to (i) submit a plan by July 1, 2013 to meet the requirements of the legislation (see below description of the Department's submitted plan); and (ii) meet the provisions of the advanced wastewater treatment and management requirements by December 31, 2018, either by (a) provision of advanced wastewater treatment to all ocean outfall flows, or (b) reducing the volume of wastewater effluent disposed through ocean outfall flows between December 31, 2008 and December 31, 2025 so that the reduction in nutrients discharged would be the same as with advanced wastewater treatment, or (c) use of a combination of advanced wastewater treatment and diversion of ocean outfall flows to meet the nutrient reduction level required on December 31, 2018. After 2025, the outfalls can only be used for peak flow discharges not to exceed 5% of annual flows. By December 31, 2025, a fully functioning reclaimed water system must be installed using a minimum of 60% of the ocean outfall flows for irrigation, groundwater replenishment, industrial cooling or other acceptable forms of reclaimed water. The statute limits the required reuse to projects that are "technically and economically" feasible.

The Department submitted the Ocean Outfall Legislation (OOL) Compliance Plan (the "Plan") to the Secretary of FDEP on June 28, 2013. This is a comprehensive plan which also includes the wastewater facilities needed to meet future demands to the year 2035. The Plan proposes to reduce average day capacity at the North and Central District Plants, expand the South District Plant, and construct a new wastewater treatment plant in the western part of the County. The estimated cost of the overall Plan is \$5.5 billion of which \$3.32 billion is directly attributable to OOL compliance.

In 2014, the Department retained a firm to serve as Owner's Representative for Professional Engineer Services Related to the State of Florida's Ocean Outfall Legislation and Miami-Dade County's Wastewater System. The firm has validated the County's Compliance Plan and is preparing scopes of work for design solicitations for the various treatment plant upgrades as well as a new wastewater treatment plant in the western part of the County as specified in the Plan.

## COUNTY INVESTMENT POLICY

Pursuant to Florida Statutes, Section 218.45, which requires a written investment policy by the Board, the County adopted an investment policy (the "Investment Policy") which applies to all funds held by or for the benefit of the Board in excess of those required to meet short-term expenses, except for proceeds of bond/note issues (including the Notes) which are specifically exempted by Board ordinance or resolution.

The primary objectives of the Investment Policy, listed in order of importance are:

1. the safety of principal;
2. the liquidity of funds; and
3. the maximization of investment income.

The Investment Policy limits the securities eligible for inclusion in the County's portfolio to a maximum maturity of five years. The Investment Policy allows investments in repurchase agreements with a maximum length to maturity of 14 days from the date of purchase; the collateral shall be "marked to market" as needed.

To enhance safety, the Investment Policy requires the diversification of the portfolio to control the risk of loss resulting from over-concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which the instruments are bought and sold. The Investment Policy also requires monthly performance reports to be presented to the County Clerk and to the County's Finance Director, quarterly performance reports to be submitted to the Investment Advisory Committee and an annual report to be presented to the Board within 180 days of the end of the Fiscal Year.

The Investment Policy may be modified by the Board as it deems appropriate to meet the needs of the County.

### **INVESTMENT CONSIDERATIONS**

IN MAKING AN INVESTMENT DECISION REGARDING A POSSIBLE PURCHASE OF THE NOTES, PROSPECTIVE PURCHASERS SHOULD RELY SOLELY ON THE CREDIT OF THE BANKS ISSUING THE LETTERS OF CREDIT AND NOT ON THE CREDIT OF THE COUNTY.

THE PURCHASE AND OWNERSHIP OF THE NOTES INVOLVE INVESTMENT RISK. PROSPECTIVE PURCHASERS OF THE NOTES ARE URGED TO READ THIS OFFERING MEMORANDUM IN ITS ENTIRETY.

