
**MASTER LEASE-PURCHASE AGREEMENT
(Civic Facilities Master Lease Program)**

by and between

**POMPANO BEACH FINANCE CORPORATION,
as Lessor**

and

**CITY OF POMPANO BEACH, FLORIDA,
as Lessee**

Dated as of [] 1, 20[]

THE CORPORATION HAS ASSIGNED ALL OF ITS RIGHT, TITLE AND INTEREST IN THIS MASTER LEASE-PURCHASE AGREEMENT, EXCEPT CERTAIN RETAINED RIGHTS AS PROVIDED HEREIN, BY ABSOLUTE ASSIGNMENT TO [], AS TRUSTEE UNDER A MASTER TRUST AGREEMENT DATED AS OF [] 1, 20[], AS SAME MAY BE AMENDED AND SUPPLEMENTED, AMONG THE TRUSTEE, THE CORPORATION AND THE LESSEE, PURSUANT TO AN ASSIGNMENT OF LEASE AGREEMENT DATED AS OF [] 1, 20[], AS SAME MAY BE AMENDED AND SUPPLEMENTED.

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**MASTER LEASE-PURCHASE AGREEMENT
(CIVIC FACILITIES MASTER LEASE PROGRAM)**

THIS MASTER LEASE-PURCHASE AGREEMENT (CIVIC FACILITIES MASTER LEASE PROGRAM) is made and entered into as of [] 1, 20[] (the “Master Lease”), by and between the **POMPANO BEACH FINANCE CORPORATION**, a not-for-profit corporation duly organized and validly existing under the laws of the State of Florida, as lessor (the “Corporation”), and the **CITY OF POMPANO BEACH, FLORIDA**, a municipal corporation of the State of Florida, as lessee (the “City”);

WITNESSETH:

In consideration of the mutual covenants hereinafter contained and for other valuable consideration, the parties hereto do hereby agree as follows:

**ARTICLE I
DEFINITIONS AND GENERAL PROVISIONS**

SECTION 1.01 DEFINITIONS. The capitalized words and terms used herein shall have the meanings assigned to such words and terms in Exhibit A attached hereto, unless the context clearly requires some other meaning. Exhibit A hereto also includes words and terms used solely in the Master Trust Agreement and not used herein.

SECTION 1.02 RULES OF CONSTRUCTION. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neutral genders. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons. Statements used herein denoting an agency relationship between the City, as agent, and the Corporation, as principal, shall be strictly construed and limited to the duties set forth herein. The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Master Lease, refer to this Master Lease.

**ARTICLE II
RECITALS**

SECTION 2.01 STATUS AND POWERS OF CORPORATION. The Corporation is a not-for-profit corporation duly organized and validly existing pursuant to Chapter 617, Florida Statutes, and is authorized to lease or otherwise dispose of real and personal property. Pursuant to such authority, the Corporation is authorized to undertake and perform the actions and duties more particularly described herein.

SECTION 2.02 STATUS AND POWERS OF CITY. The City is a municipal corporation of the State and is authorized by the Act to lease-purchase finance and/or refinance, construct and acquire real and personal property in furtherance of its public purposes.

SECTION 2.03 PURPOSE OF AGREEMENT. In order to provide for its governmental and proprietary needs and in furtherance of its public purposes, including for

economic development purposes, the City desires from time to time to lease Projects from the Corporation. The Corporation is able and willing, for adequate consideration, to lease such Projects to the City.

Each Project shall be subject to the related Permitted Encumbrances, including the related Use Arrangements, set forth in the applicable Lease Schedule.

Each Lease Schedule entered into with respect to a Project may specify whether all or any portion of such Project is not subject to surrender or not otherwise subject to the exercise of remedies upon an Event of Non-Appropriation or Event of Default and are "Excluded Components."

Roadways, and Designated Equipment shall always be Excluded Components. A Lease Schedule may specify additional components of a Project which are Excluded Components. Excluded Components are not subject to surrender upon an Event of Non-Appropriation or an Event of Default.

Air Rights shall never be deemed part of any Project or the subject of this Master Lease or any Ground Lease(s). Roadways (which include related utility and drainage lines, signage, traffic signals and landscaping and parking spaces) included in a Project must be used throughout the term of the related Ground Lease as public roads and related public facilities, including public parking spaces, as applicable.

SECTION 2.04 RELATED AGREEMENTS. The parties hereto acknowledge, approve of, and consent to the terms of the following documents:

(a) the Assignment of Lease Agreement, pursuant to which the Corporation assigns to the Trustee, by outright assignment all of its right, title and interest in this Master Lease, as it may be amended and supplemented from time to time, and as it shall be supplemented in connection with each Lease Schedule, other than its rights of indemnification, its right to enter into Lease Schedules from time to time and its obligations provided in Section 6.03 of this Master Lease;

(b) the Ground Lease(s), pursuant to which the City has or will demise the applicable Premises to the Corporation and grant a leasehold estate in the portions of the Project on or being part of such Premises and not otherwise excluded thereunder;

(c) the Assignment(s) of Ground Lease Agreement, pursuant to which the Corporation by outright assignment assigns to the Trustee all of its right, title and interest in the Ground Lease(s); and

(d) the Master Trust Agreement, as supplemented in connection with a Series of Certificates, pursuant to which the Trustee, the City and the Corporation agree to implement this Master Lease by providing from time to time for the delivery of Series of Certificates to finance and/or refinance the Projects, for the administration of certain funds, accounts and subaccounts for the benefit of the Owners and, under the circumstances contemplated in such Trust Agreement and in this Master Lease, the exercise by the Trustee of certain remedies for the benefit of the Owners.

SECTION 2.05 CONSTRUCTION OF THIS MASTER LEASE. For all purposes of this Master Lease, reference to the “assignee” of the Corporation means the Trustee acting on behalf of the Owners of the Certificates issued pursuant to the Master Trust Agreement, except as otherwise specifically provided herein or in the Assignment of Lease Agreement to the contrary.

Notwithstanding the foregoing, any provision contained in this Master Lease which grants to the Trustee, by virtue of the Assignment of Lease Agreement, the permissive right herein to request documentation, to make inspections or take such other actions, shall not impose on the Trustee a legal or fiduciary duty or obligation to make such request or inspection or take such action. To the extent permitted by law, the Trustee agrees to exercise any such permissive right if directed by the Credit Enhancer, if any. The parties hereto agree that the foregoing limitation on the Trustee’s rights herein shall in no way be construed to be a limitation on the absolute nature intended by the Assignment of Lease Agreement.

ARTICLE III ACQUISITION AND CONSTRUCTION OF PROJECTS; CITY TO BE AGENT OF CORPORATION

SECTION 3.01 DEPOSIT OF MONEYS; LEASE SCHEDULES. In order to induce the City to lease a Project from the Corporation and to assure the City that the moneys needed to pay the Costs of such Project and Costs of Issuance relating to such Project will be available without delay, the Corporation and the City, simultaneously with the delivery of a Lease Schedule relating to such Project by the City, shall cause to be deposited with the Trustee the proceeds of the Series of Certificates which shall finance and/or refinance the acquisition, construction and installation of such Project, fund capitalized interest, if any, fund a subaccount in the Reserve Account, if any, and pay the Costs of Issuance related thereto. Such proceeds, and the proceeds of any Completion Certificates and Refunding Certificates, shall be deposited in such funds, accounts and subaccounts established pursuant to the Master Trust Agreement as shall be described in the Lease Schedule relating to such Project and the Supplemental Trust Agreement pursuant to which such Series of Certificates are authorized to be issued.

(a) Whenever the City, in its discretion, determines to finance and/or refinance a Project by leasing it hereunder, it shall prepare and submit to the Corporation a Lease Schedule relating to such Project. Such Lease Schedule shall be in substantially the form set forth as Exhibit B hereto. The Corporation shall have no obligation to lease or to acquire, construct or install, or cause to be acquired, constructed or installed pursuant to Section 3.03 hereof, any portion of a Project until the Corporation has been furnished with a Lease Schedule describing such Project and complying with the provisions of the following paragraph (c).

(b) Each Lease Schedule submitted by the City to the Corporation shall be accompanied by the following items:

(i) A certified copy of the resolution(s) or ordinance(s) duly adopted or enacted, as applicable, by the City and a certified copy of the resolution(s) duly adopted by the Corporation, in each case, authorizing the lease-purchase of the applicable Project described in the Lease Schedule, the Supplemental Trust Agreement relating to the Series

of Certificates for which such Lease Schedule was established, and applicable Ground Lease (if not previously authorized);

(ii) A certificate (which may be included as part of another certificate) of the Mayor of the City (or his or her designee) of the City affirming or reaffirming the City's covenants, representations and warranties made hereunder, except as modified by the Lease Schedule, and stating no default has occurred and is continuing under this Master Lease;

(iii) An executed copy of the applicable Ground Lease relating to the applicable Project described in the Lease Schedule, together with the related Assignment of Ground Lease Agreement;

(iv) An executed copy of an amendment or supplement to the Assignment of Lease Agreement if needed to reflect the execution and delivery of such Lease Schedule; and

(v) An executed copy of the Supplemental Trust Agreement relating to the issuance of the Series of Certificates which shall finance and/or refinance the applicable Project described in the Lease Schedule.

SECTION 3.02 RIGHT OF ENTRY. In order to enable the Corporation to carry out the terms of this Master Lease, to provide for the financing and/or refinancing of the costs of the acquisition, construction and installation of the Projects and to facilitate the exercise of remedies upon an Event of Default or Event of Non-Appropriation hereunder, and subject to the limitations herein, including, without limitation, those related to Excluded Components, the City hereby grants a right of entry to the Corporation, its agents and assignees, including, without limitation, the Trustee, and, subject to the provisions of Section 7.03 hereof, at reasonable times and upon reasonable notice, to each of the Projects. The City represents that it is empowered to grant such right of entry to the Trustee and the Corporation.

SECTION 3.03 ACQUISITION AND CONSTRUCTION OF THE PROJECTS.

(a) The Corporation shall provide for the acquisition, construction and installation of each Project by the City, as agent of the Corporation, pursuant to applicable State law and Section 3.08 hereof. The Corporation hereby appoints the City as its agent to carry out all phases of the acquisition, construction and installation of each Project, and the City, as agent of the Corporation, assumes all rights, duties, responsibilities and liabilities of the Corporation regarding the acquisition, construction and installation of each Project, except as limited herein. The Trustee shall establish a separate subaccount in the Project Account for each Project leased hereunder in accordance with Section 6.02 of the Master Trust Agreement. Amounts on deposit in each subaccount of the Project Account held by the Trustee pursuant to the Master Trust Agreement shall be disbursed by the Trustee to the City or the Person designated by an Authorized Officer of the City to pay Project Costs of the Project for which such subaccount was established. Such disbursements shall be made pursuant to Requisitions submitted by an Authorized Officer of the City to the Trustee in accordance with the procedures set forth in the Master Trust Agreement, unless otherwise provided in a Supplemental Trust Agreement relating to a Series of Certificates. Such Requisitions shall be

substantially in the form set forth as Exhibit D to the Master Trust Agreement (as such form may be modified with respect to a particular Series of Certificates pursuant to a Supplemental Trust Agreement) and shall be accompanied by such further documentation as set forth herein and in Section 6.03 of the Master Trust Agreement. The Corporation hereby agrees that the City may be reimbursed for expenditures of moneys made by the City for Project Costs in anticipation of the issuance of Certificates to finance and/or refinance such Project Costs by filing Requisitions, with the documentation required by Section 6.03(e) of the Master Trust Agreement, provided an opinion of Special Counsel is first delivered to the Trustee concluding that such application will not cause the exemption from federal income tax of the interest portion of the Basic Rent Payments represented by the applicable Certificates (other than Taxable Certificates) to be adversely affected by such application.

(b) The Corporation and the City agree that they will assure that each Project will be acquired, constructed and installed in accordance with the Plans and Specifications. The Corporation and the City further agree that each Project will be acquired, constructed and installed in accordance with the Project Budget and the Project Schedule relating thereto, which shall be provided in the Lease Schedule for such Project. The City may, at any time prior to the later of the Estimated Completion Date for a Project or Closure Date of the related subaccount of the Project Account (as such Estimated Completion Date or Closure Date may be extended pursuant to Section 3.03(e) hereof), make modifications or additions to such Project and substitute items or components constituting a portion of such Project, subject to the provisions of this Section 3.03(b), if (i) the City files with the Trustee, as assignee of the Corporation, a certificate of an Authorized Officer of the City notifying the Trustee of such modification, addition or substitution, identifying the portion of such Project which is modified, added or substituted, and certifying that after such modification, addition or substitution, amounts on deposit in the subaccount of the Project Account relating to such Project, together with interest earnings thereon and any additional legally available sums of the City deposited therein, will be sufficient to pay all remaining Costs of such Project, including Project Costs incurred in connection with such modification, addition or substitution and any Project Costs which shall have accrued but remain unpaid as of such date; provided, such certification may be contained in an amendment to the related Lease Schedule in connection with any changes set forth in clause (iii) hereof, (ii) if the modification, addition or substitution involves Equipment, either the items of substituted Equipment have a useful life equal to or greater than the useful life of the items of Equipment for which it has been substituted or the Credit Enhancer, if any, of the Certificates which shall finance and/or refinance the acquisition of such Equipment approves of a shorter useful life for such substituted Equipment, (iii) the Plans and Specifications, the Project Description, the Project Budget, the Project Schedule and, if necessary, the Estimated Completion Date and Closure Date for such amended or modified Project are each amended, as necessary, to take into account the portion of such Project which is modified, added or substituted, and (iv) no change shall be made in the schedule of Basic Rent Payments. If the total Costs of such Project exceed the amount estimated therefor, the City shall take the actions set forth in Section 3.05 hereof as a condition precedent to such modification, addition or substitution.

(c) For purposes of this Master Lease, all materials and services in respect of which amounts are paid by the Trustee for the acquisition, construction and installation of a Project (including moneys disbursed pursuant to Section 6.04 of the Master Trust Agreement for Costs of Issuance) shall be deemed accepted by the City hereunder upon execution of the corresponding Lease Schedule. The provisions of this Section 3.03(c) shall not in any way limit or affect the

Corporation's or the City's rights to pursue warranty or other claims arising therefrom against any contractor, Vendor or supplier of labor or materials of a Project, or any portion thereof. Each Requisition executed by an Authorized Officer of the City and submitted to the Trustee shall certify that the City has inspected and accepted the portion of the Project which is the subject of such Requisition. Execution by an Authorized Officer of the City of a Requisition shall constitute full approval and acceptance of the items or portions of the Project identified therein for all purposes hereunder.

(d) The Corporation and the City further agree to assure that, where applicable, the Contractors and Developers of a Project involving construction of a Building carry appropriate performance bonds, agree to liquidated damages on a daily basis for construction and delivery delays, comply with workers' compensation laws and affirmative action standards of the City and comply with any other requirements of applicable law; provided, however, that (i) this provision shall not apply to any contract the total payments of which do not exceed \$300,000 and (ii) this provision shall not prohibit or limit the City to provide for actual damages with respect to design or construction defects. Proceeds of liquidated damages received by the Corporation or the City shall be deposited, before the Estimated Completion Date (as such Estimated Completion Date may be extended pursuant to Section 3.03(e) hereof), into the subaccount of the Project Account relating to such Project and, after the Estimated Completion Date, into the subaccount of the Interest Account relating to such Project to be held for Basic Rent Payments; provided, however, that if liquidated damages are to be imposed through withholding payment from the Contractors, then the City shall direct the Trustee to withdraw from the subaccount of the Project Account relating to such Project an amount equal to said liquidated damages and to deposit such amount in the subaccount of the Interest Account relating to such Project.

(e) The Estimated Completion Date of a Project and Closure Date of the related subaccount of the Project Account may be extended (including at any time after the Estimated Completion Date or Closure Date, if such Project Account has not been closed pursuant to Section 6.03(f) of the Master Trust Agreement) if the Trustee receives a written notice from an Authorized Officer specifying the new dates and the reason for such extension. The City shall take possession of each Project, or portion thereof, upon delivery and acceptance and, where applicable, substantial completion of installation thereof. No delay in the completion of a Project, or any portion thereof, nor any extension of the Estimated Completion Date and Closure Date as permitted herein shall relieve the City of its obligation to pay the Lease Payments to the extent provided herein.

Upon completion of acquisition, construction and installation of each Project, the City will deliver a Certificate of Acceptance substantially in the form attached hereto as Exhibit C to the Trustee, in order for the Trustee to make the final advances therefor in accordance with the provisions of the Master Trust Agreement, as supplemented in connection with a related Series of Certificates. Pursuant to the Master Trust Agreement, upon the filing of such Certificate of Acceptance any amounts remaining in related subaccount of the Project Account shall, if the City so elects, be retained in such subaccount of the Project Account to pay any remaining Project Costs of the applicable Project or be applied to reimburse the City for costs of such Project funded by the City from sources other than related Certificate proceeds, provided an opinion of Special Counsel is first delivered to the Trustee concluding that such application will not cause the exemption from federal income tax of the interest portion of the Basic Rent Payments represented by the applicable Series of Certificates (other than Taxable Certificates) to be adversely affected

by such application and, thereafter, any balance remaining shall be transferred to the subaccount in the Principal Account of the Lease Payment Fund relating to the applicable Series of Certificates and applied as a credit to Basic Rent Payments due under the applicable Lease Schedule in accordance with Section 6.06(a) of the Master Trust Agreement unless otherwise provided in a Supplemental Trust Agreement relating to a Series of Certificates. Pursuant to the Master Trust Agreement, in the event that the Lease Term with respect to a Project terminates prior to the execution by the City of a Certificate of Acceptance with respect to such Project, the Trustee shall transfer all amounts remaining in the related subaccount of the Project Account to the special account established by the Trustee for the applicable Series of Certificates pursuant to Section 8.04 of the Master Trust Agreement and applied in accordance with said Section 8.04 unless otherwise provided in a Supplemental Trust Agreement relating to a Series of Certificates.

(f) The Corporation and the City shall at all times keep title to each Project and their respective interests hereunder and under the Ground Lease(s) free and clear of all liens and encumbrances of every kind whatsoever, except related Permitted Encumbrances.

SECTION 3.04 PAYMENT OF COSTS OF ISSUANCE. Payment of Costs of Issuance for each Series of Certificates shall be made pursuant to Requisitions substantially in the applicable form attached as Exhibit E to the Master Trust Agreement from moneys deposited with the Trustee in the subaccount of the Costs of Issuance Account established for such Series or, if amounts in such Account are not sufficient for such purpose, from the related subaccount of the Project Account. Costs of Issuance shall be disbursed in accordance with and upon compliance with Section 6.04 of the Master Trust Agreement. The City shall thereby be deemed to have agreed that it has received valuable consideration for the portion of the Basic Rent representing Costs of Issuance and will, subject to the provisions of Section 7.01 hereof, pay the Lease Payments in respect of same.

SECTION 3.05 LIMITATIONS ON ACQUISITION AND CONSTRUCTION. The amount of moneys available under the Master Trust Agreement, as supplemented in connection with each Series of Certificates, to pay for Project Costs and Costs of Issuance for each Project is limited to an aggregate dollar amount of not more than the Maximum Cost provided in the Lease Schedule for such Project together with interest earnings thereon. If the City agrees to an increase in the cost with respect to any portion of a Project to be acquired, constructed and installed or there is a cost overrun as a result of a substitution or modification in a Project as described in Section 3.03(b) hereof, and in either case, the amount in the subaccount of the Project Account relating thereto, together with interest earnings thereon, is not sufficient to pay such Project Costs and complete the acquisition, construction and installation of such Project, then the City either (a) shall deposit to the credit of such subaccount of the Project Account the additional legally available funds necessary to reduce such deficiency to zero (as certified to the Trustee in writing by an Authorized Officer of the City), or (b) shall provide to the Corporation an amended Project Budget showing changes to such Project the result of which there is no cost deficiency and certified to the Trustee as accurate in writing by an Authorized Officer of the City.

SECTION 3.06 WARRANTIES; DISCLAIMERS. The City, upon execution of a Requisition relating to the acquisition, construction and installation of any portion of a Project, thereby shall represent, without further act, that it has (a) thoroughly inspected such portion of such Project described therein, and (b) satisfied itself that such portion of such Project is suitable

for its purposes. THE CORPORATION, NOT BEING THE VENDOR, THE DEVELOPER OR THE CONTRACTOR OF ANY PROJECT OR THE VENDOR'S AGENT, DEVELOPER'S AGENT OR CONTRACTOR'S AGENT, MAKES NO WARRANTY OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, AS TO THE TITLE TO, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN OR CONDITION OF, OR AS TO THE QUALITY, CAPACITY OF THE MATERIAL OR WORKMANSHIP IN ANY PROJECT OR ANY WARRANTY THAT ANY PROJECT WILL SATISFY THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATIONS OR CONTRACT WHICH PROVIDES FOR SPECIFIC MACHINERY, OPERATORS OR SPECIAL METHODS. It is agreed that all such risks, as among the Corporation and the City, are to be borne by the City at its sole risk and expense, and the City hereby agrees to look solely to the Vendors, Contractors or Developers of the Projects for all such matters.