### **TAX MATTERS**

#### **Tax-Exempt Notes**

##### General

In the opinion of Squire Patton Boggs (US) LLP, and D. Seaton and Associates, P.A., Note Counsel, under existing law (i) interest on the Tax-Exempt Notes, when issued in accordance with the Tax Compliance Certificate, the Issuing and Paying Agency Agreement, the Interim Financing Ordinance, and the Resolution, is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) the Tax-Exempt Notes, when issued in accordance with the Issuing and Paying Agency Agreement, the Interim Financing Ordinance and the Resolution, and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Note Counsel expresses no opinion as to any other tax consequences regarding the Tax-Exempt Notes.

The opinion of Note Counsel states that it may continue to be relied upon subsequent to its date only to the extent that (i) Note Counsel has not issued a new opinion subsequent to its date as to the matters addressed in the opinion, and (ii) Note Counsel has not expressly withdrawn its opinion as evidenced by written notice of such withdrawal to the Board and the Issuing and Paying Agent.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the County contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Tax-Exempt Notes are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Note Counsel will not independently verify the accuracy of the County's certifications and representations or the continuing compliance with the County's covenants.

The opinion of Note Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Note Counsel's legal judgment as to exclusion of interest on the Tax-Exempt Notes from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Note Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the County may cause loss of such status and result in the interest on the Tax-Exempt Notes being included in gross income for federal income tax purposes retroactively to the date of issuance, as determined for federal income tax purposes, of the particular issue of Tax-Exempt Notes. The County has covenanted to take the actions required of it for the interest on the Tax-Exempt Notes to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of delivery of its opinion with respect to the Tax-Exempt Notes, Note Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Note Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Notes or the market value of the Tax-Exempt Notes.

A portion of the interest on the Tax-Exempt Notes earned by certain corporations may be subject to a federal corporate alternative minimum tax. In addition, interest on the Tax-Exempt Notes may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Tax-Exempt Notes. Note Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Tax-Exempt Notes, are generally subject to IRS Form 1099-INT information reporting requirements. If a Tax-Exempt Note owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Unless separately engaged, Note Counsel is not obligated to defend the County or the owners of the Tax-Exempt Notes regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon

is includible in gross income for federal income tax purposes. If the IRS does audit the Tax-Exempt Notes, under current IRS procedures, the IRS will treat the County as the taxpayer and the beneficial owners of the Tax-Exempt Notes will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Tax-Exempt Notes for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Tax-Exempt Notes.

Prospective purchasers of the Tax-Exempt Notes at other than their particular date of issuance, should consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Note Counsel expresses no opinion.

#### Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and also may be considered by the State legislature. Court proceedings also may be filed, the outcome of which could modify the tax treatment of obligations such as the Tax-Exempt Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Tax-Exempt Notes will not have an adverse effect on the tax status of interest or other income on the Tax-Exempt Notes or the market value or marketability of the Tax-Exempt Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Tax-Exempt Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, recent presidential and legislative proposals would eliminate, reduce or otherwise alter the tax benefits currently provided to certain owners of state and local government bonds, including proposals that would result in additional federal income tax on taxpayers that own tax-exempt obligations if their incomes exceed certain thresholds. Investors in the Tax-Exempt Notes should be aware that any such future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Tax-Exempt Notes for federal income tax purposes for all or certain taxpayers. In such event, the market value of the Tax-Exempt Notes may be adversely affected and the ability of holders to sell their Tax-Exempt Notes in the secondary market may be reduced. The Tax-Exempt Notes are not subject to special mandatory redemption, and the interest rates on the Tax-Exempt Notes are not subject to adjustment, in the event of any such change.

Investors should consult their own financial and tax advisers to analyze the importance of these risks.

#### **Taxable Notes**

##### General

In the opinion of Squire Patton Boggs (US) LLP, and D. Seaton and Associates, P.A., Note Counsel, under existing law, the Taxable Notes, when issued in accordance with the Issuing and Paying Agency Agreement, the Interim Financing Ordinance, and the Resolution, and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Note Counsel expresses no opinion as to any other tax consequences regarding the Taxable Notes.