SECTION 3.07 UNEXPENDED MONEYS IN COSTS OF ISSUANCE ACCOUNT. The Corporation and the City agree that unexpended moneys remaining in a subaccount of the Costs of Issuance Account funded from a Series of Certificates, shall, upon payment in full of Costs of Issuance relating to such Series, be deposited in the subaccount of the Project Account relating to such Series or, if no subaccount has been established in connection with such Series, be deposited in the subaccount of the Principal Account relating to such Series, unless otherwise provided in a Supplemental Trust Agreement relating to a Series of Certificates.

SECTION 3.08 APPOINTMENT OF AGENCY. The provisions of this Section 3.08 shall be applicable to each Project.

(a) The Corporation hereby appoints the City as its agent to carry out all phases of the acquisition, construction and installation of the applicable Projects, and the City, as agent of the Corporation, assumes all rights, duties, responsibilities and liabilities of the Corporation regarding acquisition, construction and installation of such Projects, except as limited herein.

(b) The City, as agent of the Corporation, may enter into any purchase order, agreement or contract required for acquisition, construction and installation of a Project, or any portion thereof, including a turn-key Construction Contract with a Developer, upon being assured that moneys sufficient for the payment thereof are then on deposit in the subaccount of the Project Account related thereto. Each such purchase order, agreement and contract shall be executed by the City, as agent for the Corporation, in accordance with applicable law. The benefits of all bids received by the City for the components of a Project shall be deemed to be assigned by the City to Corporation. The City shall comply with all applicable laws in letting contracts or purchase orders in regard to the acquisition, construction and installation of a Project.

(c) Prior to the Estimated Completion Date (as such Estimated Completion Date may be extended pursuant to Section 3.03(e) hereof) for a Project, the City, as agent of the Corporation, shall have the right to make any changes in the description of a Project or modify or substitute components thereof, or of any component or portion thereof, whenever the City deems such changes to be necessary and appropriate; provided, however, that the City must comply with the provisions of Section 3.03(b) hereof.

(d) The City, as agent of the Corporation, shall have sole responsibility for, and shall supervise, acquisition, construction and installation of each Project. The City shall monitor the performance by each Vendor, Developer or Contractor to the extent the City deems appropriate. The City shall permit the Corporation, or its assignee, to inspect each Project at any and all reasonable times upon giving the City prior notice of the inspection. The Corporation or its assignee shall comply with all rules and regulations established by the City with respect to personal safety and security during such inspections. Notwithstanding the foregoing, the Trustee shall have no affirmative duty to inspect any Project.

(e) The Corporation hereby assigns to the City all rights and powers to enforce and execute in its own name or the name of the Corporation such purchase orders, agreements or contracts as are required for each Project which enforcement may be at law or in equity; provided, however, that the assignment made by the Corporation herein shall not prevent the Corporation, or its assignee, from asserting said rights and powers in its own behalf following written notice to the City. Notwithstanding the foregoing, the Trustee shall have no affirmative duty to assert such rights and powers.

(f) Except with respect to Completion Certificates, the Corporation shall not be responsible for payment of, nor shall it pay nor permit to be paid by Trustee pursuant to the Master Trust Agreement, any amount for a Project in excess of the amount available therefor in the subaccount of the Project Account related thereto held by Trustee pursuant to the Master Trust Agreement, as supplemented by a Supplemental Trust Agreement relating to a Series of Certificates. The City shall pay said excess amount as provided in Section 3.05 hereof.

(g) The City agrees that it will be the sole responsibility of the City that each Project will be acquired, constructed and installed in accordance with the Plans and Specifications, as the same may be amended from time to time as permitted herein. The City shall be obligated, subject to the conditions stated herein, to pay in full the Lease Payments regardless of whether such Project is acquired, constructed or installed in accordance with the Plans and Specifications.

(h) The City shall use its best efforts to acquire, construct and install each Project by the dates set forth in the Project Schedule relating thereto. The City hereby agrees to use its best efforts to obtain, in each Construction Contract, provisions such that if the acquisition, construction or installation of any portion of such Project has not been completed by the Contractor or Developer through the fault of such Contractor or Developer by such dates, the City may assess liquidated damages against the Contractor or Developer for each day completion is delayed in an amount at least equal to the part of the Lease Payments associated with such portion of such Project not completed, prorated to obtain a daily rate.

(i) To the extent that a Project consists of the acquisition of Land (rather than improvements to real property), nothing in this Master Lease shall be construed to prohibit the acquisition of such Land by the exercise of the power of eminent domain as permitted by applicable law. The Corporation hereby agrees to take all action reasonably requested by the City to enable the City to institute and prosecute successfully any eminent domain proceedings instituted by the City.

(j) Unless otherwise provided in a Lease Schedule relating to a Project that is subject to surrender, all or in part, as provided herein, upon an Event of Default or Event of Non-Appropriation, the Corporation and the City may elect to have the Corporation assume the rights and obligations of the City with respect to any Use Arrangements to which such Project or any portion thereof being surrendered is then subject and the Corporation may thereafter elect to delegate and/or assign such assumed rights and obligations to the City. The City acknowledges the foregoing and agrees to cooperate with the Corporation to facilitate any elections made by the Corporation as contemplated in the preceding sentence.

ARTICLE IV LEASE OF PROJECTS; LEASE PAYMENTS

SECTION 4.01 LEASE OF PROJECTS. In consideration of payment by the City to the Corporation, or its assignee, of the Lease Payments and for other valuable consideration, the Corporation hereby leases from time to time each Project to the City upon the terms and conditions contained herein, as modified by the Lease Schedule relating to such Project. The City may modify each Project or may substitute or dispose components or portions of a Project as provided in Sections 3.03(b), to the extent applicable, 5.13 and 5.14 hereof.

SECTION 4.02 TERM OF AGREEMENT. Effective as of the Commencement Date described in the Lease Schedule relating to each Project, the Corporation agrees to rent and lease to the City and the City agrees to rent and lease from the Corporation each such Project for the Initial Lease Term. The Initial Lease Term of each Project shall commence on the Commencement Date relating thereto and terminate on the Initial Lease Termination Date relating thereto. Unless this Master Lease is terminated pursuant to Sections 4.06, 7.01 or 7.03 hereof, this Master Lease will automatically be renewed on the Initial Lease Termination Date for each Project and each succeeding Renewal Term Termination Date relating thereto for the next succeeding Renewal Lease Term until all Lease Payments in regard to all the Projects shall be made and the Certificates are no longer Outstanding. Each Renewal Lease Term shall be for a period of one (1) year. The number of Renewal Lease Terms plus the Initial Lease Term for a Project shall not exceed the Maximum Lease Term described in the Lease Schedule for such Project.

SECTION 4.03 LEASE PAYMENTS. (a) For the right to use and possession of each of the Projects, the City shall, subject to the provisions of Sections 4.06 and 7.01 hereof, pay to the Trustee, as assignee of the Corporation, the Basic Rent and the Supplemental Rent as hereinafter described.

(b) The City agrees to pay as lease rent hereunder for each Project, the Basic Rent on or prior to the Basic Rent Payment Dates as set forth in the Lease Schedule and/or Hedge Agreement relating thereto, as the same may be modified or amended from time to time following any prepayment of Basic Rent for the lease of such Project. Basic Rent Payments consist of a Principal Component and an Interest Component which shall be stated in each Lease Schedule; provided that Hedge Obligations shall always constitute an Interest Component. The portion of Basic Rent attributable to the Interest Component shall not exceed the maximum rate permitted by Section 215.84, Florida Statutes or any successor statute thereto. Each Project may be divided into Groups of leased property as described in the Lease Schedule relating thereto. The Principal Component and Interest Component attributed to each Group, if any, of leased property shall be

provided in the Lease Schedule relating thereto. The City hereby agrees that it shall make all Basic Rent Payments coming due on each Basic Rent Payment Date on or prior to each such Basic Rent Payment Date in accordance with the applicable Lease Schedule and/or Hedge Agreement, subject to the provisions of Sections 4.06 and 7.01 hereof. THE CITY SHALL NOT BUDGET AND APPROPRIATE AVAILABLE REVENUES FOR A PORTION OF THE PROJECTS LEASED PURSUANT TO THIS MASTER LEASE; IT MUST BUDGET AND APPROPRIATE LEASE PAYMENTS FOR ALL OF THE PROJECTS DESCRIBED ON ALL LEASE SCHEDULES ENTERED INTO PURSUANT TO THIS MASTER LEASE OR NONE OF THEM. All Basic Rent Payments shall be paid in arrears. The City shall pay the Basic Rent due hereunder to the Trustee at its Principal Office and the Trustee shall apply the same as provided in the Master Trust Agreement, as supplemented by one or more Supplemental Trust Agreements. The City shall specify which subaccount of the Interest Account and Principal Account the Basic Rent Payments shall be deposited in; provided that all Hedge Receipts shall be deposited in a subaccount of the Interest Account. To the extent that moneys have been deposited and are available with the Trustee from the proceeds of a Series of Certificates for the purpose of paying Basic Rent relating to a Project pursuant to Article VI of the Master Trust Agreement, the amount to be appropriated shall not be reduced but the City shall not be required to transfer funds to the Trustee for payments of such Basic Rent, and the City shall receive a credit against its obligation to pay such Basic Rent for such amounts on deposit with the Trustee.

(c) Each annual aggregate payment of Basic Rent due hereunder shall be for the right to possess the Projects for each Fiscal Year in which moneys have been appropriated by the City to pay the Basic Rent coming due in such Fiscal Year (subject to the limitations on surrender of the Excluded Components as set forth herein), provided that the Basic Rent for the period for which a portion of the proceeds of a Series of the Certificates have been deposited with the Trustee shall be paid from such proceeds, it being hereby acknowledged that said moneys constitute special funds held by the Trustee pursuant to this Master Lease and the Master Trust Agreement to be applied for such purpose.

(d) Commencing with the first Basic Rent Payment Date for the initial Series of Certificates and on each Basic Rent Payment Date thereafter during which any Projects are leased hereunder, there shall be applied as a credit (provided there are no delinquent Basic Rent Payments) against the aggregate amount of Basic Rent payable on such date for the corresponding Lease Schedule an amount which shall be stated in a report of the Trustee given to the City pursuant to Section 6.11 of the Master Trust Agreement, which amount shall be equal to the sum of (i) the amount of interest and other income deposited in each subaccount of the Interest Account pursuant to Sections 6.05 and 6.10 of the Master Trust Agreement since the date of the previous report made by the Trustee pursuant to Section 6.11 of the Master Trust Agreement, (ii) the amount of moneys, if any, transferred to subaccounts of the Interest Account and Principal Account or Prepayment Fund pursuant to Section 6.03(f) and Section 6.03(g) of the Master Trust Agreement since the date of the previous report made by the Trustee pursuant to Section 6.11 of the Master Trust Agreement, (iii) the amount of moneys, if any, transferred to each subaccount of the Interest Account pursuant to Section 6.07(f) of the Master Trust Agreement since the date of the previous report made by the Trustee pursuant to Section 6.11 of the Master Trust Agreement, plus (iv) the amount, if any, on deposit in each subaccount of the Principal Account and Interest Account on the date of the report made by the Trustee pursuant to Section 6.11 of the Master Trust Agreement which is not derived from the sources described in clauses (i), (ii) and (iii) above. In the event that the total amount of

credit exceeds the Basic Rent due on the Basic Rent Payment Date for the corresponding Lease Schedule, the amount of said excess shall be applied as a credit against subsequent Basic Rent Payments for such Lease Schedule. In addition, the Basic Rent may be reduced if the City chooses to prepay any or all of the Basic Rent as permitted hereby. Whenever moneys in the Lease Payment Fund, including all subaccounts of the Reserve Account, shall be sufficient to pay the principal of, Amortization Installments, and interest coming due on the Certificates, moneys in the Reserve Account shall be deposited in the corresponding subaccount of the Interest Account and the Principal Account as required to pay the Certificates of such Series, and no further Basic Rent Payments shall be required hereunder. Should any Basic Rent be paid later than the Basic Rent Payment Date to which such Basic Rent pertains, such Basic Rent shall bear interest at the Overdue Rate from such Basic Rent Payment Date to and inclusive of the date of actual payment.

(e) In addition to the Basic Rent, the City hereby agrees to pay and discharge from time to time as provided herein, as Supplemental Rent, all other amounts, liabilities and obligations which the City assumes or agrees to pay to the Corporation, the Trustee, any Credit Enhancers, Termination Fees due any Counterparties, or the issuer of any Reserve Account Letter of Credit/Insurance Policy pursuant to the terms and provisions of any agreements between the City and such parties, or to others with respect to this Master Lease, the Master Trust Agreement, any Hedge Agreement or the Projects, together with interest on any overdue amount, at the Overdue Rate to the date of actual payment or as otherwise provided in a Supplemental Trust Agreement. Supplemental Rent shall include, but not be limited to, any Prepayment Premium attributable to the Certificates, all payments required by the Master Trust Agreement and this Master Lease to be payable for Extraordinary Prepayment not covered by insurance or condemnation proceeds pursuant to Section 5.08(b), (c) and (d) hereof, payment of taxes, assessments or other governmental charges pursuant to Section 5.09 hereof, payments required pursuant to Section 6.04 hereof, payments to any rebate analyst and payments required pursuant to Section 6.12 of the Master Trust Agreement, the fees, costs and expenses (including reasonable counsel fees and expenses) incurred by the Trustee pursuant to the Master Trust Agreement or hereunder, all fees and expenses of the Corporation relating to the lease of the Projects or to its corporate existence, and all ongoing expenses relating to the financing of the Projects, including Credit Facility fees and remarketing fees. The Supplemental Rent shall be paid to Trustee for application in accordance with the terms hereof and of the Master Trust Agreement or, in the case of a Termination Fee, directly to the Counterparty, or, in the case of Credit Facility fees, to the Credit Bank, or, in the case of remarketing fees, directly to the remarketing agent. Supplemental Rent shall also include any deposits with the Trustee, or any other party, as sinking fund or other payments relating to Direct Subsidy Certificates, as more particularly described in the Lease Schedule related thereto. The Supplemental Rent shall be paid to the Trustee for application in accordance with the terms hereof and of the Master Trust Agreement and shall be payable solely from Available Revenues budgeted and appropriated for that purpose by the City; provided, however, the City may pay the portion of the Supplemental Rent representing the annual fee of the Corporation as set forth in the Lease Schedule directly to the Corporation, instead of making such payment to the Trustee, on or before January 1 of each year during the Lease Term.

(f) The City hereby authorizes the Trustee, as assignee of the Corporation, (i) to create a Reserve Account to be held by the Trustee under the Master Trust Agreement and to create a separate subaccount within the Reserve Account for each Series of Certificates if required by the Lease Schedule relating thereto, (ii) to deposit in each subaccount, if any, of the Reserve Account

either a portion of the proceeds from the sale of the Series of Certificates relating thereto or a Reserve Account Letter of Credit/Insurance Policy equal to the Reserve Requirement relating to such Series or combination thereof, and (iii) to use such amounts or amounts drawn on the Reserve Account Letter of Credit/Insurance Policy, if any, deposited in each subaccount of the Reserve Account as set forth in Section 6.07 of the Master Trust Agreement. In the event the aggregate amount of any cash, the value of any Permitted Investments and the stated amount of any Reserve Account Letter of Credit/Insurance Policy in a subaccount, if any, of the Reserve Account shall be less than the Reserve Requirement provided therefor, the City shall pay to the Trustee (x) in the event such deficiency is due to a transfer from the Reserve Account, from moneys budgeted and appropriated as Basic Rent during the current Fiscal Year and (y) in the event such deficiency is due to a reduction in value of amounts on deposit in the Reserve Account, the City shall pay to the Trustee, in each case as Supplemental Rent, an amount equal to such deficiency within thirty (30) days of receipt of notice of the deficiency from the Trustee. In the event the Trustee makes a draw on a Reserve Account Letter of Credit/Insurance Policy to pay principal, interest or Amortization Installments, as applicable, on a Series of Certificates, the City shall cause the amount which the Trustee can draw upon such Reserve Account Letter of Credit/Insurance Policy to be reinstated to equal the Reserve Requirement for such Series (or its original stated amount, if the City shall have deposited into the related subaccount of the Reserve Account a combination of cash and a Reserve Account Letter of Credit/Insurance Policy pursuant to this Section). In the event a Reserve Account Letter of Credit/Insurance Policy on deposit in a subaccount of the Reserve Account expires or is terminated, the City shall, simultaneously with such expiration or termination, either replace such Letter of Credit/Insurance Policy with a subsequent Reserve Account Letter of Credit/Insurance Policy with a stated amount equal to that of the expired or terminated Letter of Credit/Insurance Policy or transfer to the Trustee, for deposit in such subaccount of the Reserve Account in which such Policy had been deposited, an amount of cash equal to the stated amount of such expired or terminated Letter of Credit/Insurance Policy.

(g) The City hereby agrees to deposit with the Trustee from Available Revenues as required from time to time, any amounts required to be deposited in the Rebate Fund pursuant to Section 6.12 of the Master Trust Agreement. Such amounts shall be deemed Supplemental Rent hereunder. The obligation of the City to pay such rebate requirement shall survive an Event of Default or Event of Non-Appropriation, termination of this Master Lease and payment of all Outstanding Certificates (other than Taxable Certificates) and shall continue until the expiration of the period of time established by the Code during which the Internal Revenue Service could require an Owner to include the Interest Component on any Certificate (other than Taxable Certificates) in gross income for federal income tax purposes; provided, however, the City shall be liable only for such rebate requirement which would be owing to the United States Treasury if the same became due at the time of the termination of the Lease Agreement.

(h) The Corporation and the Trustee are entitled to accept, receive and cash or deposit any payment made by the City for any reason or purpose in any amount whatsoever. No endorsement or statement on any check or letter of the City shall be deemed as accord and satisfaction or otherwise recognized for any purpose whatsoever. The acceptance of any such payment shall be without prejudice to the Corporation's and Trustee's right to recover any and all amounts owed by the City hereunder and the Corporation's and Trustee's right to pursue any other available remedy but in all events payable only from Available Revenues lawfully appropriated to the payment of amounts coming due under this Master Lease.

SECTION 4.04 PAYMENT IN LAWFUL MONEY; NO SET-OFF. Each Lease Payment shall be paid by the City in lawful money of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, to or upon the order of the Corporation at the Principal Office of Trustee or at such other place as the Corporation, or its assignee, shall designate. Notwithstanding any dispute between the City and the Corporation, but in all events subject to Sections 4.05 and 7.01 hereof, the City shall make or cause to be made each and all Lease Payments when due and shall not withhold or permit to be withheld any Lease Payments pending the final resolution of such dispute nor shall the City assert or permit to be asserted any right of setoff, abatement or counter-claim against the obligation to make Lease Payments as set forth herein.

SECTION 4.05 SOURCE OF LEASE PAYMENTS. (a) The City represents and warrants that for each Initial Lease Term and upon the renewal hereof for any Renewal Lease Term for the Projects the obligation of the City to make Lease Payments hereunder, for such Fiscal Year of the City, shall constitute a current expense of the City and shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional, statutory or charter limitations or requirements concerning the creation of indebtedness by the City. THE PAYMENTS DUE HEREUNDER ARE TO BE MADE ONLY FROM THE CITY'S AVAILABLE REVENUES APPROPRIATED FOR SUCH PURPOSE AND NONE OF THE CITY, THE STATE, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE TO THE CORPORATION OR THE TRUSTEE HEREUNDER FROM SOURCES OTHER THAN APPROPRIATED AVAILABLE REVENUES AND THE FAITH AND CREDIT OF NONE OF THE CITY, THE STATE, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED FOR PAYMENT OF SUCH SUMS DUE HEREUNDER AND THE OBLIGATIONS ARISING HEREUNDER DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION.

(b) All payments of Basic Rent required to be made by the City under this Master Lease shall be made when due without notice or demand, and, subject to Section 7.01 hereof, shall be absolute and unconditional and without any set-off, counterclaim, abatement, deduction or defense (other than payment) whatsoever. The City shall not make partial payment of the Basic Rent coming due on any Basic Rent Payment Date.