The opinion of Note Counsel states that it may continue to be relied upon subsequent to its date only to the extent that (i) Note Counsel has not issued a new opinion subsequent to its date as to the

matters addressed in the opinion, and (ii) Note Counsel has not expressly withdrawn its opinion as evidenced by written notice of such withdrawal to the Board and the Issuing and Paying Agent.

INTEREST ON THE TAXABLE NOTES IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES. THE LEGAL DEFEASANCE OF THE TAXABLE NOTES MAY RESULT IN A DEEMED SALE OR EXCHANGE OF THE TAXABLE NOTES UNDER CERTAIN CIRCUMSTANCES; OWNERS OF THE TAXABLE NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL INCOME TAX CONSEQUENCES OF SUCH AN EVENT. PROSPECTIVE PURCHASERS OF THE TAXABLE NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE AND LOCAL, AND FOREIGN TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE TAXABLE NOTES.

The following discussion is generally limited to "U.S. owners," meaning beneficial owners of Taxable Notes that for United States federal income tax purposes are individual citizens or residents of the United States, corporations or other entities taxable as corporations created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), and certain estates or trusts with specific connections to the United States. *Partnerships holding Taxable Notes, and partners in such partnerships, should consult their tax advisors regarding the tax consequences of an investment in the Taxable Notes (including their status as U.S. owners).*

Prospective purchasers of the Taxable Notes at other than their particular date of issuance, should consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Note Counsel expresses no opinion.

#### Payment of Interest

In general, interest paid or accrued on the Taxable Notes will be treated as ordinary income to U.S. owners. A U.S. owner using the accrual method of accounting for U.S. federal income tax purposes must include interest paid or accrued on the Taxable Notes in ordinary income as the interest accrues, while a U.S. owner using the cash receipts and disbursements method of accounting for U.S. federal income tax purposes must include interest in ordinary income when payments are received or constructively received by the owner.

#### Sale, Exchange, Retirement or Other Taxable Disposition of Taxable Notes

Upon the sale, exchange, retirement or other taxable disposition of a Taxable Note, a U.S. owner will recognize gain or loss equal to the difference between the amount realized from the sale, exchange, retirement or other disposition and the owner's adjusted basis in the Taxable Note or applicable portion of the adjusted basis. The owner's adjusted basis generally will equal the cost of the Taxable Note to the owner reduced by any principal payments on the Taxable Note previously received by the owner. Any gain or loss recognized upon a sale, exchange, retirement or other disposition of a Taxable Note (excluding amounts attributable to accrued interest) will generally be capital gain or loss and will be long-term capital gain or loss if the U.S. owner's holding period in the Taxable Note exceeds one year. Long-term capital gains of individuals are currently eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

#### Information Reporting and Backup Withholding

General information reporting requirements will apply to payments of principal and interest made on Taxable Notes and the proceeds of the sale of Taxable Notes to non-corporate holders of the Taxable Notes, and "backup withholding," currently at a rate of 28%, will apply to such payments if the owner fails to provide an accurate taxpayer identification number in the manner required or fails to report all

interest required to be shown on its federal income tax returns. A beneficial owner of Taxable Notes that is a U.S. owner generally can obtain complete exemption from backup withholding by providing a properly completed IRS Form W-9 (Request for Taxpayer Identification Number and Certification).

#### Medicare Tax Affecting U.S. Owners

A U.S. owner of a Taxable Note that is an individual or estate, or a trust not included in a special class of trusts that is exempt from such tax, is subject to a 3.8% Medicare tax on the lesser of (1) the U.S. owner's "net investment income" for the taxable year and (2) the excess of the U.S. owner's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between \$125,000 and \$250,000, depending on the individual's circumstances). A U.S. owner's net investment income generally includes interest income on, and net gains from the disposition of, Taxable Notes, unless such interest income or net gains are derived in the ordinary course of a trade or business (other than a trade or business that consists of certain passive or trading activities). A U.S. owner that is an individual, estate, or trust, should consult its tax advisor regarding the applicability of the Medicare tax.

#### Non-U.S. Owners

Under the Code, interest on any Taxable Note whose beneficial owner is not a U.S. owner are generally not subject to United States income tax or withholding tax (including backup withholding) if the non-U.S. owner provides the payor of interest on the Taxable Notes with an appropriate statement as to its status as a non-U.S. owner. This statement can be made on IRS Form W-8BEN or a successor form. If, however, the non-U.S. owner conducts a trade or business in the United States and the interest on the Taxable Notes held by the non-U.S. owner is effectively connected with such trade or business, that interest will be subject to United States income tax but will generally not be subject to United States withholding tax (including backup withholding). The foregoing is a brief summary of certain federal income tax consequences to a non-U.S. owner. *Non-U.S. owners should consult their tax advisors regarding the tax consequences of an investment in the Taxable Notes.*

#### Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act ("FATCA") generally imposes a 30% withholding tax on interest payments and proceeds from the sale of interest-bearing obligations for payments made after the relevant effective date to (i) certain foreign financial institutions that fail to certify their FATCA status and (ii) investment funds and non-financial foreign entities if certain disclosure requirements related to direct and indirect United States shareholders and/or United States account holders are not satisfied.

Under applicable Treasury regulations, the FATCA withholding tax of 30% will generally be imposed, subject to certain exceptions, on payments of (i) interest on Taxable Notes on or after July 1, 2014, and (ii) gross proceeds from the sale or other disposition of Taxable Notes on or after January 1, 2019, where such payments are made to persons described in the immediately preceding paragraph.

In the case of payments made to a "foreign financial institution" (generally including an investment fund), as a beneficial owner or as an intermediary, the FATCA withholding tax generally will be imposed, subject to certain exceptions, unless such institution (i) enters into (or is otherwise subject to) and complies with an agreement with the U.S. government (a "FATCA Agreement") or (ii) is required by and complies with applicable foreign law enacted in connection with an intergovernmental agreement between the United States and a foreign jurisdiction (an "IGA"), in either case to, among other things, collect and provide to the U.S. or other relevant tax authorities certain information regarding U.S. account holders of such institution. In the case of payments made to a foreign entity that is not a financial institution (as a beneficial owner), the FATCA withholding tax generally will be imposed, subject to

certain exceptions, unless such entity either provides the withholding agent with a certification that it does not have any "substantial" U.S. owner (generally, any specified U.S. person that directly or indirectly owns more than a specified percentage of such entity) or identifies its "substantial" U.S. owners.

If Taxable Notes are held through a foreign financial institution that enters into (or is otherwise subject to) a FATCA Agreement, such foreign financial institution (or, in certain cases, a person paying amounts to such foreign financial institution) generally will be required, subject to certain exceptions, to withhold the 30% FATCA tax on payments of dividends or the items described above made to (i) a person (including an individual) that fails to comply with certain information requests or (ii) a foreign financial institution that has not entered into (and is not otherwise subject to) a FATCA Agreement and that is not required to comply with FATCA pursuant to applicable foreign law enacted in connection with an IGA. Coordinating rules may limit duplicative withholding in cases where the withholding described above in "Non-U.S. Holders" or "Information Reporting and Backup Withholding" also applies.

If any amount of, or in respect of, U.S. withholding tax were to be deducted or withheld from payments on Taxable Notes as a result of a failure by an investor (or by an institution through which an investor holds the Taxable Notes) to comply with FATCA, none of the County, any paying agent or any other person would, pursuant to the terms of the Taxable Notes, be required to pay additional amounts with respect to any Taxable Note as a result of the deduction or withholding of such tax. *Non-U.S. owners should consult their tax advisors regarding the application of FATCA to the ownership and disposition of Taxable Notes.*

#### FINANCIAL ADVISOR

Public Resources Advisory Group, St. Petersburg, Florida served as financial advisor (the "Financial Advisor") to the County and the Department with respect to the offering of the Notes. The Financial Advisor has assisted the County and the Department in the preparation of this Offering Memorandum and has advised the County as to other matters relating to the planning, structuring and issuance of the Notes. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Offering Memorandum. The fee payable to the Financial Advisor is contingent upon the issuance and delivery of the Notes.