(c) Subject to the City's right of Non-Appropriation pursuant to Section 7.01 hereof, the City hereby covenants to cause the City Manager of the City to provide for the Lease Payments in each annual tentative Budget which shall be submitted to the City Commission of the City in accordance with the Act. Except as otherwise provided in Section 7.01 hereof, the City agrees to take such action as may be necessary to include all Lease Payments (other than Lease Payments to the extent paid from Certificate proceeds then on deposit in the Lease Payment Fund) due hereunder as a separately stated line item in its Budget and to appropriate in each Fiscal Year from Available Revenues an amount necessary to make the Lease Payments due in such Fiscal Year. Anything in this Master Lease or the Master Trust Agreement notwithstanding, the City and the Corporation agree that this Master Lease, the Master Trust Agreement and all of the City's obligations to make the Lease Payments are subject to, and can be terminated by the City upon the happening of, an Event of Non-Appropriation as described in Section 7.01 hereof; provided,

however, that the City shall not be released from or subject to relief with respect to any obligations on its part arising or accruing prior to such termination including, without limitation, any obligation to deposit rebatable arbitrage in the Rebate Fund which may accrue prior to such termination.

(d) The City hereby agrees that within three Business Days after the adoption or approval of either the tentative or the final Budget which does not include the full amount of the Lease Payments, it will give written notice of that fact to the Trustee and each Credit Enhancer.

(e) In the event the Interest Component of a Basic Rent Payment for the lease of a Project shall be calculated on a variable rate basis, the City agrees that, subject to Section 7.01 hereof, it shall budget for the payment of such Interest Component for each Fiscal Year an amount equal to such Interest Component which would be payable if it were calculated at the lesser of (i) one hundred twenty percent (120%) of the average interest rate on the Variable Rate Certificates during the immediately preceding six month period (or such lesser period as such Variable Rate Certificates shall have been Outstanding), or (ii) the Maximum Interest Rate relating to such Variable Rate Certificates.

SECTION 4.06 OPTIONAL PREPAYMENT; DEFEASANCE. (a) The City shall have the option, so long as no Event of Default hereunder has occurred and is continuing, from any moneys then available for such purpose, on any Optional Prepayment Date for the Series of Certificates relating to a Project, to prepay all or a portion of the Basic Rent relating to such Project or Group within such Project upon not less than thirty-five (35) days (or such shorter or longer time period provided in the related Lease Schedule or related Supplemental Trust Agreement) written notice given prior to such Optional Prepayment Date to the Trustee to be subsequently accompanied by the deposit of the amount of such prepaid Basic Rent with the Trustee on or prior to the applicable Optional Prepayment Date. Optional prepayments made pursuant to this Section 4.06 may be allocated to a particular Project, or any Group of leased property within a Project. Any prepayment notice delivered pursuant to this Section 4.06(a) shall state (i) that the City is exercising its right of prepayment pursuant to this Section 4.06(a) of the Lease Agreement, (ii) the amount of such prepayment and the Lease Schedule or Lease Schedules to which it pertains, (iii) the Optional Prepayment Date to which such prepayment applies, (iv) the amount of prepayment applicable to a Project or Group within a Project and, therefore, to the Series of Certificates and maturities of such Series relating thereto, and (v) that the deposit with the Trustee of such prepaid amount shall constitute an irrevocable option of the City to prepay Basic Rent in the amount of such prepayment. Except as otherwise provided in a Lease Schedule relating to a Series of Certificates, each prepayment shall be in an amount equal to a principal amount of Certificates (in denominations of \$5,000 or any whole multiple thereof in the case of Current Interest Certificates and in denominations of \$5,000 maturity value and any whole multiples thereof in the case of Capital Appreciation Certificates or such other authorized denominations permitted under the Supplemental Trust Agreement related to the Certificates to be prepaid) to be prepaid on such Optional Prepayment Date, plus the Prepayment Premium, if any, applicable to a prepayment of Certificates on the Optional Prepayment Date designated by the City in such notice of prepayment, all as provided in the Master Trust Agreement, as supplemented in connection with a Series of Certificates. Interest on Certificates to be prepaid pursuant to an optional prepayment under this Section accrued to the Optional Prepayment Date set forth in the notice of prepayment above shall be paid by the Trustee from moneys on deposit in the account of the Prepayment Fund

and the subaccount of the Interest Account which are pledged to the payment of such Certificates and from Available Revenues provided by the City, or in connection with the issuance of Refunding Certificates, as provided in Section 12.01 of the Master Trust Agreement, from moneys and/or Refunding Securities. Notwithstanding any other provision herein, except as otherwise expressly required by a Lease Schedule, the City shall not be required to deposit funds with the Trustee prior to giving notice of an optional prepayment.

(b) In the event of a prepayment, in part, of Basic Rent Payments for a Project or Group within a Project, such Basic Rent Payments provided in the Lease Schedule relating thereto shall be adjusted downward by the Trustee to reflect the reduction in the Principal Component and Interest Component of the remaining Basic Rent resulting from such prepayment. Such adjustment shall be done in such manner as to match remaining payments of Basic Rent provided in such Lease Schedule with the Principal Component and Interest Component coming due on Certificates which remain Outstanding related thereto.

(c) So long as no Event of Default has occurred and is continuing, the City may secure the payment of Basic Rent for a Project or Group within a Project by a deposit with the Trustee, as provided in Section 12.01 of the Master Trust Agreement, of either (i) an amount of moneys which is sufficient to pay such Basic Rent, including the Principal Component, Interest Component and Prepayment Premium, if any, on the Basic Rent Payment Dates or Optional Prepayment Dates, if applicable, and any Supplemental Rent which may be due, or (ii) Refunding Securities, together with cash, if required, in such amount as will, together with interest to accrue thereon, be fully sufficient to pay such Basic Rent including the Principal Component, Interest Component and Prepayment Premium, if any, on their Basic Rent Payment Dates or Optional Prepayment Dates, if applicable, and any Supplemental Rent which may be due. Upon the City meeting the requirement of this Section 4.06(c), the Corporation and its assignee shall be entitled to payment of such Basic Rent Payments solely from such cash and/or Refunding Securities.

In the event Refunding Certificates are issued which refund only a portion of a Series of Outstanding Certificates, the schedule of Basic Rent Payments affected by such Refunding Certificates will remain the same but a credit will be given to the City by the Trustee to take into account that payment of a portion of the Principal Component and the Interest Component has been provided for by such refunding or defeasance of such portion of the Series of Certificates from the issuance of said Refunding Certificates.

With respect to any Series of Refunding Certificates, all or a portion of the proceeds of the Refunding Certificates shall be deposited in an escrow account (which may be a related account in the Lease Prepayment Fund) to provide for the defeasance of the refunded Certificates pursuant to the provisions of the Master Trust Agreement and the Supplemental Trust Agreement pursuant to which the refunded Certificates were issued. Commencing on the execution and delivery of such Refunding Certificates, the City hereby agrees to pay Refunding Rent on the dates and in the amounts set forth in a subsequent Schedule to the Lease Schedule designated therein as "Refunding Rent," provided, however, that by depositing into the escrow account cash and/or Refunding Securities sufficient to pay, when due, all such Refunding Rent, the City shall be deemed to have paid in full such Refunding Rent and further payments of such Refunding Rent shall in no event thereafter be due and owing hereunder by the City. Pursuant to the terms of an Escrow Deposit Agreement establishing the escrow account or other direction to the Trustee by an Authorized

Officer of the City, the escrow agent or Trustee, as applicable, shall be irrevocably directed by the City to use and apply the cash and maturing principal, interest and investment earnings of the Refunding Securities on deposit in the escrow account to the payment, when due, to the Trustee for the benefit of the principal of, interest on, and prepayment premium, if any, with respect to the refunded Certificates as the same come due. Such payments from the escrow account for payment to the Owners of the refunded Certificates shall be deemed to constitute payments by the City to such holders of Refunding Rent pursuant to this Master Lease. The obligation to pay Refunding Rent in the manner aforesaid from the escrow account shall, any provision of this Master Lease to the contrary notwithstanding, survive the termination of this Master Lease. Refunding Rent shall be deemed, for all purposes of the refunded Certificates and the Master Trust Agreement, as supplemented, as Basic Rent payable under this Master Lease.

(d) In the event of a deposit with the Trustee of moneys and/or Refunding Securities for the purpose of paying or providing for payment of Certificates in accordance with Article XII of the Master Trust Agreement, all covenants, agreements and other obligations of the City under this Master Lease, with respect to such Certificates shall be deemed performed except (i) those provisions hereof which by their express terms survive any such payment and defeasance and (ii) the obligation of the City to make or cause to be made, Basic Rent Payments and Supplemental Rent payments on or for such Certificates from the moneys and/or Refunding Securities deposited pursuant to said Article XII of the Master Trust Agreement.

(e) In the event the City prepays Basic Rent for a Group within a Project pursuant to Sections 4.06(a) or 4.06(c) hereof, such Prepayment shall be allocated, to the extent practicable, to maturities of Certificates relating to such Group.

SECTION 4.07 TITLE. (a) Throughout the term of each Ground Lease relating to a Project, fee title to the Land subject thereto shall be in the name of the City, subject to related Permitted Encumbrances, and fee title to any Designated Equipment shall be in the name of the City. Until the date on which payment, or provision for payment as provided in Section 4.06(c) hereof, of the Lease Payments relating to a Project or Group within a Project, other than Designated Equipment and Land, has been made, title to such Project or Group within a Project (including all substitutions thereto) upon acquisition, construction and installation thereof shall remain vested in the Corporation, subject to related Permitted Encumbrances, including Use Arrangements, and subject to the terms hereof, the related Lease Schedule and the related Ground Lease. At such time as payment, or provision for payment as provided in Section 4.06(c) hereof, of all Lease Payments relating to a Project or Group within a Project, other than Designated Equipment, has been made in full, the City shall be considered to have exercised an option to purchase such Project or Group within a Project, as the case may be, and fee simple title to such Project or Group within a Project free and clear of all encumbrances, except related Permitted Encumbrances, shall vest automatically in the City. Title to a portion of a Project which has been substituted for pursuant to Section 5.14 hereof and a portion of a Project disposed by the City pursuant to Section 5.13 hereof shall vest automatically in the City. The Corporation shall deliver any and all documents required to assure vesting of title. The Corporation hereby appoints the City as its agent to prepare and file or record in appropriate offices such documents as may be necessary to cause record title to such Project or Group within a Project to be in the City.

(b) Title to all Designated Equipment shall, upon acquisition thereof, vest free and clear in the City.

(c) Even if this Master Lease is terminated pursuant to Sections 7.01 or 7.03 hereof prior to the time Basic Rent Payments for any Excluded Components have been made in full by the City, the Certificate Owners shall have no rights to or remedies against any such Excluded Components.

ARTICLE V COVENANTS; REPRESENTATIONS AND WARRANTIES

SECTION 5.01 GENERAL COVENANTS. The City agrees that this Master Lease shall continue in full force and effect, subject to the provisions relating to termination hereof, regardless of the inability or unwillingness of the City to use any Project because of any reason whatsoever, including, but not limited to, wear, act of God, war, strike, condemnation, loss or damage, defect, obsolescence or breach of warranty. The City covenants and represents that this Master Lease and the performance of the City's obligations hereunder have been duly approved, authorized, executed and delivered with all proper procedures fully complied with, and that this Master Lease is a valid, legal and binding obligation of the City enforceable in accordance with its terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or similar laws and equitable principles. The City further covenants and represents as follows:

(a) The City is a duly created municipal corporation existing under the laws of the State.

(b) As of the date of execution hereof, there are no pending or threatened lawsuits or administrative or other proceedings involving the City contesting the authority for, authorization or performance of, or expenditure of funds pursuant to, this Master Lease or the Master Trust Agreement, any Ground Lease, the Assignment of Lease Agreement or any Assignment of Ground Lease Agreement.

(c) The City shall only lease Projects for which it has an immediate need and for which it expects to make immediate use, which need shall not be temporary or be expected to diminish during the Maximum Lease Term related thereto, except for equipment, including any Designated Equipment.

(d) Prior to leasing any Project hereunder the City shall notify the Trustee and the Credit Enhancer, if any, relating thereto if there are any circumstances presently known to the City affecting the City that could reasonably be expected to alter its foreseeable need for such Project or adversely affect its ability or willingness to budget Available Revenues for the payment of sums due hereunder.

(e) Prior to leasing any Project hereunder the City shall review its projected revenues, expenses and anticipated Available Revenues for the Maximum Lease Term and shall not lease such Project unless it reasonably expects that it shall have on hand Available Revenues sufficient to timely make all payments as they become due under this Master Lease during the term this Master Lease is anticipated to be outstanding.

(f) Subject to the provisions of Section 7.01 of this Master Lease, the City intends to make appropriations for payments for each Fiscal Year only from Available Revenues.

(g) All procedures required by applicable law to be complied with by the City regarding the award or negotiation of contracts relating to the acquisition, construction and installation of each Project will be complied with by the City.

(h) At the Corporation's or the Trustee's request, the City shall execute and deliver to the Corporation or the Trustee all instruments and do all other acts reasonably necessary to effectuate the intent of this Master Lease.

(i) The City shall permit the Corporation and the Trustee, and their representatives and agents, at all reasonable times, to inspect the Projects; provided, however, that the Trustee and the Corporation are not obliged to make any inspections of the Projects.

(j) The City shall promptly correct (or cause the Vendor, Contractor or Developer to correct) any defect in the acquisition, construction and installation of a Project or departure from the Plans and Specifications related thereto, except to the extent said Plans and Specifications are modified pursuant to the provisions hereof.

(k) The City shall give the Trustee and each Credit Enhancer prompt written notice of any material litigation or proceedings concerning the City or any Project and of any dispute concerning the City or any Project if the dispute may substantially interfere with the timely acquisition, construction and installation of such Project or with the City's ability to meet its obligations under this Master Lease.

(l) The City shall commence (or cause the Contractor or Developer to commence) construction of any Project where applicable and diligently pursue construction to completion of such Project on or before the Estimated Completion Date without permitting any lien, claim, or assessment (actual or contingent) to be asserted or filed against such Project for any material, labor, or other item furnished in connection with the construction or acquisition thereof, which claim, lien, or assessment is not satisfied or transferred to bond within twenty (20) days after it is asserted or filed. At all times during the acquisition and construction of such Project, and to the extent required by applicable law, the City shall, or shall cause the Contractor or Developer to, comply with the Florida Construction Lien Law, Chapter 713, Florida Statutes, and with all requirements imposed by all governmental authorities having jurisdiction over the acquisition and construction and by all insurance underwriters providing insurance for such Project. Except for Construction Contracts which do not exceed \$300,000 unless otherwise required by the Credit Enhancer, the City shall cause each Contractor or Developer to obtain and deliver to the City performance and payment bonds covering one hundred percent (100%) of the value or costs under each Construction Contract for the construction of such Project.

(m) In the case of a Project involving construction of a Building, the City shall provide the Corporation, the Credit Enhancer, if any, for the Certificates the proceeds of which shall be used to finance the acquisition and construction of such Project and the Trustee the following additional assurances:

- (i) If requested and applicable, but only as and when available, all certificates of occupancy, footing or Corporation surveys, “as built” surveys, certificates, appraisals, reports, endorsements, and agreements, the names of all Persons with whom the City has contracted or intends to contract with in connection with the acquisition, construction and installation of such Project, schedules of all statements for labor and materials for the acquisition, construction and installation of such Project together with copies of all statements, copies of all budget revisions concerning the acquisition, construction and installation of such Project indicating the funds required at any given time to complete such acquisition, construction and installation, and any other documents reasonably required to be furnished.
- (ii) If requested, during the acquisition, construction and installation of such Project and upon completion of such acquisition, construction and installation, furnish an Architect’s or Engineer’s written opinion to the effect that such Project, as constructed, complies with all restrictions recorded and with all applicable governmental laws, regulations, rules, ordinances, orders and codes relating to the construction thereof.
- (iii) Furnish when available, a certificate of occupancy and all other similar certificates required to be issued by any governmental agency in connection with the acquisition, construction, installation or occupancy of such Project.
- (n) In the case of a Project involving construction of a Building, the City shall continuously employ or cause to be employed a licensed Architect to supervise the acquisition, construction and installation of such Project.
- (o) In the case of a Project involving construction of a Building, the City shall continuously employ or cause to be employed a licensed Engineer to supervise the acquisition, construction and installation of such Project.
- (p) Simultaneously with the acquisition of any component of a Project constituting Land, the Corporation and the City shall amend the Lease Schedule relating thereto and the applicable Ground Lease to include a metes and bounds description of the Land so acquired.
- (q) If an Event of Default or an Event of Non-Appropriation hereunder has occurred, at the Trustee’s option, the Trustee, as assignee of the Corporation, may make, but is not required to make, any or all subsequent disbursements from a subaccount of the Project Account directly to the Vendors, Contractors or Developers of the Project related to such subaccount. The City’s execution of this Master Lease and the related Lease Schedules constitutes an irrevocable authorization for the Trustee to make disbursements directly to such Vendors, Contractors or Developers. In the absence of negligence or misconduct on the part of the Trustee, the City agrees that all disbursements made to the Vendors, Contractors or Developers shall constitute full performance of the Trustee’s obligations to the City under this Master Lease. The Trustee’s decision to make a disbursement shall not constitute a waiver of any of the provisions of this Master Lease and the related Lease Schedules. If the City is in default under this Master Lease and the City is unable to cure its default, the Trustee’s decision to make a disbursement shall not preclude the Trustee, as assignee of the Corporation, from declaring the City in default under this Master Lease.

The Corporation covenants and represents that this Master Lease, the Master Trust Agreement, each Ground Lease, the Assignment of Lease Agreement and the Assignment(s) of Ground Lease Agreement and the performance of the Corporation's obligations hereunder and thereunder have been duly approved, authorized, executed and delivered with all proper procedures fully complied with, and that this Master Lease, the Master Trust Agreement, each Ground Lease, the Assignment of Lease Agreement and the Assignment(s) of Ground Lease Agreement are the valid, legal and binding obligations of the Corporation enforceable in accordance with their respective terms, except as limited by bankruptcy, insolvency, reorganization, moratorium or similar laws and equitable principles. The Corporation further covenants and represents as follows:

(1) The Corporation is a duly created not-for-profit corporation existing under the laws of the State.

(2) As of the date hereof, there are no pending or threatened lawsuits or administrative or other proceedings involving the Corporation contesting the authority for, authorization or performance of, or expenditure of funds pursuant to, this Master Lease or the Master Trust Agreement, any Ground Lease, the Assignment of Lease Agreement or any Assignment of Ground Lease Agreement.

(3) All procedures required by applicable law to be complied with by the Corporation regarding the award or negotiation of contracts relating to the acquisition, construction and installation of each Project will be complied with by the Corporation.

(4) At the City's or the Trustee's request, the Corporation shall execute and deliver to the City or the Trustee all instruments and do all other acts reasonably necessary to effectuate the intent of this Master Lease.

(5) The Corporation shall give the Trustee prompt written notice of any material litigation or proceedings concerning the Corporation or a Project and of any dispute concerning the Corporation or a Project, if the dispute may substantially interfere with the timely acquisition, construction and installation of such Project or the Corporation's utilization thereof or with the Corporation's ability to meet its obligations under this Master Lease, the Master Trust Agreement, each Ground Lease, the Assignment of Lease Agreement or the Assignment(s) of Ground Lease Agreement.

SECTION 5.02 ADDITIONAL COVENANTS, REPRESENTATIONS AND WARRANTIES. (a) The City represents and warrants that execution of each Requisition for payment of Project Costs by the City shall constitute an affirmation of the completeness and accuracy of the following representations and warranties as of the date of such execution (except the following shall not be applicable to Costs of Issuance subject to a Requisition):

(i) If requested, the City has delivered to the Trustee a complete, fully executed copy of the Construction Contracts, purchase orders and agreements for the acquisition, construction and installation of the Project described in such Requisition, and such contracts, purchase orders and agreements are presently in full force and effect according to their respective terms; the City is not in default under such contracts, purchase orders

and agreements; and the City has no knowledge of any violation of such contracts, purchase orders and agreements.

(ii) There are no governmental actions or proceedings (except actions or proceedings that are fully covered by insurance) pending or, to the City's knowledge, threatened affecting the City or the Project described in such Requisition, which, if adversely determined, would materially adversely impair the City's ability to perform its obligations under this Master Lease.

(iii) The City knows of no violation and has no notice of a violation of any court order or of any law, regulation, ordinance, rule, order, code or requirement of any governmental authority having jurisdiction over all or any portion of the Project described in such Requisition that may materially detrimentally affect the development and operation of such Project as planned.

(iv) In the case of a Project involving construction of a Building, all governmental permits and approvals required for the construction and installation of such Project have been obtained, except for permits which may be obtained in the normal course without undue delay or unusual expense and which the City hereby covenants to obtain, and the related Land is appropriately zoned for construction, installation and operation of such Project or such zoning can be obtained in the ordinary course.

(v) All utility services necessary for the construction of a Project and the operation of such Project have been extended to such Project, including, but not limited to, water, storm and sanitary sewer facilities, electricity and telephone service or sufficient amounts have been deposited in the corresponding subaccount of the Project Account for such purpose or will otherwise be extended to such Project in the ordinary course.

(vi) Except for drives located on a Project, the rights of way for all roads necessary for the proposed utilization of such Project have either been acquired by the appropriate governmental authority or dedicated to and accepted by the appropriate governmental authority or sufficient amounts have been deposited in the corresponding subaccount of the Project Account for such purpose or will otherwise be available for such Project in the ordinary course.

(vii) The City shall employ or cause the Contractor or Developer with respect to a Project to employ a licensed Architect and a licensed Engineer to supervise the acquisition, construction and installation of such Project.

(viii) All representations, warranties, covenants and agreements made by the City in connection with this Master Lease may be relied upon by the Corporation and the Trustee notwithstanding any independent investigation made on behalf of the Corporation or the Trustee.

(b) The inability of the City to affirm the completeness and accuracy of the representations and warranties in Section 5.02(a) hereof in regard to a Requisition shall not cause the Trustee to not honor the request to pay the amounts described in such Requisition unless the City is in default under this Master Lease.

SECTION 5.03 QUIET ENJOYMENT. The parties hereto mutually covenant that the City, by keeping and performing the covenants and agreements herein contained, shall at all times during the term of this Master Lease peaceably and quietly have, hold and enjoy each Project without suit, trouble or hindrance from the Corporation and free from any claims against the Corporation and the Trustee and all persons claiming thereunder, by or through the Trustee or the Corporation.

SECTION 5.04 LIABILITY INSURANCE. The City shall maintain or cause to be maintained, throughout the Lease Term, subject to the requirements of State law and if reasonably available from a commercial carrier, a standard comprehensive general liability insurance policy or policies in protection of the City and the Trustee, their members, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by the acquisition, installment or operation of the Projects. Said policy or policies shall provide coverage equal to the liability limits set forth in Section 768.28, Florida Statutes, as the same may be amended from time to time, and in a minimum amount of \$100,000 for damage to property. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried or required to be carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, provided such self-insurance complies with the provisions of Section 5.07 hereof. The Net Proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the Net Proceeds of such insurance shall have been paid or as otherwise provided herein. Notwithstanding the foregoing, during acquisition, construction and installation of a Project, the insurance required by this Section 5.04 may be provided by the Contractor or Developer constructing such Project.

SECTION 5.05 FIRE AND EXTENDED COVERAGE INSURANCE AND FLOOD INSURANCE. (a) The City shall obtain, prior to commencement of construction of a Project and thereafter maintain throughout the applicable Lease Term, subject to the requirements of State law, insurance against loss or damage to any part of such Project by fire or lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, also cover loss or damage by explosion, windstorm (including hurricane), riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an amount equal to one hundred percent (100%) of the replacement cost of the applicable Project (except that such insurance may be subject to deductible clauses not to exceed \$100,000 in the aggregate for any one loss). Such insurance may be maintained as part of or in conjunction with any other fire and extended coverage insurance carried or required to be carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, provided such self-insurance complies with the provisions of Section 5.07 hereof. Such insurance shall explicitly waive any co-insurance penalty. In addition, full payment of insurance proceeds up to the policy dollar limit for the applicable Project shall not be contingent on the degree of damage sustained at other facilities owned or leased by the City. The Net Proceeds of such insurance shall be applied as provided in Section 5.08 hereof. The City agrees to cooperate with the Corporation and the Trustee to provide such coverage in the form of self-insurance in compliance with Section 5.07 hereof if such insurance is not available at commercially reasonable cost from a commercial carrier. Notwithstanding the foregoing, during the acquisition, construction and installation of a Project, the City shall, in lieu of the foregoing, obtain builder's all risk damage insurance in an amount not less than the full value of all work in

place and materials and equipment provided or delivered by each supplier (which insurance may be provided by the Contractor or Developer constructing such Project).

(b) The City shall cause to be maintained, flood insurance to be separately maintained for any property included in a Project that is located in a federally designated flood plain in such amounts per occurrence as are available at commercially reasonable costs and in a minimum amount equal to \$500,000 unless not so available at commercially reasonable rates and, in any event, in minimum amounts necessary to qualify for federal disaster relief programs. In the event the City considers flood insurance to be unavailable at commercially reasonable rates, it shall so notify the Trustee. If the Trustee identifies insurance for such coverage at commercially reasonable rates, the City shall be obligated to cause such insurance to be obtained and maintained. In the event that the City determines that flood insurance is unavailable at commercially reasonable rates, the City shall maintain or cause to be maintained such flood insurance in whole in the form of self-insurance that complies with the provisions of Section 5.07 hereof.

(c) The insurance that the City is required to maintain or cause to be maintained pursuant to this Section 5.05 shall be provided by a commercial insurer rated "A" by A.M. Best or in the two highest rating categories of S&P and Moody's.

(d) Any insurance maintained pursuant to this Section 5.05 shall be so written or endorsed to provide that the Trustee (on behalf of the Certificate holders), the Corporation, each Credit Enhancer, if any, and the City are named as loss payees as their interests may appear.

SECTION 5.06 NET PROCEEDS OF INSURANCE; FORM OF POLICIES.

Net Proceeds of insurance and proceeds of self-insurance maintained pursuant to Sections 5.05 and 5.07 hereof allocable to the Projects shall be applied by the City in accordance with Section 5.08 hereof. The City shall pay or cause to be paid when due the premiums for all insurance policies required by this Master Lease. All such policies shall provide that the Trustee shall be given not less than thirty (30) days' notice of any intended cancellation and any intended reduction of the coverage provided thereby. Neither the Trustee nor any Credit Enhancer shall be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Trustee or any Credit Enhancer.

SECTION 5.07 SELF-INSURANCE. Any self-insurance maintained or caused to be maintained by the City pursuant to the foregoing provisions, shall comply with the following terms:

(a) Except with respect to general liability reserves, the self-insurance program shall be approved by the Insurance Consultant, it being agreed that the self-insurance program in effect on the date of each of Lease Schedule shall be deemed so approved;

(b) The self-insurance program shall include a sound claims reserve fund out of which each self-insured claim shall be paid; the adequacy of such fund shall be evaluated on an annual basis by the Insurance Consultant; and any deficiencies in the fund shall be remedied in accordance with the recommendations of the Insurance Consultant;

(c) The self-insurance program must be maintained on an actuarially sound basis and the City shall annually cause the Trustee to be provided with a certified actuarial statement attesting to the sufficiency of the program's assets;

(d) The self-insurance fund must be separately accounted for by the City and may be commingled with other City moneys in accordance with the customary practices of the City relating to its self-insurance fund;

(e) In the event the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund shall be maintained;

(f) The City may obtain the required insurance coverages through a self-insured governmental pool which meets the criteria described above;

(g) Amounts deposited into the self-insurance claims reserve fund shall not be subject to appropriation by the City in order to apply such funds to pay claims;

(h) No self-insurance will be permitted with respect to title insurance, if any, required by a Lease Schedule or a Supplemental Trust Agreement.

SECTION 5.08 RISK OF LOSS; USE OF PROCEEDS. (a) As between the Corporation and the City, the City hereby assumes the entire risk of loss, from any and every cause whatsoever to the Projects.

(b) Except as provided in Section 5.08(c) hereof, the City shall cause the Net Proceeds relating to a Project of any insurance or condemnation award or of any appropriation made in connection with a self-insurance election received pursuant to Sections 5.05 and 5.07 hereof and of any title insurance award equal to or in excess of the amount required to repair, restore or replace such Project (the "Replacement Amount") to be applied first to the prompt repair, restoration or replacement of such destroyed, damaged, lost or condemned Project (which repair, restoration or replacement property shall become part of the applicable Project). Except as otherwise provided herein, any such Net Proceeds shall be deposited with the Trustee in the subaccount of the Project Account relating to such Project (which subaccount may be created for this purpose) and shall be disbursed by the Trustee in accordance with the Master Trust Agreement, as supplemented by the related Supplemental Trust Agreement; provided, however, that any amounts remaining after completion of such repair, restoration or replacement shall be applied in accordance with Section 6.03(g) of the Master Trust Agreement. If such Net Proceeds are insufficient to pay for such repair, restoration or replacement, the City shall (from the City's Available Revenues) simultaneously deposit the amount of such deficiency with the Trustee, which deficiency shall constitute Supplemental Rent. Any Net Proceeds of insurance or condemnation award or of any appropriation made in connection with self-insurance election that is equal to or less than the Replacement Amount for the applicable Project may, at the option of the City, be applied in accordance with Section 6.03(g) of the Master Trust Agreement.

(c) The City may elect not to repair, restore or replace a Project or any portion of a Project which has been destroyed, damaged, lost or condemned, with the Net Proceeds of any insurance or condemnation award or of any appropriation made in connection with a self-insurance election, by filing a certificate with the Trustee stating that (i) it has made such election, (ii) it is

not in the best interests of the City to repair, restore or replace such Project, or such portion thereof, and (iii) the City intends to abandon and cease to operate such Project, or portion thereof, damaged, destroyed, lost or condemned; provided, further, there shall be an Extraordinary Prepayment in accordance with Article V of the Master Trust Agreement in the amount of the Stipulated Loss Value (as hereinafter described) of such Project, or portion thereof, which is not repaired, restored or replaced, and, if the Net Proceeds are insufficient therefor, the deficiency shall constitute Supplemental Rent hereunder and shall be immediately due and payable from the City's Available Revenues.

(d) The Stipulated Loss Value attributable to a loss of all of a Project shall be computed as the amount necessary to pay the Principal Component of and Interest Component on the Certificates on the next succeeding Extraordinary Prepayment Date. In the event that less than all of a Project then subject to this Master Lease suffers such a loss, damage or destruction, the Stipulated Loss Value shall be the product of (i) the result computed by the foregoing sentence multiplied by (ii) a fraction, the numerator of which is the original cost of the portion of such Project suffering such loss, damage or destruction and the denominator of which is the aggregate Project Costs for the entirety of such Project then subject to this Master Lease, including those items suffering such loss, damage or destruction. In each case, the Stipulated Loss Value shall also include any Supplemental Rent or a portion thereof, as the case may be, then due hereunder. Upon payment of such Stipulated Loss Value by the City, such Stipulated Loss Value shall be deposited to the credit of the applicable account of the Prepayment Fund established for the sole benefit of the Owners of the related Series of Certificates that financed and/or refinanced such Project. In the event of payment of the Stipulated Loss Value of a portion of a Project and the Series of Certificates relating thereto, the schedule of Basic Rent Payments in the Lease Schedule for such Project shall be adjusted downward by the Trustee to reflect the reduction in the Principal Component and Interest Component and the remaining Basic Rent resulting from such Extraordinary Prepayment. Such adjustment shall be done in such manner as to match remaining aggregate payments of Basic Rent with principal of and interest coming due on the related Series of Certificates that remain Outstanding, the proceeds of which were used to finance and/or refinance the acquisition and construction of such portion of such Project as shall remain.

SECTION 5.09 PAYMENT OF TAXES. The City will pay or cause to be paid all taxes, assessments and other governmental charges, if any, that may be levied, assessed or charged upon any Project, or any part thereof, promptly as and when the same shall become due and payable; provided, however, that the City shall not be required to pay any such tax, assessment or charge, if the validity thereof shall concurrently be contested in good faith by appropriate proceedings, the interests of the Corporation and the Trustee shall not be in jeopardy and if the City shall set aside, or cause to be set aside, reserves deemed by it to be adequate with respect thereto; and, provided, further, that the City, upon the commencement of any proceedings to foreclose the lien of any such tax, assessment, or charge, will forthwith pay, or cause to be paid, any such tax, assessment or charge, unless contested in good faith as aforesaid. The City will not suffer any Project or any part thereof, to be sold for any taxes, assessments or other charges whatsoever, or to be forfeited therefor. The City will also pay or cause to be paid all taxes, assessments and other governmental charges which may be imposed on the Corporation or its operations as a result of the transactions, including the formation and organization of the Corporation, contemplated by this Master Lease. In the event of the absence or inadequacy of Available Revenues for the City to make any of the foregoing payments, the City agrees to use its

best efforts to obtain a supplemental appropriation in an amount sufficient to make such payments not otherwise paid or provided for.

SECTION 5.10 CARE AND USE OF PROJECTS. (a) The City, at its expense, shall maintain each Project in good operating condition, repair and appearance, and protect same from deterioration other than normal wear and tear; shall cause each Project to be used in compliance with the requirements of applicable laws, ordinances and regulations and the requirements of any policy of insurance required under Sections 5.04 and 5.05 hereof; shall cause each Project to be operated by competent persons only and shall obtain, at the City's expense, all permits and licenses, if any, required by law for the operation of each Project. The City agrees that neither the Corporation nor the Trustee shall be responsible for latent defects, wear and tear or gradual deterioration or loss of service or use of any Project or any part thereof. The City shall have the benefit of all warranties, contracts and rights against any Vendor, Contractor, Developer, materialmen or supplier. Neither the Corporation nor the Trustee shall be liable to the City or anyone else for any liability, injury, claim, loss, damage or expense of any kind or nature caused directly or indirectly by the inadequacy of any Project or any item supplied by any Vendor, Contractor, Developer, materialmen or supplier or any other party, any interruption of use or loss of service or use or performance of any Project, any loss of business or other consequence or damage, whether or not resulting directly or indirectly from any of the foregoing.

(a) All obligations of the City under this Section shall be at the City's sole cost and expense. All costs of operation of each Project and all costs of repair and replacement of each Project resulting from ordinary wear and tear or want of care on the part of the City shall be the sole responsibility of the City.

SECTION 5.11 INVENTORY. The City shall maintain an inventory of any Equipment leased from the Corporation hereunder, which inventory may describe the Equipment by category or type or other general description.

SECTION 5.12 OTHER LIENS. (a) The City shall keep each Project (or cause it to be kept) and all parts thereof free from judgments and, except as to related Permitted Encumbrances, free from all liens, claims, demands and encumbrances of whatsoever nature or character, to the end that each Project may at all times be maintained and preserved, and the City shall keep each Project (other than Designated Equipment to which this Section 5.12 does not apply) free from any claim or liability which might impair or impede the operation of such Project or the security granted in the Trust Estate to Certificate Owners by the Master Trust Agreement; provided, however, that the City shall not be required to pay any such liens, claims or demand if the validity thereof shall concurrently be contested in good faith by appropriate proceedings, if interests of the Corporation and the Trustee shall not be in jeopardy and if the City shall set aside or cause to be set aside reserves deemed by it to be adequate with respect thereto; and, provided, further, that the City upon the commencement of any proceedings to foreclose the lien of any such charge or claim, will forthwith pay or cause to be paid any such charge or claim unless contested in good faith as aforesaid.

(b) The City shall never, under any circumstances, have the power to subject the interest of the Corporation or its assignee in the Projects to any mechanic's or materialman's lien or liens of any kind.

(c) The City covenants and agrees with the Corporation that the City will not permit or suffer to be filed or claimed against the interests of the Corporation and its assignee in the Projects during the related Lease Term any lien or claim of any kind other than applicable Permitted Encumbrances, and, if such lien be claimed or filed, it shall be the duty of the City, within thirty (30) days after the City shall have been given written notice of such claim being filed in the Public Records of Broward County, Florida to cause a Project to be released from such claim, either by payment or by posting of a bond or by the payment into a court of competent jurisdiction the amount necessary to relieve and release such Project from such claim or in any other manner which, as a matter of law, will result within such period of thirty (30) days in releasing the Corporation and its assignee and Corporation's and its assignee's interest or interests from such claim.

SECTION 5.13 ENCUMBRANCES OR SALES. (a) Except as permitted in this Master Lease and except for applicable Permitted Encumbrances, the City will not create or suffer to be created any mortgage, pledge, lien, charge or encumbrance upon any Project or any portion thereof, or upon any real or personal property (which is not a portion of such Project) essential to the operation of such Project. The City will not sell or otherwise dispose of any portion of a Project or any such property essential to the proper operation of a Project, except as provided below and in Section 5.14 hereof, which provisions do not apply to Designated Equipment, notwithstanding anything to the contrary herein.

(b) In the manner and subject to the conditions for disposal of property of the City by State law, the City may sell portions of a Project for fair market value upon the following conditions:

(i) The City shall give written notice to the Trustee and the applicable Credit Enhancer, if any, of each such sale not less than thirty (30) days prior to such sale;

(ii) The City determines pursuant to a certificate of an Authorized Officer that such portion of a Project is no longer needed for the purposes of such Project or such portion should be replaced with property having greater usefulness or value;

(iii) Except with respect to Taxable Certificates, such disposition shall not, in the opinion of Special Counsel, cause the Interest Component of the Basic Rent Payments received by the Owners of the Certificates to become includable in gross income of such Owners for purposes of federal income taxation; and

(iv) The City shall use the proceeds of such sales either (A) to provide property (which shall become a part of the applicable Project) of equal usefulness and value to the City or (B) apply the proceeds thereof to the prepayment or defeasance of the related Series of Certificates.

The Corporation and the Trustee (subject to the provisions of the Master Trust Agreement) agree to take all action within their powers required to enable the City to sell or otherwise dispose of any such property.

SECTION 5.14 SUBSTITUTION OF EQUIPMENT. Subsequent to the Estimated Completion Date of a Project, the City may substitute for an item of Equipment which

constitutes a part of such Project other equipment by filing with the Trustee, as assignee of the Corporation, a certificate of an Authorized Officer of the City stating that such substitute equipment (a) has the same or a greater remaining useful life than the Equipment to be substituted (determined at the time of substitution), (b) is free and clear of all liens and encumbrances, except the applicable Permitted Encumbrances, (c) has been titled in the name of the Corporation, except in the case of Designated Equipment which shall be titled in the name of the City, and (d) constitutes "Equipment" under this Master Lease.

SECTION 5.15 PROSECUTION AND DEFENSE OF SUITS. (a) The City shall promptly, upon request of the Corporation, or its assignee, from time to time take or cause to be taken such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to any Project, or any portion thereof, and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall, to the extent permitted and limited by applicable law and only from Available Revenues, indemnify or cause to be indemnified the Corporation, and its assigns, for all loss, cost, damage and expense, including reasonable attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceedings.

(b) The City shall defend, or cause to be defended against every suit, action or proceeding at any time brought against the Corporation, or its assignee, or its or their directors, officers and employees upon any claim arising out of the receipt, application or disbursement of any moneys held by the Trustee or arising out of the construction of any Project involving the rights of the Corporation, or its assignee, or its or their directors, officers and employees under this Master Lease or any act or omission of the directors, officers and employees done or omitted to be done within the scope of their respective office or employment, other than an act or omission which is the result of misconduct or negligence by such parties; provided, that the Corporation, and its assignee, at their election, may appear in and defend any such suit, action or proceeding. To the extent permitted and limited by applicable law and only from Available Revenues, the City shall indemnify or cause to be indemnified the Corporation, and its assignee, against any and all claims, demands, costs or liability claimed or asserted by any person, arising out of such receipt, application or disbursement.

SECTION 5.16 FURTHER ASSURANCES. Whenever and so often as requested so to do by the Corporation, or its assignee, the City will promptly execute and deliver or cause to be delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully to vest in the Corporation, or its assignee, all rights, interest, powers, benefits, privilege and advantages conferred or intended to be conferred upon the Corporation by this Master Lease.

SECTION 5.17 REPORTING REQUIREMENTS. Upon request, the City will furnish, or cause to be furnished, to the Corporation, or its assignee, and each Credit Enhancer detailed certified reports of audit covering the operations of the City for said Fiscal Year showing the general funds, revenues and expenses for such period.

SECTION 5.18 CORPORATION NOT LIABLE. Neither the Corporation nor its members, officers, agents, employees, nor its assignee, shall be liable to the City or to any other

party whomsoever for any death, injury or damage that may result to any Person or property by or from any cause whatsoever in, on or about any Project. To the extent permitted and limited by applicable law and solely from Available Revenues, the City shall indemnify or cause to be indemnified and hold the Corporation, its members, officers, agents, employees, and its assignee, harmless from, and defend or cause to be defended each of them against, any and all claims, liens and judgments for death of or injury to any Person or damage to property whatsoever occurring in, on or about any Project.