#### CERTAIN LEGAL MATTERS

Certain legal matters in connection with the authorization and issuance of the Notes are subject to the legal opinions of Squire Patton Boggs (US) LLP, Miami, Florida, and D. Seaton and Associates, P.A., Miami, Florida, Note Counsel. Certain legal matters relating to the issuance of the Notes are subject to approval by the Office of the Miami-Dade County Attorney. Certain other legal matters relating to disclosure will be passed upon for the County by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and Liebler, Gonzalez & Portuondo, Miami, Florida, Disclosure Counsel. Certain other legal matters in connection with each Letter of Credit and each Reimbursement Agreement will be passed upon by Chapman and Cutler LLP, Chicago, Illinois, special United States counsel to the Banks. Certain other legal matters in connection with the Barclays Letter of Credit and Series A Reimbursement Agreement will be passed upon by McDermott Will & Emery UK LLP, London, United Kingdom, English counsel to Barclays. Certain other legal matters in connection with the SMBC Letter of Credit and Series B Reimbursement Agreement will be passed upon by Yumoto, Ota & Miyazaki, Japanese counsel to SMBC. Certain legal matters will be passed upon for Barclays Capital by Greenberg Traurig, P.A. Miami, Florida, and for Citigroup by GrayRobinson P.A., Miami, Florida.

The proposed text of the legal opinion of Note Counsel is set forth as "APPENDIX C – PROPOSED FORM OF OPINION OF NOTE COUNSEL." The actual legal opinion to be delivered may vary from the text of Appendix C, if necessary, to reflect facts and law on the date of delivery of the Notes. The opinion will speak only as of its date and subsequent distribution of it by recirculation of this Offering Memorandum or otherwise shall not create any implication that subsequent to the date of the opinion Note Counsel has affirmed its opinion.

The opinion of Note Counsel will be limited to matters relating to the authorization and validity of the Notes and the tax-exempt status of interest on the Tax-Exempt Notes as described under "TAX MATTERS" and will make no statement regarding the accuracy and completeness of this Offering Memorandum or the validity and enforceability of any letter of credit issued from time to time under and pursuant to the terms of the Reimbursement Agreements.

The legal opinions to be delivered concurrently with the delivery of the Notes express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the attorneys providing such opinion do not become insurers or guarantors of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

#### **NO CONTINUING DISCLOSURE OBLIGATION**

The Notes are exempt from the continuing disclosure requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended. However, in connection with the issuance of its Water and Sewer Revenue Bonds, the County has entered into continuing disclosure undertakings requiring the filing of certain information with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access System at [www.emma.msrb.org](http://www.emma.msrb.org) ("EMMA"). Investors may find updated financial information and operating data regarding the Department through EMMA so long as the Water and Sewer Senior Lien Revenue Bonds are outstanding. Any such information shall have been prepared for purposes other than updating the information contained herein, shall be as of the date set forth therein and shall not be deemed incorporated herein.

#### **RATINGS**

Moody's Investors Service, Inc. ("Moody's"), Standard & Poor's Ratings Services ("S&P") and Fitch Ratings ("Fitch" and together with Moody's and S&P, the "Rating Agencies") have assigned the ratings of \_\_\_, \_\_\_ and \_\_\_, respectively, to the Series A Notes with the understanding that the Barclays Letter of Credit will be issued by Barclays. Moody's, S&P and Fitch have assigned the ratings of \_\_\_, \_\_\_ and \_\_\_, respectively, to the Series B Notes with the understanding that the SMBC Letter of Credit will be issued by SMBC.

The ratings reflect only the view of the Rating Agencies. Any desired explanation of the significance of such ratings should be obtained from the Rating Agency furnishing the same. Generally, the Rating Agencies base their ratings on the information and materials furnished to them and on investigations, studies and assumptions by them. There is no assurance that the ratings will continue for any given period of time or that the same will not be revised downward or withdrawn entirely by the Rating Agency furnishing the same if in its judgment circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the Notes.

## **THE DEALERS**

The County has appointed Barclays Capital Inc. ("Barclays Capital") as the exclusive dealer for the initial sale of all of the Series A Notes and Citigroup Global Markets Inc. ("Citigroup" and, collectively with Barclays Capital, the "Initial Dealers") as the exclusive dealer for the initial sale of all of the Series B Notes; provided, however, that subsequent to the initial sale of the Notes, each of the Initial Dealers is appointed as a non-exclusive dealer with respect to the offering and sale of either Series of the Notes. Under the Commercial Paper Dealer Agreements by and between the County and each Initial Dealer (collectively, the "Dealer Agreements"), the Initial Dealers have no commitment to purchase any of the Notes, but are obligated only to use their best efforts as agents of the County to solicit and arrange sales of the Notes on behalf of the County.

The Initial Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Initial Dealers and their respective affiliates have provided, and may in the future provide, a variety of these services to the County and to persons and entities with relationships with the County, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Initial Dealers and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the County (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the County. The Initial Dealers and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

## **LITIGATION**

The County is a party, from time to time, to various lawsuits relating to the Utility and the Department, all of which the County has, and will continue to, vigorously defend and/or prosecute. There is not now pending any litigation restraining or enjoining the issuance or delivery of the Notes or questioning or affecting the validity of the Notes or the proceedings and authority under which they are to be issued, the pledge or application of any moneys or security provided for the payment of the Notes or the use of the proceeds of the Notes. Neither the creation, organization or existence, nor the title of the present members of the Board or other officers of the County to their respective offices, is being contested. Except as noted below, there is no litigation pending, or to the knowledge of County officials threatened, which, if it were decided against the County or the Department, would have a material adverse effect upon the financial affairs of the County or the Department with regard to the Utility.

## **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Florida law requires the County to make a full and fair disclosure of any bonds or other debt obligations which it has issued or guaranteed and which are or have been in default as to principal or

interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served as a conduit issuer). The County is not and has not been in default as to principal and interest on bonds or other debt obligations that it has issued as the principal obligor.

There are several special purpose governmental authorities established by the County that serve as conduit issuers of private activity bonds for purposes such as housing, industrial development, education and health care. Defaults have occurred in connection with some of those private activity bonds; however, such defaults affect only the defaulted issues and will have no effect on the payment of the Notes. The County has no obligation to pay such bonds and the conduit issuers had only a limited obligation to pay such bonds from the payments made by the underlying obligors with respect to such issues. Defaults relating to conduit issuers are not material with regard to the Notes.

**CERTIFICATE OF FINANCE DIRECTOR AND DEPARTMENT DIRECTOR  
CONCERNING THIS OFFERING MEMORANDUM**

Concurrently with the delivery of the Notes, the County's Finance Director and the Department's Director will furnish a certificate to the effect that, to the best of their knowledge, this Offering Memorandum, as of its date and as of the date of delivery of the Notes, does not contain an untrue statement of a material fact and does not omit to state a material fact which should be included in this Offering Memorandum for the purpose for which this Offering Memorandum is to be used, or which is necessary to make the statements contained in this Offering Memorandum, in light of the circumstances in which they were made, not misleading.