SECTION 5.19 INDEMNIFICATION DUE TO TRUSTEE AND CORPORATION. The City shall pay, or cause to be paid, to the Trustee, as assignee of the Corporation, fees, compensation and expenses due under the Master Trust Agreement upon billing therefor by the Trustee, as assignee of the Corporation, provided the payment of such fees, compensation and expenses shall be agreed to in writing by the City. In addition, to the extent permitted and limited by applicable law and solely from Available Revenues, the City shall and hereby agrees to indemnify, or cause indemnification of, and hold, or cause to be held, the Corporation and the Trustee, as assignee of the Corporation, harmless from and against all claims, losses and damages, including reasonable legal fees, costs and expenses, arising out of (a) the use, maintenance, condition or management of the Projects by the City, (b) any breach or default on the part of the City in the performance of any of its obligations under this Master Lease, (c) any act of negligence of the City, or of any of its agents, contractors, servants, employees or licensees with respect to the Projects, (d) the authorization of payment of Project Costs by the City, (e) the defense against actions or proceedings in which the validity of this Master Lease is or might be questioned and the payment or compromise of claims or demands asserted in any such actions or proceedings, or (f) the issuance of the Certificates. No indemnification will be made under this Section or elsewhere in this Master Lease for willful misconduct or negligence by the Corporation or by the Trustee, its officers, agents, employees, successors or assigns. The foregoing indemnification provided to the Trustee shall survive the termination of this Master Lease, the payment in full of the Certificates or the sooner resignation or removal of the Trustee under the terms of the Master Trust Agreement and shall inure to the benefit of the Trustee's successors and assigns.

SECTION 5.20 NO RECOURSE UNDER AGREEMENT. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Master Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the payment of Lease Payments pursuant to Section 4.03 hereof or for any claim based thereon under this Master Lease against any member, officer, employee or agent of the parties hereto.

SECTION 5.21 RESTRICTION AGAINST PLEDGE. The Corporation shall not pledge Lease Payments or other amounts derived from the Projects or from rights of the Corporation under this Master Lease nor shall the Corporation encumber or place any lien upon the Projects, except as otherwise provided in this Master Lease, the Master Trust Agreement, the Assignment(s) of Ground Lease Agreement and the Assignment of Lease Agreement.

SECTION 5.22 ASSIGNMENT BY CORPORATION. Except pursuant to the Assignment of Lease Agreement and except as set forth herein, the Corporation shall not assign this Master Lease, its rights to receive Lease Payments or its duties and obligations hereunder.

SECTION 5.23 NO VIOLATION OF OTHER AGREEMENTS. (a) The City hereby represents that neither the execution and delivery of this Master Lease and the Master Trust Agreement, nor the fulfillment of and compliance with the terms and conditions hereof and thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of terms or violation of any other agreement to which the City is a party or by which the City is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the City, or upon the Projects leased hereby, except applicable Permitted Encumbrances.

(b) The Corporation hereby represents that neither the execution and delivery of this Master Lease, the Assignment of Lease Agreement and the Master Trust Agreement, nor the fulfillment of and compliance with the terms and conditions hereof and thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of terms or violation of any other agreement to which the Corporation is a party or by which the Corporation is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation, or upon the Projects leased hereby, except applicable Permitted Encumbrances.

SECTION 5.24 DEBT NOT ASSUMED BY CORPORATION. The parties hereto expressly acknowledge and agree that the Corporation (and its assigns hereunder), by the entering into of this Master Lease, does not assume or guarantee, or otherwise obligate itself for, or become liable for, the payment of, or contingently agree to purchase, any debt of any Person.

SECTION 5.25 CONSENT TO DISMISS. The City acknowledges that the Corporation is a third party lease-purchase financing source for the Projects and the City hereby agrees to consent to, and to refrain from objection to, a motion made by the Corporation to be dismissed from any lawsuit brought by a third party arising out or in any way relating to this Master Lease with respect to any Project or the ownership, rental, possession, operation, condition, sale or return of any Project. This covenant by the City to consent to and refrain from objection to such a motion to dismiss shall include the Corporation's assigns and their respective agents, employees, officers and directors. It is understood by and between the Corporation and the City that this covenant is not intended to be and is not an indemnity.

SECTION 5.26 WAIVER OF LAWS. The City shall not at any time insist upon or plead in any manner whatsoever, or claim or suffer or take the benefit or advantage of any stay or extension law now or at any time hereafter in force which may adversely affect the covenants and agreements contained in this Master Lease and the benefit and advantage of any such law or laws is hereby expressly waived by the City to the extent that the City may legally make such waiver.

SECTION 5.27 LIMITATION OR INDEMNIFICATION. The amount of indemnification provided by the City to the Corporation in Sections 5.15, 5.18 and 5.19 shall not

exceed the liability limits set forth in Section 768.28, Florida Statutes; provided that such indemnification shall be further limited as being payable solely from Available Revenues appropriated therefor.

SECTION 5.28 VEHICLES. The City and the Corporation agree not to lease-purchase any vehicles or rolling stock under the terms of this Master Lease.

SECTION 5.29 WAIVER OF DAMAGES. Neither the Corporation nor the Trustee, or their respective agents and employees, shall be liable for, and the City waives, for each of their benefit, all claims for, damages, including but not limited to consequential damages, to person, property or otherwise, sustained by the City or any person claiming through the City resulting from any accident or occurrence in or upon any part of the Projects including, but not limited to, claims for damage resulting from: (a) any equipment or appurtenances becoming out of repair; (b) the City's failure to keep any part of the Projects in repair; (c) injury done or caused by wind, water or other natural element; (d) any defect in or failure of plumbing, heating or air conditioning equipment, electric wiring or installation thereof, gas, water and steam pipes, stairs, porches, railings or walks; (e) broken glass; (f) the backing up of any sewer pipe or downspout; (g) the bursting, leaking or running of any tank, tub, washstand, water closet, waste pipe, drain or any other pipe or tank upon or about the Projects; (h) the escape of steam or hot water; (i) water, snow or ice upon the Projects; (j) the failing of any fixture, plaster or stucco; (k) damage to or loss by theft or otherwise of property of the City or others; (l) acts or omissions of persons in the Projects, other tenants in the Projects, occupants of nearby properties, or any other persons; and (m) any act or omission of owners of adjacent or contiguous property, or of the Corporation and the Trustee, and their respective agents or employees. All property of the City kept in the Projects shall be so kept at the City's risk only and the City shall save the Corporation and the Trustee, and their respective agents and employees harmless from claims arising out of damage to the same, including subrogation claims by the City's insurance carrier.

SECTION 5.30 OFFSET STATEMENT. Within ten (10) days after written request by either the Corporation or the City the other party shall deliver, executed in recordable form, a declaration to any Person designated by the requesting party (a) ratifying this Master Lease and all Lease Schedules; (b) stating the commencement and termination dates; and (c) certifying (i) that this Master Lease and all Lease Schedules are in full force and effect and have not been assigned, modified, supplemented or amended (except by such writings as shall be stated); (ii) that all conditions under this Master Lease and all Lease Schedules to be performed by the other parties have been satisfied (stating exceptions, if any), to the extent known; (iii) that no defenses or offsets against the enforcement of this Master Lease and all Lease Schedules by the requesting party exist (or stating those claimed); (iv) as to advance Lease Payments, if any, paid by the City; and (v) the date to which Supplemental Rent has been paid, and such other information as the requesting party reasonably requires. Persons receiving such statements shall be entitled to rely upon them.

SECTION 5.31 NON-MERGER OF LEASEHOLD. There shall be no merger of this Master Lease or of the leasehold estate hereby created with the fee estate in the Premises and the Project related thereto or any part thereof by reason of the fact that the same Person may acquire or hold, directly or indirectly, this Master Lease or leasehold estate hereby created or any interest in this Master Lease or in such leasehold estate and the fee estate in the Premises and the Project related thereto or any interest in such fee estate.

SECTION 5.32 CONTINUING DISCLOSURE COVENANTS.

(a) To the extent required by Rule 15c2-12(b)(5) of the United States Securities and Exchange Commission (the “Rule”) in connection with the issuance of a Series of Certificates, the City will execute a Continuing Disclosure Certificate in connection with such Certificates (each, a “Continuing Disclosure Certificate”). In the event of a failure by the City to comply with any provision of any Continuing Disclosure Certificate referred to herein, no Default shall or Event of Default shall be deemed to occur hereunder; however the Holders of at least twenty-five percent (25%) in aggregate principal amount of the Outstanding Series of Certificates that are the subject of the applicable Continuing Disclosure Certificate may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with such obligations.

(b) The City reserves the right to terminate its obligation to provide information pursuant to any Continuing Disclosure Certificate when the City no longer remains an obligated person with respect to the Certificates that are the subject thereof in accordance with the applicable Continuing Disclosure Certificate or when no longer required to satisfy such obligation pursuant to the Rule.

ARTICLE VI

ASSIGNMENT; USE ARRANGEMENTS; NET LEASE; AMENDMENT

SECTION 6.01 ASSIGNMENT; USE ARRANGEMENTS. (a) Except as provided herein, this Master Lease may not be assigned by the City without the written consent of the Corporation, or its assignee and each Credit Enhancer.

(b) Notwithstanding any other provision of this Master Lease, subsequent to the execution and delivery of the Lease Schedule related to a Project, unless otherwise provided to the contrary therein, in addition to Use Arrangements existing on the date of such Lease Schedule, the City may enter into Use Arrangements with respect to any Project or portion thereof (which shall become related Permitted Encumbrances), and the rights and interests of the Trustee and each Credit Enhancer, without the consent of the Corporation, subject, however, to each of the following conditions:

(i) no such Use Arrangements shall in any way adversely affect or release the City from any of its duties, obligations and covenants under this Master Lease including, without limitation, the obligation of the City to make Lease Payments hereunder;

(ii) unless otherwise provided in a Lease Schedule relating to such Project, any such Use Arrangements relating to such Project [(which does not include the City Parking Ordinances for purposes of this subsection (ii))] shall be with unaffiliated third parties and be arms-length transactions for fair value; and

(iii) no such Use Arrangements shall, in the opinion of Special Counsel, (1) cause the Interest Component of the Basic Rent Payments received by the Owners of the Certificates (other than Taxable Certificates) to become includable within gross income of the Owners for purposes of federal income taxation, or (2) with respect to Direct Subsidy Certificates, result in the loss (in whole or part) of tax credits, failure to qualify or maintain

eligibility for tax credits, or result in the reduction or elimination of the right to receive such Federal subsidy or credit.

(c) A Lease Schedule may provide, with respect to a Project, for the manner in which revenues, if any, derived from Use Arrangements applicable to such Project or portion thereof subject to surrender upon an Event of Non-Appropriation or an Event of Default may be applied following an Event of Non-Appropriation or an Event of Default. Nothing herein shall prohibit the City from permitting temporary use of any Project, or portion thereof, by third parties.

SECTION 6.02 TRANSFER OF TAX BENEFITS. Nothing herein shall be deemed to prevent the City from entering into any agreement or making any disposition for the sole purpose of transferring to one or more corporations, partnerships or individuals federal or state income tax benefits which would be available for any Project, or portion thereof, if owned by a private person, subject, however, to each of the following conditions:

(a) no such agreement or disposition shall in any way adversely affect or release the City from any of its duties, obligations and covenants under this Master Lease including, without limitation, the obligation of the City to make Lease Payments hereunder; and

(b) no such agreement or disposition shall, in the opinion of Special Counsel, cause (i) the Interest Component of the Basic Rent Payments received by the Owners of the Certificates (other than Taxable Certificates) to become includable in gross income of such Owners for purposes of federal income taxation, or (ii) with respect to Direct Subsidy Certificates, result in the loss (in whole or part) of tax credits, failure to qualify or maintain eligibility for tax credits, or result in the reduction or elimination of the right to receive such Federal subsidy or credit.

SECTION 6.03 TAX COVENANTS.

The provisions of this Section 6.03(a) through 6.03(c) hereof do not apply to Taxable Certificates.

(a) The City and the Corporation hereby covenant that, notwithstanding any other provision of this Master Lease, neither of them will make any use nor permit or direct the Trustee to make any use of the proceeds of the Certificates which will cause any of the Certificates or the Lease Agreement to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(b) The City and the Corporation hereby agree that they will make no use nor permit any use to be made of the proceeds of the Certificates, Lease Payments or any Project, or portion thereof, which would cause any of the Certificates or the Lease Agreement to be “private activity bonds” within the meaning of Section 141(a) of the Code.

(c) Except for the exercise by the City of its right to non-appropriate as set forth in Section 7.01 hereof, the City and the Corporation hereby covenant that other than for Taxable Certificates they will comply with all provisions of the Code necessary to maintain the exclusion of the Interest Component of the Basic Rent Payments from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

(d) Notwithstanding the foregoing provisions contained in this Section, the City and the Corporation may agree to entering into a Lease Schedule pursuant to which the Interest Component on the Basic Rent Payments shall not be excluded from gross income for purposes of federal income taxation; provided, however, that fact must be clearly stated on the Certificates. To the extent provided under the Code, provisions herein relating to the requirement to maintaining the exclusion of such Interest Component from gross income for federal income taxation purposes shall not apply to such Basic Rent Payments in such event.

(e) Except for the exercise by the City of its right to non-appropriate, the City hereby covenants that it shall not take any action which, with respect to Direct Subsidy Tax Credit Certificates, would result in the loss of tax credits, failure to qualify or maintain eligibility for tax credits, or would reduce or eliminate the right to receive such Federal subsidy or credit.

SECTION 6.04 NET LEASE. The City intends the Lease Payments hereunder to be net to the Corporation. The City shall comply with all liabilities and pay from Available Revenues all required local, state and federal taxes, including without limitation, income, franchise, gross receipts, sales, use, documentary stamp, excise, and personal property taxes, Real Estate Taxes, assessments, licenses, impact fees, registration fees, freight and transportation charges and any other charges imposed or liabilities incurred with respect to the ownership, possession or use of the Projects, payment of Lease Payments or any other payments by the City hereunder, and any penalties, fines or interest imposed on the City hereunder, and any penalties, fines or interest imposed on any of the foregoing, during the term of this Master Lease; and the City will pay all reasonable expenses incurred by the Corporation or the Trustee in connection with all filings or recordings of any documents relating to this Master Lease or the Corporation's or the Trustee's rights hereunder. The Corporation and the Trustee shall have the right, after reasonable written notice to the City, to make any of the payments required of the City under this Section with respect to the Projects, but shall not be obligated to pay the same, and may charge such payment with interest at the Overdue Rate from the date of payment, as Supplemental Rent to be paid by the City on the next Basic Rent Payment Date, but only from Available Revenues appropriated therefor. In the event Available Revenues are insufficient therefor, the City shall seek a supplemental appropriation as set forth in Section 5.09 hereof.

SECTION 6.05 AMENDMENT. (a) This Master Lease may be amended in writing by the parties hereto or by their assignees on their behalf or in their name, without the consent of the Owners of the Certificates thereof or the Credit Enhancers, if any, for the purpose of (i) curing any ambiguity or of curing, correcting or supplementing any defective provision contained herein, or (ii) resolving any questions arising under this Master Lease which the City may deem necessary or desirable and not inconsistent with the provisions of this Master Lease, (iii) providing for additional security, (iv) providing for Lease Schedules, including adding to or deleting the covenants, representations and agreements contained herein as the same shall effect a particular Project, and (v) any other amendment, which in the judgment of the City does not materially, adversely affect the interests of the Owners of the Certificates; provided, however, that no such amendment shall, in the opinion of Special Counsel, cause (other than with respect to Taxable Certificates) the Interest Component of Basic Rent Payments to become includable in gross income of the recipients thereof for purposes of federal income taxation or with respect to Direct Subsidy Certificates result in the loss (in whole or in part) of tax credits or reduce or eliminate the right to receive such Federal subsidy or credits. Notwithstanding anything herein to the contrary, a Lease

Schedule may be amended without obtaining the consent of the Credit Enhancer, if any, or of Owners of the affected Certificates, for the purpose of (i) adding or correcting a legal description or the applicable Permitted Encumbrances for related Premises which have already been designated in such Lease Schedule, (ii) adding additional facilities to the particular Project to be financed under such Lease Schedule, (iii) substituting components of the particular Project in accordance with Section 5.14 hereof or (iv) releasing a component of a Project or portion thereof if such component or portion thereof has been released from the lien of the Lease Agreement in accordance with the provisions thereof or such related portion would constitute an Permitted Encumbrances applicable thereto.

(b) In addition to the amendments authorized to be made pursuant to Section 6.05(a) hereof, this Master Lease may also be amended by the City and the Corporation upon written approval of the Owners of a majority in aggregate principal amount of the Series of Certificates affected by such amendments (provided that any Credit Enhancer shall be considered the Owner of the Certificates subject to a Credit Facility or Insurance Policy issued by it, if such Credit Enhancer is not in default under its Credit Facility or Insurance Policy), provided that no such amendments shall impair the right of any Owners of a Series of Certificates to receive their proportionate share of any Basic Rent payment in accordance with their Certificate unless approved in writing by the Owners of all of such Series of Certificates then Outstanding. Any required written approval of the Owners shall be obtained in the manner provided in Section 11.02 of the Master Trust Agreement for obtaining any required consent of the Owners to amendments to the Master Trust Agreement pursuant to Section 11.02 of the Master Trust Agreement.

(c) No amendment to this Master Lease that affects the rights, duties, protections or indemnifications of the Trustee shall be effective against the Trustee except upon the prior written consent of the Trustee. Prior to executing any amendment to this Master Lease, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it, who may be counsel for the Corporation or the City or Special Counsel, as conclusive evidence that such proposed amendment to this Master Lease does or does not comply with the provisions of this Master Lease, and that it is or is not proper for it, under the provisions hereunder, to accept such amendment to this Master Lease.

ARTICLE VII

EVENT OF NON-APPROPRIATION; EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01 EVENT OF NON-APPROPRIATION. (a) As provided herein, this Master Lease shall initially terminate at the end of the Initial Lease Term relating to a Project, but shall automatically be renewed for all Renewal Lease Terms relating thereto; provided, that such automatic renewal shall not occur and this Master Lease shall terminate as of the end of the current Initial Lease Term or Renewal Lease Term if the City does not approve a tentative Budget and a final Budget in accordance with State law which appropriates sufficient funds from Available Revenues for such purpose to continue making Lease Payments in full for the next succeeding Renewal Lease Term for all Projects leased hereunder beyond the end of the Initial Lease Term or the last Renewal Lease Term for which Lease Payments had been budgeted and appropriated (an “Event of Non-Appropriation”); provided, further, that in the event the City’s tentative or final Budget for such ensuing Renewal Lease Term is not enacted prior to the expiration of the then current Initial Lease Term or Renewal Lease Term relating to a Project, the Lease Term relating

thereto shall be deemed renewed pending the enactment of such tentative Budget and final Budget and the City shall be liable for any Lease Payments coming due during such period but only if the tentative Budget and final Budget makes available to the City moneys which may legally be used to make the Lease Payments coming due during such period. Upon the occurrence of an Event of Non-Appropriation, the City will not be obligated to pay Lease Payments beyond the then current Fiscal Year but will not be relieved of any obligations arising or accruing prior to such Event of Non-Appropriation including, without limitation, any obligation to deposit rebatable arbitrage in the Rebate Fund which may accrue prior to such Event of Non-Appropriation, provided that such payment shall be payable solely from Available Revenues. The City must deliver written notice of the Event of Non-Appropriation to the Corporation, each Credit Enhancer, if any, and the Trustee within at least three Business Days thereof.

(b) If an Event of Non-Appropriation shall occur, the City shall peaceably return to the Corporation, or its assignee, possession of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project) within thirty (30) Business Days after the date on which such Event of Non-Appropriation occurs. Each such surrendered Project or portion thereof shall remain subject to the related Permitted Encumbrances, including Use Arrangements, unless otherwise provided with respect to a particular Project in the related Lease Schedule. Such obligation shall survive the termination of this Master Lease.

Under no circumstances shall the failure of the City to appropriate sufficient moneys to pay Lease Payments constitute a Default or Event of Default hereunder or require payment of a penalty, or in any way limit the right of the City to purchase or utilize, buildings, facilities or equipment similar in function to the property leased hereunder.

SECTION 7.02 EVENTS OF DEFAULT. The following shall be “Events of Default” under this Master Lease and the terms “Events of Default” and “Default” shall mean, whenever they are used in this Master Lease any one or more of the following events:

(a) Failure by the City to pay any Basic Rent Payment required to be paid hereunder on the Basic Rent Payment Date to which such Basic Rent Payment pertains, other than as a result of an Event of Non-Appropriation; or

(b) Failure by the City to pay any Supplemental Rent required to be paid hereunder at the time specified herein and the continuation of said failure to the next occurring Basic Rent Payment Date, other than as a result of an Event of Non-Appropriation; or

(c) The City fails to return possession to the Corporation or its assignee of all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), subsequent to an Event of Non-Appropriation as required by Section 7.01 hereof; or

(d) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 7.02(a) hereof, for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied has been given to the City and each Credit Enhancer by the Corporation, or its assignee,

unless the Corporation, or its assignee, or each Credit Enhancer have agreed in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Corporation, or its assignee, or the Credit Enhancers will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected; or

(e) Any representation of the City hereunder or in a Lease Schedule shall prove to have been false in any materially adverse respect at the time same was made, subject to the right of the City to cure such misrepresentation in the manner set forth in Section 7.02(d) hereof; or

(f) A court having jurisdiction in the premises shall enter a decree or order for relief in respect of the City in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator, (or similar official) of the City or for any substantial part of its property, or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of sixty (60) days; or

(g) The City shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the City or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any corporate action in furtherance of any of the foregoing.