**MISCELLANEOUS**

This Offering Memorandum is not to be construed as a contract with the purchasers of the Notes. The references, excerpts and summaries of all documents referred to in this Offering Memorandum do not purport to be complete statements of the provisions of such documents, and potential investors should refer to all such documents for full and complete statements of all matters relating to the Notes, the security for the payment of the Notes and the rights and obligations of the owners of the Notes. The information set forth in this Offering Memorandum has been obtained from the County and other sources that are believed to be reliable. The information and expressions of opinion in this Offering Memorandum are subject to change without notice and neither the delivery of this Offering Memorandum nor any sale made shall under any circumstances create any implication that there has been no change in the matters referred to in this Offering Memorandum since its date.

The delivery of this Offering Memorandum by the County has been duly authorized by the Board of County Commissioners of the County.

**APPENDIX A**

**FORMS OF LETTERS OF CREDIT**

**BARCLAY'S LETTER OF CREDIT  
(Supporting Series A Notes)**

**SUMITOMO LETTER OF CREDIT  
(Supporting Series B Notes)**

## APPENDIX B

### CERTAIN INFORMATION REGARDING THE BANKS

#### BARCLAYS BANK PLC

*The information under this heading has been provided solely by Barclays and is believed to be reliable. This information has not been verified independently by the County or the Initial Dealers. The County and the Initial Dealers make no representation whatsoever as to the accuracy, adequacy or completeness of such information.*

*The information below has been provided by Barclays Bank PLC for inclusion in this Appendix B under the heading "BARCLAYS BANK PLC." Barclays Bank PLC did not participate in the preparation of, or in any way verify the information contained in, any other part of this Offering Memorandum. Accordingly, Barclays Bank PLC assumes no responsibility for and makes no representation or warranty as to the accuracy or completeness of information contained in any other part of this Offering Memorandum other than in this Appendix B under the heading "BARCLAYS BANK PLC."*

Barclays Bank PLC (the "Bank") is a public limited company registered in England and Wales under number 1026167. The liability of the members of Barclays Bank PLC is limited. It has its registered head office at 1 Churchill Place, London, E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). Barclays Bank PLC was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, Barclays Bank was re-registered as a public limited company and its name was changed from 'Barclays Bank International Limited' to 'Barclays Bank PLC'.

Barclays Bank PLC (together with its subsidiary undertakings (the "Bank Group")) is a transatlantic consumer, corporate and investment bank offering products and services across personal, corporate and investment banking, credit cards and wealth management, with a strong presence in our two home markets of the UK and the US. Following the joint announcement of Barclays PLC and the Bank relating to the Group Strategy Update, as filed with the SEC on Form 6-K on 1 March 2016, the Bank Group will be focused on two core divisions – Barclays UK and Barclays Corporate & International. Barclays UK comprises the UK retail banking operations, UK consumer credit card business, UK wealth management business and corporate banking for smaller businesses. Barclays Corporate & International comprises the corporate banking franchise, the Investment Bank, the US and international cards business and international wealth management. Assets which do not fit the Bank Group's strategic objectives will continue to be managed in Barclays Non-Core and designated for exit or run-down over time. The whole of the issued ordinary share capital of Barclays Bank PLC is beneficially owned by Barclays PLC. Barclays PLC is the ultimate holding company of the Group.

The short term unsecured obligations of Barclays Bank PLC are rated A-2 by Standard & Poor's Credit Market Services Europe Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the long-term unsecured unsubordinated obligations of Barclays Bank PLC are rated A- by Standard & Poor's Credit Market Services Europe Limited, A2 by Moody's Investors Service Ltd. and A by Fitch Ratings Limited.

Based on the Bank Group's audited financial information for the year ended 31 December 2015, the Bank Group had total assets of £1,120,727m (2014: £1,358,693m), total net loans and advances<sup>1</sup> of £441,046m (2014: £470,424m), total deposits<sup>2</sup> of £465,387m (2014: £486,258m), and total shareholders' equity of £66,019m (2014: £66,045m) (including non-controlling interests of £1,914m (2014: £2,251m)). The profit before tax from continuing operations of the Bank Group for the year ended 31 December 2015 was £2,841m (2014: £2,309m) after credit impairment charges and other provisions of £2,114m (2014: £2,168m). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Bank for the year ended 31 December 2015.

The delivery of the information concerning the Bank and the Bank Group contained in this Appendix B under the heading "**BARCLAYS BANK PLC**" shall not create any implication that there has been no change in the affairs of the Bank and the Bank Group since the date of this Offering Memorandum, or that the information contained or referred to in this Appendix B under the heading "**BARCLAYS BANK PLC**" is correct as of any time subsequent to its date.

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<sup>1</sup> Total net loans and advances include balances relating to both bank and customer accounts.

<sup>2</sup> Total deposits include deposits from bank and customer accounts.

**SUMITOMO MITSUI BANKING CORPORATION,  
ACTING THROUGH ITS NEW YORK BRANCH**

*The information under this heading has been provided solely by SMBC and is believed to be reliable. This information has not been verified independently by the County or the Initial Dealers. The County and the Initial Dealers make no representation whatsoever as to the accuracy, adequacy or completeness of such information.*

**APPENDIX C**

**PROPOSED FORM OF OPINION OF NOTE COUNSEL**

[to be provided by Note Counsel]

## APPENDIX D

### BOOK-ENTRY ONLY SYSTEM

#### Book-Entry Only System

*The following description of the procedures and record keeping with respect to beneficial ownership interests in the Notes, payment of interest and principal on the Notes to Participants or Beneficial Owners of the Notes, confirmation and transfer of beneficial ownership interest in the Notes and other related transactions by and between DTC, the Participants and the Beneficial Owners of the Notes is based solely on information furnished by DTC on its website for inclusion in this Offering Memorandum. Accordingly, neither the County nor the Initial Dealers can make any representations concerning these matters.*

DTC will act as securities depository for the Notes. The Notes will be issued as fully-registered notes registered in the name of Cede & Co., (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each maturity of each Series of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard and Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for such Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their

ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as defaults and proposed amendments to the Interim Financing Ordinance or the Resolution. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Issuing and Paying Agent and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or to such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the County or the Issuing and Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Issuing and Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County and/or the Issuing and Paying Agent. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor securities depository is not obtained, definitive note certificates representing the Notes are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, note certificates representing the Notes will be printed and delivered.

NEITHER THE COUNTY NOR THE ISSUING AND PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DTC PARTICIPANT OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE NOTES IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT, THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OR INTEREST ON THE NOTES, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE NOTES UNDER THE INTERIM FINANCING ORDINANCE OR RESOLUTION OR ANY CONSENT GIVEN OR ACTION TAKEN BY DTC AS OWNER OF THE NOTES. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF SUCH NOTES, AS NOMINEE OF DTC, THE BENEFICIAL OWNERS WILL NOT RECEIVE PHYSICAL CERTIFICATES REPRESENTING THEIR INTERESTS IN THE NOTES, AND REFERENCES HEREIN TO OWNERS OR REGISTERED HOLDERS OF SUCH NOTES SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF SUCH NOTES.

### **Discontinuance of Book-Entry Only System**

In the event the County determines that it is in the best interest of the Beneficial Owners to obtain Note certificates, the County may notify DTC and the Issuing and Paying Agent, whereupon DTC will notify the Participants, of the availability through DTC of Note certificates. In such event, the County shall prepare and execute, and the Issuing and Paying Agent shall authenticate, transfer and exchange, Note certificates as requested by DTC in appropriate amounts within the guidelines set forth in the Resolution. DTC also may determine to discontinue providing its services with respect to the Notes at any time by giving written notice to the County and the Issuing and Paying Agent and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the County and the Issuing and Paying Agent shall be obligated to deliver Note certificates as described herein. In the event Note certificates are issued, the provisions of the Resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the County and the Issuing and Paying Agent to do so, the County will direct the Issuing and Paying Agent to cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Notes to any Participant having such Notes credited to its DTC account; or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Notes.