SECTION 7.03 REMEDIES ON DEFAULT. Upon the happening of an Event of Default as described in Section 7.02 hereof, the Corporation, or its assignee, may exercise any and all remedies available pursuant to law or granted pursuant to this Master Lease, including, without limitation:

(i) Except in the case of an Event of Default under Section 7.02(c) hereof, without terminating this Master Lease, to re-enter and take possession of all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), subject to Permitted Encumbrances (except as otherwise provided in the related Lease Schedule), and exclude the City from using the same until the Default is cured; or

(ii) Except in the case of an Event of Default under Section 7.02(c) hereof, without terminating this Master Lease, to re-enter and take possession of all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), subject to Permitted Encumbrances (except as otherwise provided in the related Lease Schedule), and attempt to re-let such Project or portion thereof subject to surrender, holding the City liable for the difference between (i) the rent and other amounts paid by the lessee or sublessee pursuant to such lease or sublease and, if provided in the related Lease Schedule, other revenues arising from one or more related Use Arrangements, and (ii) the Lease Payments and other

amounts currently payable by the City under and pursuant to this Master Lease; provided, however, that any re-letting shall not adversely affect the exclusion of the Interest Component on the Basic Rent Payments with respect to Certificates other than Taxable Certificates from gross income for purposes of federal income taxation or otherwise adversely affect the entitlement or availability of tax credits or the availability or receipt of the Federal subsidy or credit in the case of Direct Subsidy Certificates; or

(iii) Except in the case of an Event of Default under Section 7.02(c) hereof, to take whatever action at law or in equity that may appear necessary or desirable to collect the Lease Payments then due and thereafter to become due during the term of this Master Lease, or enforce performance and observance of any obligation, agreement or covenant of the City under this Master Lease; or

(iv) To terminate this Master Lease, if it has not been previously terminated pursuant to Section 7.01 hereof, and require the City to surrender and transfer possession to the Corporation or its assignee of all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), subject to Permitted Encumbrances (except as otherwise provided in the related Lease Schedule), in which event the City shall take all actions necessary to authorize, execute and deliver to the Corporation or its assignee all documents necessary to vest in the Corporation or its assignee all of the City's interest in and to such Project or portion thereof subject to surrender and to discharge any lien created by or pursuant to this Master Lease in order that the Corporation or its assignee may re-lease the Project or portion thereof subject to surrender, in accordance with applicable law, subject to the Permitted Encumbrances (except as otherwise provided in the related Lease Schedule); or

(v) To terminate this Master Lease, if it has not been previously terminated pursuant to Section 7.01 hereof, and, without notice or demand, enter into and upon the property of the City, or any part thereof, and repossess and retake all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), subject to Permitted Encumbrances (except as otherwise provided in the related Lease Schedule), and thereby restore the Corporation or its assignee, or its assignee, to its former possessory estate as owner and expel the City and remove its effects forcefully, if necessary, without being taken or deemed to be guilty of any manner of trespass in order that the Corporation or its assignee may re-lease the all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), subject to Permitted Encumbrances (except as otherwise provided in the related Lease Schedule), and thereupon this Master Lease shall terminate and upon such termination the City shall have no further possessory right whatsoever in the all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), subject to Permitted Encumbrances (except as otherwise provided in the related Lease Schedule); and the City shall be responsible for the payment of damages in an amount equal to the Lease Payments which would have accrued hereunder, calculated on a daily basis, for any period during which the City fails to surrender all or any portion of each Project or portion thereof that is

subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), or for any other loss suffered by the Corporation or its assignee as a result of the City's failure to surrender all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), all without prejudice to any remedy which might otherwise be available to the Corporation or its assignee for arrears of Lease Payments or for any breach of the City's covenants herein contained, payable only from Available Revenues appropriated therefor.

SECTION 7.04 PROCEEDS OF RE-LETTING. Moneys received by the Corporation, or its assignee, from the re-letting of all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project) as a result of an Event of Non-Appropriation or an Event of Default shall be the absolute property of the Corporation, or its assignee, and the City shall have no right thereto. In the event that moneys received by the Corporation, or its assignee, from the re-letting of all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project), including moneys or damages received pursuant to Section 7.03(v) hereof, and if provided in the related Lease Schedule, from other revenues arising from one or more related Use Arrangements, exceed the amount necessary to pay the Principal Component and Interest Component of Basic Rent Payments due on the Series of Certificates which financed and/or refinanced the acquisition and construction of such Project or portion thereof to the date of payment thereof, together with all other amounts owing in regard thereto, including Trustee fees and expenses (including, without limitation, the reasonable fees, costs and expenses of Trustee's counsel), amounts owing in regard to any Ground Lease relating thereto and any outstanding fees, expenses and other amounts due the Credit Enhancers, the Corporation, or its assignee, shall pay such surplus to the City. Neither notice to pay rent or to deliver up possession of all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project) given pursuant to law nor any proceeding in unlawful detainer taken by the Corporation, or its assignee, shall of itself operate to terminate this Master Lease, and no termination of this Master Lease on account of an Event of Default by the City shall be or become effective by operation of law, or otherwise, unless and until the Corporation, or its assignee, shall have given written notice to the City of the election on the part of the Corporation, or its assignee, to terminate this Master Lease as a result of such Event of Default.

SECTION 7.05 APPOINTMENT OF CORPORATION AS AGENT. The City hereby irrevocably appoints the Corporation, and its assignee, as the agent and attorney-in-fact of the City to enter upon and re-let all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project) in accordance with the terms hereof upon the happening of an Event of Default or an Event of Non-Appropriation. To the greatest extent permitted by applicable law and only from Available Revenues, the City hereby exempts and agrees to save harmless, the Corporation, and its assignee, from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and the re-letting of all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project). The City hereby waives any and all claims for damages caused, or which may be caused, by the Corporation, or its assignee, in taking possession of all or any portion of each Project or portion thereof that is subject

to surrender (which excludes any Excluded Components included in or comprising all of a Project) for all claims for damages that may result from the destruction of or injury to such Projects, and all claims for damages to or loss of any property belonging to the City that may be in or upon such Projects. The City agrees that the terms of this Master Lease constitute full and sufficient notice of the right of the Corporation, or its assignee, to enter and re-let all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project) subject to the Permitted Encumbrances (unless otherwise provided in a Lease Schedule with respect to Permitted Encumbrances). Notwithstanding the foregoing, the City shall not be responsible for any costs incurred by the Corporation, or its assignee, to make all or any portion of each Project or portion thereof that is subject to surrender (which excludes any Excluded Components included in or comprising all of a Project) suitable for re-letting.

SECTION 7.06 NON-WAIVER. Nothing in this Article VII or in any other provision of this Master Lease shall affect or impair the obligation of the City to pay the Lease Payments, to the extent herein provided. No delay or omission of the Corporation, or its assignee, to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or any acquiescence therein, and every power and remedy given by this Article VII to the Corporation, and its assignee, may be exercised from time to time and as often as shall be deemed expedient by the Corporation, or its assignee.

SECTION 7.07 REMEDIES NOT EXCLUSIVE. No remedy herein or by law conferred upon or reserved to the Corporation, and its assignee, is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy, and every remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise may be exercised without exhausting and without regard to any other remedy conferred or by any law.

SECTION 7.08 STATUS QUO ANTE. In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, then, and in every such case, the Corporation, and its assignee, and the City shall be restored to its and their former position and rights and remedies as if no such suit, action or proceedings had been brought or taken.

ARTICLE VIII ADMINISTRATIVE PROVISIONS

SECTION 8.01 PRESERVATION AND INSPECTION OF DOCUMENTS. All documents received by the Corporation, or its assignee, or the City under the provisions of this Master Lease shall be retained in their respective possessions and shall be subject at all reasonable times to the inspection of the other party hereto and its assigns, agents and representatives, any of whom may make copies thereof.

SECTION 8.02 PARTIES OF INTEREST. Nothing in this Master Lease, expressed or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Credit Enhancers, the Trustee and the City any

rights, remedies or claims under or by reason of this Master Lease or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Master Lease contained by or on behalf of the Corporation or the City shall be for the sole and exclusive benefit of the Corporation, and its assignee, the City, the Credit Enhancers, if any, and the Trustee.

SECTION 8.03 NO RECOURSE UNDER AGREEMENT. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Master Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the payment of the Lease Payments or for any claim based thereon under this Master Lease against any member, officer, employee or agent of the parties hereto.

SECTION 8.04 NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail with postage fully prepaid.

If to the Corporation:

Pompano Beach Finance Corporation
100 West Atlantic Boulevard
Pompano Beach, Florida 33060
Attention: President

If to the City:

City of Pompano Beach, Florida
100 West Atlantic Boulevard
Pompano Beach, Florida 33060
Attention: City Manager

If to the Trustee:

Attention: Corporate Trust Department

The parties hereto, by notice given hereunder, may, respectively, designate different addresses to which subsequent notices, certificates or other communications will be sent. A copy of all notices to one party to this Master Lease shall be transmitted to the other party to this Master Lease, and to the Trustee.

SECTION 8.05 BINDING EFFECT. This Master Lease shall inure to the benefit of and shall be binding upon the Corporation and the City and their respective successors and assigns.

SECTION 8.06 SEVERABILITY. If any one or more of the covenants, stipulations, promises, agreements or obligations provided in this Master Lease on the part of the Corporation or the City to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant, stipulation, promise, agreement or obligation shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions of this Master Lease.

SECTION 8.07 HEADINGS. Any headings preceding the text of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience or reference and shall not constitute a part of this Master Lease, nor shall they affect its meaning, construction or effect.

SECTION 8.08 APPLICABLE LAW; VENUE. This Master Lease shall be governed by and construed in accordance with the laws of the State of Florida, without regard to conflict of law principles. This instrument shall be deemed to have been executed and entered into within the State of Florida and any dispute arising hereunder shall be governed by the laws of the State of Florida with venue in Broward County, Florida.

SECTION 8.09 CORPORATION AND CITY REPRESENTATIVES. Whenever under the provisions of this Master Lease the approval of the Corporation or the City is required or the Corporation or the City are required to take some action at the request of the other, such approval of such request may be given for the Corporation by an Authorized Officer of the Corporation and for the City by an Authorized Officer of the City, and any party hereto shall be authorized to rely upon any such approval or request.

SECTION 8.10 FURTHER ASSURANCES. The Corporation and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of any Project hereby leased or for carrying out the expressed intention of this Master Lease.

SECTION 8.11 CERTIFICATE OF OFFICERS. Every certificate with respect to compliance with a condition or covenant provided for in this Master Lease may be based, insofar as it relates to legal matters, upon a certificate or opinion of or representations by counsel, unless the Person providing the certificate knows that the certificate or representations with respect to the matters upon which the certificate may be based are erroneous, or in the exercise of reasonable care should have known that the same were erroneous.

SECTION 8.12 BUSINESS DAYS. Any act or thing required to be done or exist on any date set forth herein which does not constitute a Business Day in any year shall be deemed to be done or to exist on such date if such act or thing is done or exists on the next date which constitutes a Business Day.

SECTION 8.13 EFFECT OF DISSOLUTION OF CORPORATION. In the event the Corporation for any reason shall be dissolved or its legal existence shall otherwise be terminated, all of the covenants, stipulations, obligations and agreements contained in this Master Lease by or on behalf of or for the benefit of the Corporation shall bind or inure to the benefit of the successor or successors of the Corporation from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the term "Corporation" as used in this Master Lease shall include such successor or successors.

SECTION 8.14 MEMORANDUM. Simultaneously with the execution of this Master Lease, the Corporation and the City shall each execute, acknowledge and deliver a Memorandum of Lease and Notice of Option with respect to this Master Lease for recording in the Public Records of Broward County, Florida. Said Memorandum of Lease shall not in any circumstances be deemed to change or otherwise to affect any of the obligations or provisions of this Master Lease.

SECTION 8.15 RADON GAS. Section 404.056, Florida Statutes, requires that the following notification be given: “RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.”

SECTION 8.16 COUNTERPARTS. This Master Lease may be executed in several counterparts, each of which together with a counterpart executed by each of the other parties hereto shall constitute a single original and shall constitute but one and the same agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Master Lease to be executed in their respective names by their duly Authorized Officers as of the date first above written.

**POMPANO BEACH FINANCE
CORPORATION, as Lessor**

(SEAL)

By: _____
President

Attest:

Secretary

**CITY OF POMPANO BEACH, FLORIDA, as
Lessee**

(SEAL)

By: _____
Mayor

Attest:

City Clerk

STATE OF FLORIDA)
) ss:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this [____] day of [____], 20[____], by [____] and [____], as President and Secretary, respectively, of **POMPANO BEACH FINANCE CORPORATION**, who are personally known to me or who have produced _____ as identification.

[NOTARIAL SEAL]

Print Name: _____
Notary Public, State of Florida
Commission #: _____
My Commission Expires: _____

STATE OF FLORIDA)
) ss:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this [____] day of [____], 20[____], by [____] and [____], as Mayor and City Clerk, respectively, of the **CITY OF POMPANO BEACH, FLORIDA** who are personally known to me or who have produced _____ as identification.

[NOTARIAL SEAL]

Print Name: _____
Notary Public, State of Florida
Commission #: _____
My Commission Expires: _____

EXHIBIT A

DEFINITIONS

“Accreted Value” of a Capital Appreciation Certificate means the original principal amount thereof payable from the Principal Component of Basic Rent Payments plus interest payable from the Interest Component of Basic Rent Payments accrued thereon on the basis of a 360-day year consisting of twelve 30-day months compounded semi-annually on each Payment Date commencing on the Payment Date next succeeding the dated date of such Capital Appreciation Certificates to the date of maturity or prepayment prior to maturity of such Capital Appreciation Certificates on the date of determination. The Accreted Value with respect to any date other than a Payment Date is the Accreted Value on the next preceding Payment Date or the dated date of such Capital Appreciation Certificates for the period between such dated date and the initial Payment Date for such Certificates plus the percentage of the Accreted Value on the next succeeding Payment Date derived by dividing the number of days from the next preceding Payment Date or the dated date of such Capital Appreciation Certificates for the period between such dated date and the initial Payment Date for such Certificates to the date of determination by the total number of days from the next succeeding Payment Date or the dated date of such Capital Appreciation Certificates for the period between such dated date and the initial Payment Date for such Certificates to the next succeeding Payment Date.

“Act” means the Constitution of the State, the Charter of the City, Chapter 166, Florida Statutes, as amended (or any successor provisions), and other applicable provisions of law.

“Air Rights” means, with respect to any Project, the rights to develop in the airspace above any Buildings including in such Project.

“Amortization Installment” means, with respect to any Series of Certificates, an annual amount designated as such by the related Supplemental Trust Agreement, such amount to be included in the Basic Rent Payments and to be deposited by the Trustee to the credit of the related subaccount in the Principal Account for the purpose of paying Term Certificates.

“Architect” means, with respect to a Project involving the construction of a Building, the architect or firm of architects appointed to perform the duties of the Architect in accordance with Section 5.01 of the Master Lease. The Architect may be an employee of the City, the Developer or the Contractor.

“Assignment of Lease Agreement” means the Assignment of Lease Agreement, dated as of [] 1, 20[] between the Corporation and the Trustee, as now or hereafter supplemented or amended and as shall be supplemented in connection with each Lease Schedule.

“Assignment(s) of Ground Lease Agreement” means each Assignment of Ground Lease Agreement, from the Corporation to the Trustee, as now or hereafter supplemented or amended delivered by the Corporation to the Trustee in connection with a Lease Schedule and which may have the appropriate Series designation to reflect the Series of Certificates to which it relates.

“Authorized Officer,” when used with respect to the Corporation, means the President, Vice President, Secretary or Treasurer of the Corporation or their deputies or assistants or any other officer of the Corporation who is designated by the President or Vice President of the Corporation as an Authorized Officer for purposes of the Lease Agreement and the Trust Agreement in a written certificate signed by the President or Vice President of the Corporation and filed with the Trustee. The term **“Authorized Officer,”** when used with respect to the City, means the Mayor or City Manager of the City, or any other officer or employee of the City designated by the Mayor or the City Manager as an Authorized Officer for purposes of the Lease Agreement and the Trust Agreement in a written certificate signed by the Mayor or the City Manager of the City and filed with the Trustee.

“Available Revenues” means the moneys and revenues of the City legally available under the Act to make the Lease Payments.

“Basic Rent” or **“Basic Rent Payment”** means (i) the Basic Rent payments set forth in the Lease Schedules, as the same may be adjusted pursuant to the terms of the related Leases and (ii) Hedge Obligations.

“Basic Rent Payment Date” means the dates on which Basic Rent becomes due as described in the Lease Schedules. Such Basic Rent Payment Dates shall occur on each January 1 and July 1 unless a Lease Schedule states otherwise; provided, however, payments of Basic Rent shall be made at the time indicated in Section 4.03 of the Master Lease.

“Board of Directors” means the Board of Directors of the Corporation as the governing body thereof, which is currently comprised of the members of the City Commission.

“Budget” means the annual budget of revenues and expenses and capital expenditures required to be adopted by the City for each Fiscal Year pursuant to the laws of the State. **“Budget”** shall include the City’s preliminary Budget, tentative Budget and its final Budget.

“Buildings” means, in regard to a Project, the structure or structures comprising the City Hall, the Community Facility, the Parking Garage and/or the Vocational Training and College Resource Center to be financed and/or refinanced from a disbursement from the applicable subaccount in the Project Account and leased to the City as part of a Project pursuant to the terms of the related Lease and which is more particularly described in the Lease Schedule relating to such Project, as the same may be modified or changed from time to time in accordance with the terms of the related Lease and Supplemental Trust Agreement.

“Business Day” means, except as otherwise provided in a Supplemental Trust Agreement, any day other than a Saturday or Sunday or a day on which the Trustee is authorized by law to be closed or any date that the payment system of the Federal Reserve is not operational.

“Capital Appreciation Certificates” means the Certificates of a Series so designated by the related Supplemental Trust Agreement, which may be either Serial Certificates or Term Certificates and which shall bear interest payable at maturity or redemption.

“Certificate” or **“Certificates”** or **“Certificates of Participation”** means the Certificates of Participation prepared and delivered by the Trustee pursuant to the Master Trust Agreement.

“Certificate of Acceptance” means the Certificate of Acceptance relating to a Project substantially in the form attached as Exhibit C to the Master Lease.

“Certificate Register” means the books of the Trustee for registration of the ownership of the Certificates pursuant to Section 4.06 of the Master Trust Agreement.

“City” means the City of Pompano Beach, Florida.

“City Attorney” means the City Attorney of the City or any assistant or deputy City Attorney of the City.

“City Clerk” means the City Clerk of the City or any assistant or deputy City Clerk of the City.

“City Commission” means the City Commission of the City, as the governing body of the City.

“City Hall” means a Building and Civic Facility that is part of the Downtown Project and which shall be all or a portion of a Project to the extent described in a Lease Schedule, consisting of a new municipal headquarters for the City, including offices and a City Commission meeting chamber and other related uses, together with all appurtenant and ancillary Equipment.

“City Management Rights” means the right of the City to supervise the management, operations and maintenance of a Civic Facility included in a Project, including after an Event of Non-Appropriation or Event of Default and any termination of the Lease Agreement.

“City Manager” means the City Manager of the City or any assistant or deputy City Manager of the City.

“City Parking Ordinances” means, in regard to a Project, the City ordinance(s) in effect from time to time establishing parking rates, fees and charges for public parking with respect to the Parking Garage and any parking facilities in the Roadways included in such Project.

“Civic Facilities” means, collectively, the City Hall, the Parking Garage, the Community Facility and/or the Vocational Training and College Resource Center, to the extent part of a Project.

“Civic Facility” means any one of the City Hall, the Parking Garage, the Community Facility and/or the Vocational Training and College Resource Center, to the extent part of a Project.

“Closure Date” means, in regard to a Project, the estimated date provided in the Lease Schedule relating thereto, as such date may be extended in accordance with the related Lease.

“Code” means the Internal Revenue Code of 1986, as amended, and all regulations and rules applicable thereto.

“Commencement Date” means, with respect to a Project, the date set forth in the Lease Schedule relating thereto.

“Community Facility” means a Building and Civic Facility which shall be all or a portion of a Project to the extent described in a Lease Schedule and shall be a public community facility, which may be undertaken as renovations to the City’s existing E. Pat Larkins Community Center located in the downtown area of the City, or instead as a new E. Pat Larkins Community Center that is part of the Downtown Project and which includes space for meetings, events and other community uses, and which may include classroom space to provide vocational training primarily to high school students and young adults, offices and related uses, and space to provide college resource support services to high school students, in either case, together with all appurtenant and ancillary Equipment.

“Completion Certificates” means Certificates issued for purposes of completing a Project pursuant to Section 4.12 of the Master Trust Agreement.

“Construction Contract” means a contract entered into between the City on behalf of the Corporation and the Contractor or Developer providing for the terms upon which the Contractor or Developer shall construct and install a Project, or portion thereof.

“Contractor” means, with respect to a Project, the Person or Persons appointed by the City on behalf of the Corporation to act in such capacity.

“Corporation” means the Pompano Beach Finance Corporation, a not-for-profit corporation duly organized and validly existing under the laws of the State, and any successor thereto.

“Costs of Issuance” means, in regard to a Series of Certificates and Lease Schedule related thereto, all costs and expenses related to the execution, sale and delivery of such Series of Certificates and execution and delivery of such Lease Schedule, including, but not limited to, costs paid or incurred by the City, the Corporation or the Trustee for filing costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee or applicable escrow agent, if any, financing discounts, legal fees and charges and reimbursements, financial and other professional consultant fees and charges and reimbursements, auditors fees and charges and reimbursements, costs of Rating Agencies or credit ratings, fees for execution, registration, transportation and safekeeping of the Certificates, credit enhancement premiums and charges and fees in connection with the foregoing.

“Costs of Issuance Account” means the account by that name established under Section 6.02 of the Master Trust Agreement.

“Counterparty” shall mean the Person entering into a Hedge Agreement with the City.

“Credit Bank” shall mean as to any particular Series of Certificates, the Person (other than an Insurer) providing a Credit Facility, as designated in the Lease Schedule relating to such Certificates.

“Credit Enhancer” means, with regard to a Series of Certificates, any Insurer or Credit Bank that provides an Insurance Policy or Credit Facility, respectively, with regard to such Series of Certificates.

“Credit Facility” shall mean as to any particular Series of Certificates, a letter of credit, a line of credit or another credit or liquidity enhancement facility (other than an Insurance Policy issued by an Insurer), as designated in the Lease Schedule relating to such Certificates.

“Current Interest Certificates” means Certificates of a Series so designated by the related Supplemental Trust Agreement and on which the interest on which is payable to the Owner thereof on the Payment Dates with respect thereto.

“Designated Equipment” means Equipment for which title is vested in the name of the City upon acquisition thereof and which is described as such in the Lease Schedule relating thereto.

“Developer” means, with respect to a Project, the Person or Persons which shall enter into a Construction Contract with the City to construct such Project, or portion thereof, on a “turn-key” or similar basis.

“Direct Subsidy Certificates” shall mean any Series of Taxable Certificates for which either (A) the City receives direct subsidy payments or any other interest subsidy or similar payments made by the State and/or Federal Government in an amount equal to a percentage of the interest paid on such Certificate or Certificates, or (B) the holder of such Certificate or Certificates receives a tax credit in an amount equal to a percentage of the interest paid on such Certificate or Certificates.

“Downtown Project” means the master redevelopment project described in the Master Development Agreement.

“Engineer” means, with respect to a Project involving the construction of a Building, the professional engineer or firm of engineers appointed to perform the duties of the Engineer in accordance with Section 5.01 of the Master Lease. The Engineer may be an employee of the City, the Contractor or the Developer.

“Equipment” means, in regard to a Project, the items of personal property to be financed and/or refinanced by disbursements from the applicable subaccount of the Project Account and leased to the City pursuant to the terms and provisions of the related Lease and which are more particularly described in the Lease Schedule relating to such Project, or any substitutions therefor or additions thereto made in accordance with the provisions of the related Lease. “Equipment” shall include Designated Equipment.

“Escrow Deposit Agreement” means an Escrow Deposit Agreement entered into among the Trustee, the Corporation and the City pursuant to a Supplemental Trust Agreement providing for deposit of cash or Refunding Securities for the defeasance of any Certificates.

“Estimated Completion Date” means, with respect to a Project, the date provided in the Lease Schedule related thereto, as such date may be extended in accordance with the related Lease.

“Event of Default” or **“Default,”** when referenced to the Lease Agreement, means an event of default or default under the Lease Agreement as set forth in Section 7.02 of the Master Lease, and, when referenced to the Master Trust Agreement, as supplemented, shall mean an event of default or default as set forth in Section 8.01 of the Master Trust Agreement.

“Event of Non-Appropriation” shall have the meaning ascribed thereto in Section 7.01 of the Master Lease.

“Excluded Components” means, with respect to any Project, all or a portion of such Project described in the related Lease Schedule as not being subject to surrender upon an Event of Non-Appropriation or Event of Default. Roadways and Designated Equipment shall always be deemed to be Excluded Components.

“Excluded Components Land” means, with respect to any Project, all or a portion of the Land relating to Excluded Components and described in the related Ground Lease or Lease Schedule as not being subject to surrender upon an Event of Non-Appropriation or Event of Default.

“Extraordinary Prepayment” means, as to any Series of Certificates, the extraordinary prepayment of all or a portion of such Series of Certificates as provided in the related Lease Schedule, and as to the Lease Payments, the extraordinary prepayment by the City of all or a portion of the Lease Payments pursuant to Section 5.08(d) of the Master Lease.

“Extraordinary Prepayment Date” means the date on which a Series of Certificates shall be prepaid upon Extraordinary Prepayment as set forth in the related Lease Schedule.

“Fiscal Year” means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

“Fitch” means Fitch Ratings, or any successor thereto.

“Ground Lease” means, with respect to a Project, the written ground lease agreement, or supplement thereto delivered by the City, as lessor and the City, as lessee in connection with a Lease Schedule and which may have the appropriate Series designation to reflect the Series of Certificates to which it relates.

“Group” means, in regard to a Project, the group or groups of leased property which shall constitute a portion of such Project as described in the Lease Schedule related thereto.

“Hedge Agreement” shall mean an interest rate exchange agreement, an interest rate swap agreement, a forward purchase contract, a put option contract, a call option contract, collar cap or other functionally similar agreement, or any other financial product which is used by the City as a hedging device with respect to its obligation to pay the Interest Component of Basic Rent Payments represented by any of the Outstanding Certificates, entered into between the City and a Counterparty and designated by the City as a “Hedge Agreement” for the purposes of the Trust Agreement and Lease Agreement.

“Hedge Obligations” shall mean the regularly scheduled periodic amounts required to be paid by the City on the related notional amount under a Hedge Agreement, determined in accordance with a formula set forth in the Hedge Agreement (similar to payment of interest on the related notional amount), which may be net of Hedge Receipts, but excluding Termination Fees.

“Hedge Receipts” shall mean amounts received by the City on the related notional amount from a Counterparty under a Hedge Agreement, which may be net of any Hedge Obligations, but excluding any Termination Fees, indemnification obligations, or other fees payable by the Counterparty.

“Initial Lease Term” means, in regard to a Project, the initial term of the lease of such Project from the Corporation to the City pursuant to the terms of the related Lease, which Initial Lease Term shall commence on the Commencement Date and shall end on the next succeeding September 30.

“Initial Lease Termination Date” means, in regard to a Project, the last day of the Initial Lease Term.

“Insurance Consultant” means a recognized, independent insurance company or broker selected by the City that has actuarial personnel experienced in the area of insurance for which the City is to be self-insured or insured.

“Insurance Policy” means the financial guaranty insurance policy or municipal bond insurance policy issued by an Insurer guaranteeing the payment of the principal of and interest of the Basic Rent Payments represented by all or a portion of a Series of Certificates.

“Insurer” means such Person which shall be in the business of insuring or guaranteeing the payment of the principal of and interest on municipal securities.

“Interest Account” means the account by that name established under Section 6.02 of the Master Trust Agreement.

“Interest Component” means the portion of each Basic Rent Payment constituting interest as set forth in the Lease Schedules.

“Land” means, in regard to a Project, (1) the real property to be financed and/or refinanced by a disbursement from the applicable subaccount in the Project Account, which shall be selected by the City in the manner required by law, and (2) the leasehold interest of the Corporation in the Premises, if any, subject to a Ground Lease, which, in either case, shall be leased to the City as part

of such Project pursuant to the terms of the related Lease and which is more particularly described in the Lease Schedule relating thereto.

“Lease” means, with respect to a Project, collectively, the Master Lease, as supplemented by a particular Lease Schedule, as now or hereafter amended, modified or supplemented, relating to such Project, and which, when referenced in the related Certificates, Supplemental Trust Agreement, Lease Schedule and related instruments, may have the appropriate Series designation to reflect the Series of Certificates to which it relates.

“Lease Agreement” means the Master Lease, including all Lease Schedules, as now or hereafter amended, modified or supplemented.

“Lease Payment Fund” means the fund by that name established under Section 6.02 of the Master Trust Agreement.

“Lease Payments” means, collectively, the Basic Rent, the Supplemental Rent and all other amounts owing under the Lease Agreement which are payable by the City for the lease of the Projects pursuant to the Lease Agreement.

“Lease Schedule” means the Lease Schedule, the form of which is attached to the Master Lease as Exhibit B, which shall authorize the lease of a Project to the City in accordance with the terms of the related Lease and which may have the appropriate Series designation to reflect the Series of Certificates to which it relates.

“Lease Term” means, in regard to a Project, the term of the lease of such Project, pursuant to the provisions of the related Lease, including the Lease Schedule relating thereto, which Lease Term shall commence on the first day of the Initial Lease Term and shall be equal to the Maximum Lease Term of such Project unless the related Lease is earlier terminated in accordance therewith in which case the Lease Term shall end on such date of termination.

“Mandatory Prepayment Date” means, in regard to a Series of Certificates, the date, if any, on which such Certificates shall be prepaid pursuant to the Supplemental Trust Agreement authorizing the issuance thereof.

“Master Development Agreement” means, collectively, that certain written public/private development agreement initially dated June 24, 2024 among the City, the Pompano Beach Redevelopment Agency and the master developer named therein, and certain other related written arrangements, as same may be amended or supplemented from time to time.

“Master Lease” means the Master Lease-Purchase Agreement (Civic Facilities Master Lease Program), dated as of [____] 1, 20[____] by and between the Corporation, as lessor, and the City, as lessee, as now or hereafter amended, modified or supplemented, but excluding Lease Schedules.

“Maximum Cost” means, in regard to a Project, the maximum cost of financing and/or refinancing such Project (excluding any investment earnings) which shall be stated in the Lease Schedule relating thereto.

“Maximum Interest Rate” means, with respect to any particular Series of Variable Rate Certificates, a numerical rate of interest, which shall be set forth in the Supplemental Trust Agreement authorizing the issuance of such Certificates, that shall be the maximum rate of interest such Certificates may at any time bear.

“Maximum Lease Term” means, in regard to a Project, the maximum term of the lease of such Project as provided in the Lease Schedule relating thereto.

“Mayor” means the Mayor or Vice Mayor of the City.

“Moody’s” or **“Moody’s Investors Service”** means Moody’s Investors Service, or any successor thereto.

“Net Proceeds,” when used with respect to any insurance or condemnation award, means the amount of gross proceeds from such insurance or condemnation award remaining after payment of all expenses incurred in the collection of such gross proceeds.

“Optional Prepayment Date” means the date on which the moneys deposited by the City pursuant to the exercise of a prepayment option under Section 4.06 of the Master Lease shall be applied to the prepayment of a Series of Certificates in accordance with the Lease Schedule and Supplemental Trust Agreement relating thereto.

“Outstanding,” when used with reference to Certificates means, as of a particular date, all Certificates theretofore issued under the Master Trust Agreement, except:

- (1) Certificates theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;
- (2) Certificates which have been paid or provision for payment has been made in accordance with Section 12.01 of the Master Trust Agreement; and
- (3) Certificates in exchange for or in lieu of which other Certificates have been issued.

“Overdue Rate” means a rate of interest equal to the highest rate of interest which any of the Outstanding Certificates shall bear, as set forth in the Lease Schedule and/or Supplemental Trust Agreement relating to a Series of Certificates.

“Owner” or **“Certificate Owner”** or **“Owner of Certificates”** or any similar term, when used with respect to the Certificates of a Series means any Person who shall be the registered owner of any Outstanding Certificate of such Series.

“Parking Garage” means a Building and Civic Facility that is part of the Downtown Project and which shall be all or a portion of a Project to the extent described in a Lease Schedule, consisting of a new approximately 600-space public parking garage to be located adjacent to the new City Hall, together with all appurtenant and ancillary Equipment.

“Payment Dates” means, except as otherwise provided in a Supplemental Trust Agreement for a Series of Certificates, with respect to the interest due on the Current Interest Certificates (other than Variable Rate Certificates), January 1 and July 1 of each year and, with respect to the principal of the Current Interest Certificates, January 1 in each of the years set forth in the Supplemental Trust Agreements relating to such Series of Certificates. With respect to Capital Appreciation Certificates, the Payment Date shall be January 1 in the years of maturity set forth in the Supplemental Trust Agreements relating to such Series of Certificates. The Payment Dates for Variable Rate Certificates shall be established in the Supplemental Trust Agreement authorizing the issuance of such Certificates.

“Permitted Encumbrances” means, in regard to a Project:

- (1) the Lease Agreement and any liens and encumbrances created or permitted thereby;
- (2) the Assignment of Lease Agreement and any liens and encumbrances created or permitted thereby;
- (3) the Master Trust Agreement and related Supplemental Trust Agreement and liens and encumbrances created or permitted thereby;
- (4) any Ground Lease and related Assignment of Ground Lease Agreement applicable thereto and any liens and encumbrances created or permitted thereby;
- (5) subject to the provisions of Section 5.01(l) of the Master Lease, any mechanic’s, laborer’s, materialman’s, supplier’s or vendor’s lien or right in respect thereof if payment is not yet due under the contract in question or if such lien is being contested in accordance with the provisions of the Lease Agreement;
- (6) (a) rights reserved to or vested in any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or provision of law; (b) any liens for taxes, assessments, levies, fees, water and sewer rents or charges and other government and similar charges, which are not due and payable or which are not delinquent or the amount or validity of which are being contested and execution thereon is stayed; (c) easements, rights-of-way, servitudes, restrictions, oil, gas or other mineral reservations and other minor defects, encumbrances and irregularities in the title to any property which do not materially and adversely impair the use of such property or materially and adversely affect the value thereof; (d) rights reserved to or vested in any municipality or public authority to control or regulate any property or to use such property in any manner; and (e) landlord’s liens;
- (7) any mortgage and security interest in a Project, or portion thereof, lawfully granted by the Corporation to the Trustee for the benefit of the Owner or Owners of the related Series of Certificates, the proceeds of which financed and/or refinanced the acquisition and construction of such Project, pursuant to Section 7.07 of the Master Trust Agreement;
- (8) the Use Arrangements, if any, specified in a Lease Schedule relating to a Project, subject to any limitations as set forth in the related Lease Schedule; and

(9) any other liens or encumbrances permitted by the Lease Schedule relating to such Project.

“Permitted Investments,” except as otherwise provided in Supplemental Trust Agreements, means, subject to any more restrictive terms of the City’s investment policy as in effect from time to time:

(1) Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury, and CATS and TIGRS) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

(2) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

- (a) U.S. Export-Import Bank (Eximbank)
Direct obligations or fully guaranteed certificates of beneficial ownership
- (b) Farmers Home Administration (FmHA)
Certificates of Beneficial Ownership
- (c) Federal Financing Bank
- (d) Federal Housing Administration Debentures (FHA)
- (e) General Services Administration
Participation Certificates
- (f) Government National Mortgage Association (GNMA or Ginnie Mae)
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations
- (g) U.S. Maritime Administration
Guaranteed Title XI financing
- (h) U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local Authority Bonds
New Communities Debentures - U.S. government guaranteed debentures
U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

(3) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies which are backed by the full faith and credit of the United

States of America (stripped securities are only permitted if they have been stripped by the agency itself):

- (a) Federal Home Loan Bank System
Senior debt obligations
 - (b) Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac)
Participation Certificate
Senior debt obligations
 - (c) Federal National Mortgage Association (FNMA or Fannie Mae)
Mortgage-backed securities and senior debt obligations
 - (d) Student Loan Marketing Association (SLMA or Sallie Mae)
Senior debt obligations
 - (e) Resolution Funding Corp. (REFCORP) obligations
 - (f) Farm Credit System
Consolidated systemwide bonds and notes
- (4) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of AAAm-G; AAA-m; or AA-m and if rated by Moody's rated Aaa, Aa1 or Aa2.
- (5) Certificates of deposit secured at all times by collateral described in (1) and/or (2) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral.
- (6) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF.
- (7) Investment Agreements, including GIC's, Forward Purchase Agreements and Reserve Fund Put Agreements.
- (8) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" or better by S&P.
- (9) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such rating agencies.
- (10) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1" or "A" or better by S&P.

(11) Repurchase Agreements (“Repos”) for 30 days or less must follow the following criteria.

Repos provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to a municipal entity (buyer/lender), and the transfer of cash from a municipal entity to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the municipal entity in exchange for the securities at a specified date.

(a) Repos must be between the municipal entity and a dealer bank or securities firm.

i. Primary dealers on the Federal Reserve reporting dealer list which are rated A or better by S&P and A2 or better by Moody’s, or

ii. Banks rated “A” or better by S&P and A2 or better by Moody’s.

(b) The written repurchase agreement must include the following:

i. Securities which are acceptable for transfer are:

(A) Direct obligations of the United States of America referred to in Section 1 above, or

(B) Obligations of federal agencies referred to in Section 2 above

(C) Obligations of FNMA and FHLMC

ii. The term of the Repos may be up to 30 days.

iii. The collateral must be delivered to the municipal entity, trustee (if trustee is not supplying the collateral) or third party acting as agent for the trustee is (if the trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

iv. Valuation of Collateral.

(A) the securities must be valued weekly, marked-to-market at current market price plus accrued interest.

(B) The value of collateral must be equal to 104% of the amount of cash transferred by the municipal entity to the dealer bank or security firm under the repo plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by the municipal entity, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

v. A legal opinion which must be delivered to the municipal entity that states that the Repo meets guidelines under state law for legal investment of public funds.

(12) Units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part VI, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to State law as a legal depository of public moneys or any other investments permitted by applicable Florida law.

(13) Other forms of investments approved in writing by the Credit Enhancer, if any, for a Series of Certificates or by a majority of the Owners of the Series of Certificates with respect to which such investment relates.

“Person” means an individual, corporation, partnership, association, joint stock company, trust, unincorporated organization, government or political subdivision.

“Plans and Specifications” means, in regard to a Project, the City’s plans and specifications for such Project, on file or to be on file with the City, as the same may be amended from time to time in accordance with the related Lease.

“Pledged Accounts” means, in regard to each Series of Certificates, the separate account, if any, established in the Prepayment Fund, and separate subaccounts, if any, established in the Project Account, Costs of Issuance Account, Capitalized Interest Account, the Reserve Account, the Principal Account and the Interest Account at the time such Series shall be issued and any other funds and accounts so established and designated pursuant to the Supplemental Trust Agreement related to such Series of Certificates.

“Premises” means, in regard to a Project, the parcels of real property leased by the City to the Corporation pursuant to a Ground Lease, which real property shall be described in an exhibit to such Ground Lease.

“Prepayment Fund” means the fund by that name established under Section 6.02 of the Master Trust Agreement.

“Prepayment Premium” means the amount of prepayment premium, if any, due on any Optional Prepayment Date with respect to a Series of Certificates. The amount of such prepayment premium shall be calculated in accordance with the related Supplemental Trust Agreement.

“Prepayment Price” means, with respect to any Certificate of a Series or portion thereof, the principal amount or portion thereof, plus the applicable Prepayment Premium, if any, payable upon prepayment thereof pursuant to such Certificate or the related Supplemental Trust Agreement.

“President” means the Person then serving as president of the Corporation.

“Principal Account” means the account by that name established under Section 6.02 of the Master Trust Agreement.

“Principal Component” means the portion of each Basic Rent Payment constituting principal as set forth in the Lease Schedules.

“Principal and Interest Requirements” means the respective amounts which are required in each Fiscal Year to provide for:

- (1) the interest payable on all Certificates then Outstanding, which is payable on each interest Payment Date in such Fiscal Year,
- (2) the principal on all Serial Certificates then Outstanding, which is payable upon the maturity of the Serial Certificates in such Fiscal Year, and
- (3) the Amortization Installment for all Term Certificates then Outstanding,

which is payable for such Fiscal Year.

In determining the amount of the Principal and Interest Requirements for any Fiscal Year, if interest on the Certificates of a Series is payable from the proceeds of such Certificates or from other amounts set aside irrevocably for such purpose at the time such Certificates are issued, interest on such Certificates shall be included in Principal and Interest Requirements only in proportion to the amount of interest payable in the then current Fiscal Year from amounts other than amounts so funded to pay such interest. For purposes of this definition, all amounts payable on a Capital Appreciation Certificate shall be considered a principal payment due in the year of its maturity or earlier mandatory redemption.

“Principal Office” means the designated corporate trust office of the Trustee which shall initially be in [____], or the designated corporate trust office of any successor Trustee.

“Project” shall mean the Land, the Buildings, the Roadways and/or the Equipment, all or in part, as described in the Lease Schedule relating to a Lease, as the same may be amended or modified from time to time in accordance with the terms of the related Lease. The term “Project” shall include any Designated Equipment. Each Project may be referred to as a “Series Project” and have the appropriate Series designation to reflect the Series of Certificates to which it relates.

“Project Account” means the account by that name established under Section 6.02 of the Master Trust Agreement.

“Project Budget” means, in regard to a Project, the budget for expenditure of moneys in the subaccount in the Project Account established for such Project as set forth in the Lease Schedule relating thereto.

“Project Costs” or **“Costs of the Project”** means, in regard to a Project, all costs of payment of, or reimbursement for, acquisition, construction and installation (which shall be deemed to include equipping, where applicable) of such Project, including but not limited to payments under a Construction Contract, architectural and engineering costs and costs of feasibility, environmental and other reports, inspection costs, permit fees, filing and recording costs and sales and use taxes and the cost of title insurance, and, in addition, Costs of Issuance

to the extent that the amounts on deposit in the Costs of Issuance Account are insufficient to pay all Costs of Issuance in full. Project Costs shall specifically include any portion of the total costs of such Project or any portion thereof paid by the City from funds other than proceeds of the Certificates prior to the Closing Date for which the City seeks reimbursement by filing a Requisition with the Trustee in the manner required by Section 6.03 and Section 6.04 of the Master Trust Agreement.

“Project Description” means, in regard to a Project, the description of such Project as set forth in the Lease Schedule relating thereto.

“Project Fund” means the fund by that name established under Section 6.02 of the Master Trust Agreement.

“Projects” means, collectively, each Project.

“Project Schedule” means, in regard to a Project, the timetable for disbursements from the subaccount of the Project Account established therefor for acquisition, construction, delivery and installation of the components of such Project as set forth in the Lease Schedule relating thereto.

“Purchaser(s)” means the original purchaser or purchasers of a Series of Certificates.

“Qualified Financial Institution” means (1) a bank, a trust company, a national banking association, a corporation subject to registration with the City of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law, a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law, a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, a savings bank, a savings and loan association, or an insurance company or association chartered or organized under the laws of any state of the United States of America; or (2) the Government National Mortgage Foundation or any successor thereto or the Federal National Mortgage Foundation or any successor thereto; provided that, for each such entity delineated in clauses (1) and (2), its unsecured or uncollateralized long-term debt obligations, or obligations secured or supported by a letter of credit, contract, agreement or surety bond issued by any such entity, have been assigned a credit rating by Moody’s of “Aa” or better or by S&P of “AA” or better.

“Rating Agency” or **“Rating Agencies”** means, as applicable, Moody’s, Fitch and S&P.

“Real Estate Taxes” shall mean all real estate taxes, public and governmental charges and assessments, including all extraordinary or special assessments, or assessments against any of the personal property included in the Projects, all costs, expenses and attorneys’ fees incurred in contesting or negotiating with public authorities as to any of same and all sewer and other similar taxes and charges.

“Rebate Fund” means the fund by that name established under Section 6.02 of the Master Trust Agreement.

“Record Date” means, except as otherwise provided in a Supplemental Trust Agreement for a Series of Certificates, the 15th day of the month preceding any Payment Date (whether or not a Business Day).

“Refunding Certificates” means Certificates of a Series issued for purposes of refunding Outstanding Certificates pursuant to Section 4.13 of the Master Trust Agreement.

“Refunding Rent” means the Refunding Rent payments set forth in a Lease Schedule relating to a Series of refunded Certificates.

“Refunding Securities” except as otherwise provided by Supplemental Trust Agreement, means the investments set forth in paragraph 1 of the definition of Permitted Investments.

“Renewal Lease Term” means, in regard to a Project, the period commencing on the day after the last day of the Initial Lease Term and ending on the following September 30. Thereafter, “Renewal Lease Term” shall refer to each succeeding one (1) year term commencing on the day after the last day of the previous Renewal Lease Term and ending on the following September 30.

“Renewal Term Termination Date” means, in regard to a Project, the termination date for the then current Renewal Lease Term which shall be the last day of such Renewal Lease Term.

“Request and Authorization” means a request and authorization from the Corporation and the City to the Trustee to authenticate and deliver Certificates of a Series in accordance with the terms thereof and of the related Supplemental Trust Agreement, and substantially in the form attached to the Master Trust Agreement as Exhibit C.

“Requisition” means a requisition of the City to receive amounts from a subaccount in the Project Account to pay Project Costs substantially in the form attached to the Master Trust Agreement as Exhibit D or from the Costs of Issuance Account to pay Costs of Issuance substantially in the form attached to the Master Trust Agreement as Exhibit E as such forms may be amended or modified from time to time with respect to a Series of Certificates pursuant to a related Supplemental Trust Agreement.

“Reserve Account” means the account by that name established under Section 6.02 of the Master Trust Agreement.

“Reserve Account Letter of Credit/Insurance Policy” means the irrevocable letter or line of credit, insurance policy, surety bond or guarantee agreement issued by a Qualified Financial Institution in favor of the Trustee which is to be deposited into a subaccount of the Reserve Account in order to fulfill the Reserve Requirement relating to a Series of Certificates secured thereby.

“Reserve Requirement” means, in regard to a subaccount established in the Reserve Account to secure a Series of Certificates, such amounts, if any, as shall be provided and designated in the Supplemental Trust Agreement authorizing the issuance of such Series and in the Lease Schedule relating thereto and which may be \$0.00.

“Roadways” mean the public roadways adjacent to or near any Buildings included in a Project, and related improvements, including landscaping, signage and traffic signals, water utility lines in the Roadways to provide fire connections, sewer utility lines in the Roadways, master storm drainage, and any surface or street parking spaces on the Roadways that will be operated as part of the City’s parking system, which shall be all or a portion of a Project to the extent described in a Lease Schedule.

“S&P” or **“Standard & Poor’s”** means S&P Global Ratings, a business of Standard & Poor’s Financial Services LLC, or any successor thereto.

“Secretary” means the Person then serving as the Secretary of the Corporation.

“Serial Certificates” means the Certificates of a Series designated as Serial Certificates pursuant to the related Supplemental Trust Agreement.

“Series” means all the Certificates delivered on original issuance in a simultaneous transaction and identified pursuant to Section 4.01 of the Master Trust Agreement and the Supplemental Trust Agreement authorizing the issuance of such Certificates as a separate Series, regardless of variations in maturity, interest rate and other terms.

“Special Counsel” shall mean Holland & Knight LLP, Fort Lauderdale, Florida, or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the exemption of the interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“State” means the State of Florida.

“Stipulated Loss Value” means an amount calculated in accordance with Section 5.08 of the Master Lease.

“Supplemental Rent” shall have the meaning set forth in Sections 4.03(e) and (g) of the Master Lease.

“Supplemental Trust Agreement” means any supplement to or amendment to the Master Trust Agreement entered into in accordance with Article XI of the Master Trust Agreement.

“Taxable Certificates” means Certificates for which the Interest Component of the Basic Rent Payments relating thereto shall be includable in gross income for purposes of federal income taxation. Taxable Certificates may include, but are not be limited to, Direct Subsidy Certificates.

“Tax Exempt Certificates” means Certificates for which the Interest Component of the Basic Rent Payments relating thereto are intended on the date of issuance to be excludable from gross income for purposes of federal income taxation.

“Tax Regulatory Agreement” means the agreement entered into in connection with each series of Tax Exempt Certificates as required by Section 6.12 of this Master Trust Agreement.

“Term Certificates” means those Certificates of a Series designated as Term Certificates pursuant to the Supplemental Trust Agreement authorizing the issuance thereof which are subject to mandatory prepayment by Amortization Installments.

“Termination Date” means the date on which the Lease Agreement terminates pursuant to the terms thereof.

“Termination Fees” means any payments due by the City under a Hedge Agreement, other than Hedge Obligations.

“Treasurer” means the Person then serving as the Treasurer of the Corporation.

“Trust Agreement” means the Master Trust Agreement dated as of [] 1, 20[] among the City, the Corporation and the Trustee, as now and hereafter amended, modified or supplemented by Supplemental Trust Agreements; provided, however, the terms and conditions of a Supplemental Trust Agreement may pertain solely to the Series of Certificates related thereto and such Supplemental Trust Agreement may have the appropriate Series designation to reflect the Series of Certificates to which it relates.

“Trust Estate” means all right, title and interest of the Trustee in and to the property and interests therein described in Section 3.03 of the Master Trust Agreement.

“Trustee” means [], or its successor in interest as the Trustee under the Master Trust Agreement.

“Use Arrangements” means with respect to each Project, the written arrangements described in a Lease Schedule with respect to a Project, which may consist of any one or more of the following: (a) the City Management Rights, (b) the City Parking Ordinances, and (c) any lease, sublease, license, use, development agreement and/or management agreement or similar arrangements or agreements relating to such Project by and between (or by and among) the City and/or the Corporation and unaffiliated third parties (whether existing on, or entered into after, the date of issuance of the applicable Series of Certificates that financed and/or refinanced such Project) and which is in effect during the term of the related Ground Lease.

“Variable Rate Certificates” means Certificates issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereto at the date of issue.

“Vendor” means, with respect to a Project, the Person or Persons appointed by the City to sell Equipment relating to such Project.

“Vice President” means the Person then serving as the Vice President of the Corporation.

“Vocational Training and College Resource Center” means a Building and Civic Facility to be located in the downtown area of the City and which shall be all or a portion of a Project to the extent described in a Lease Schedule, consisting of a new facility with classroom space to provide vocational training primarily to high school students and young adults, offices

and related uses, and space to provide college resource support services to high school students, together with all appurtenant and ancillary Equipment.

DRAFT

EXHIBIT B
FORM OF LEASE SCHEDULE

Series 20[] Lease Schedule
to the
Master Lease-Purchase Agreement
(Civic Facilities Master Lease Program)
dated as of [] 1, 20[]
between
Pompano Beach Finance Corporation, as Lessor
(the “Corporation”)
and
City of Pompano Beach, Florida, as Lessee (the “City”)

THIS SERIES 20[] LEASE SCHEDULE (the “Lease Schedule”) is hereby entered into under and pursuant to that certain Master Lease-Purchase Agreement (Civic Facilities Master Lease Program) dated as of [] 1, 20[] (the “Master Lease”), pursuant to which the Corporation has agreed to lease-purchase to the City and the City has agreed to lease-purchase from the Corporation, subject to the terms and conditions of the Master Lease, the Series 20[] Project as herein described. All defined terms not otherwise defined herein shall have the respective meanings therefor set forth in (i) the Master Lease and this Lease Schedule (collectively, the “Series 20[] Lease”), (ii) the Master Trust Agreement, as supplemented by the Series 20[] Supplemental Trust Agreement dated as of [] 1, 20[] relating to the hereinafter defined Series 20[] Certificates (the “Series 20[] Supplemental Trust Agreement” and together with the Master Trust Agreement, the “Series 20[] Trust Agreement”), and (iii) the Series 20[] Ground Lease (as defined in the Series 20[] Supplemental Trust Agreement).

1. Series 20[] Project. The leased property, which is described in Section 6 of this Lease Schedule (the “Series 20[] Project”), and has a Maximum Cost of \$[] [Project Costs and Costs of Issuance], shall be acquired, constructed and installed, and lease-purchased, by the City from the Corporation pursuant to the terms of the Series 20[] Lease.

2. Commencement Date; Lease Term; Other Definitions. For purposes of this Lease Schedule and the Series 20[] Lease:

(a) The Commencement Date for the Series 20[] Project is [], 20[].

(b) The Initial Lease Termination Date of the lease of the Series [] Project shall be September 30, 20[]. The Maximum Lease Term shall commence on the Commencement Date hereof and terminate on [], 20[].

(c) The Estimated Completion Date for the Series 20[] Project is [], 20[].

3. Certificates of Participation.

(a) The Certificates of Participation issued under the Master Trust Agreement, as supplemented in connection therewith, and related to this Lease Schedule are identified as “[Refunding] [Completion] Certificates of Participation, Series [] [(Federally Taxable)] Evidencing an Undivided Proportionate Interest of the Owners Thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement (Civic Facilities Master Lease Program) by the City of Pompano Beach, Florida” (the “Series 20[] Certificates”).

(b) [The Credit Enhancer for the Series 20[] Certificates shall be [].]

(c) [The Reserve Requirement for the Series 20[] Subaccount established in the Reserve Account under the Trust Agreement shall be [].] [The Series 20[] Certificates shall not be secured by the Reserve Account or any subaccount therein and the Reserve Requirement for the Series 20[] Certificates is \$0.00.]

(d) [The Closure Date of the Series 20[] Subaccount of the Project Account established for the Series 20[] Certificates, for purposes of Section 6.03(g) of the Master Trust Agreement, shall be as set forth in a Certificate of Acceptance substantially in the form attached as Exhibit C to the Master Lease and delivered by the City to the Trustee.]

4. Basic Rent and Supplemental Rent. The Basic Rent payable by the City to the Corporation with respect to the Series 20[] Project under the Series 20[] Lease is described in Schedule A attached hereto. On the fifteenth date preceding each Payment Date the City shall make Basic Rent payments in the amount indicated on the attached Payment Schedule for such Payment Date.

The Supplemental Rent payable pursuant to Section 6.10 of the Master Trust Agreement shall, at a minimum, consist of the following, payable on each January 1 commencing [] 1, 20[]:

Annual Trustee Fee	\$ _____
Annual Corporation Fee	\$ _____*

*May be paid directly to the Corporation

5. Use of Certificate Proceeds. The proceeds of the Series 20[] Certificates shall be disbursed as follows:

[Deposits of proceeds to be detailed]

6. The Series 20[] Project; Excluded Components. The Project Description, [Project Budget and Project Schedule] for the Series 20[] Project are set forth in Schedule B attached hereto. [The Excluded Components with respect to the Series 20[] Project are as set forth in Schedule B attached hereto].

7. [Designated Equipment]. The Designated Equipment for the Series 20[] Project is described in Schedule B attached hereto.]

8. The Land. A description of the Land related to the Series 20[] Project is attached as Schedule C attached hereto [which separately sets forth a legal description of the [Excluded Components Land] [and the Non-Excluded Components Land]]. Such legal descriptions are subject to modification as provided in the Series 20[] Ground Lease and the Series 20[] Lease.

9. Certain Matters Relating to Permitted Encumbrances. [The encumbrances listed on Schedule D-1 attached hereto shall constitute additional Permitted Encumbrances with respect to the Excluded Components Land described on Exhibit A-1 to the Series 20[] Ground Lease.] [The encumbrances, listed on Schedule D-3 attached hereto shall constitute additional Permitted Encumbrances with respect to the Non-Excluded Components Land described on Exhibit A-2 to the Series 20[] Ground Lease.]

[Add any matters relating to Use Arrangements.]

10. Assignment of Lease Agreement. The Corporation hereby acknowledges that all Lease Payments and its rights, title and interest in this Lease Schedule and, with certain exceptions, the Series 20[] Lease have been simultaneously assigned to the Trustee pursuant to the Assignment of Lease Agreement.

11. Other Documents [and Special Terms and Conditions]. The documents required by Section 3.01(c) of the Master Lease to be submitted with this Lease Schedule are attached hereto as Schedule E.

[Add any other special terms and conditions, including description of Series 20[] Excluded Components]

12. Prepayment Provisions. [May cross reference to applicable Supplemental Trust Agreement in lieu of setting forth in Lease Schedule.]

(a) The Series 20[] Certificates are subject to Extraordinary Prepayment, in whole, on any date, or in part, on any Extraordinary Prepayment Date (if in part, in any order of maturity as directed by the City or, in the absence of such direction, in inverse order of maturity and by lot within maturities), without Prepayment Premium, at a Prepayment Price equal to 100% of the principal amount to be prepaid, together with accrued interest to the Extraordinary Prepayment Date, from the Net Proceeds of insurance or condemnation or other amounts deposited with the Trustee pursuant to Section 5.08 of the Master Lease. The Extraordinary Prepayment Date with respect to any partial Extraordinary Prepayment shall be the next succeeding interest Payment Date following

the receipt by the Trustee of the moneys to be used for such prepayment; provided, however, if such interest Payment Date occurs within forty (40) days of receipt by the Trustee of the moneys to be used for such prepayment, the Extraordinary Prepayment Date shall be the second succeeding interest Payment Date.

(b) The Series 20[] Certificates maturing on or before January 1, 20[] shall not be subject to prepayment at the option of the City. Any of the Series 20[] Certificates maturing after January 1, 20[] may be prepaid, from optional prepayments of Basic Rent Payments made by the City pursuant to the Lease Agreement, in whole or in part, on January 1, 20[] or any date thereafter, and in such order of maturities as may be designated by the City, or if not so designated, in the inverse order of maturities, and by lot within a maturity in such manner as may be designated by the Trustee, without Prepayment Premium, at a Prepayment Price equal to [100]% of the principal amount to be prepaid, together with accrued interest to the prepayment date.

(c) The Series 20[] Term Certificates maturing on January 1, 20[] shall be subject to mandatory prepayment, without Prepayment Premium, commencing on January 1, 20[] from Amortization Installments in the amounts and in the years set forth below (the Trustee shall select such Series 20[] Certificates by lot in such manner as it deems appropriate):

Payment Date (January 1)	<u>Amortization Installment</u>
-----------------------------	---------------------------------

*Final Maturity

(d) The Series 20[] Term Certificates maturing on January 1, 20[] shall be subject to mandatory prepayment, without Prepayment Premium, commencing on January 1, 20[] from Amortization Installments in the amounts and in the years set forth below (the Trustee shall select such Series 20[] Certificates by lot in such manner as it deems appropriate):

Payment Date (January 1)	<u>Amortization Installment</u>
-----------------------------	---------------------------------

*Final Maturity

IN WITNESS WHEREOF, each of the parties hereto have caused this Series 20[]
Lease Schedule to be executed by their proper corporate officers, all as of the [] day of
[], 20[].

**POMPANO BEACH FINANCE
CORPORATION**

(SEAL)

By: _____
Name: _____
Title: _____

CITY OF POMPANO BEACH, FLORIDA

(SEAL)

By: _____
Name: _____
Title: _____

STATE OF FLORIDA)
) ss:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this [] day of [], 20[], by [] and [], as President and Secretary, respectively, of **POMPANO BEACH FINANCE CORPORATION**, who are personally known to me or who have produced _____ as identification.

[NOTARIAL SEAL]

Print Name: _____
Notary Public, State of Florida
Commission #: _____
My Commission Expires: _____

STATE OF FLORIDA)
) ss:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this [] day of [], 20[], by [] and [], as Mayor and City Clerk, respectively, of the **CITY OF POMPANO BEACH, FLORIDA** who are personally known to me or who have produced _____ as identification.

[NOTARIAL SEAL]

Print Name: _____
Notary Public, State of Florida
Commission #: _____
My Commission Expires: _____

SCHEDULE A

BASIC RENT SCHEDULE

<u>Basic Rent Payment Date</u>	<u>Principal Component/Amortization Installment</u>	<u>Interest Component</u>	<u>Annual Basic Rent Payment</u>
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[Provide Basic Rent Schedule for each Group within Project, if applicable]

DRAFT

SCHEDULE B

PROJECT DESCRIPTION (INCLUDING DESIGNATED EQUIPMENT), PROJECT BUDGET AND PROJECT SCHEDULE

PROJECT DESCRIPTION

[PROJECT BUDGET]

[PROJECT SCHEDULE]

DRAFT

SCHEDULE C

[SCHEDULE C-1

**LEGAL DESCRIPTION OF LAND TO BE ACQUIRED AS PART OF THE SERIES
20____ PROJECT]**

[SCHEDULE C-2

LEGAL DESCRIPTION OF THE PREMISES RELATING TO THE EXCLUDED LAND]

[SCHEDULE C-3

**LEGAL DESCRIPTION OF THE PREMISES RELATING TO THE NON-EXCLUDED
LAND]**

SCHEDULE D

PERMITTED ENCUMBRANCES

[SCHEDULE D-1

EXCLUDED LAND]

[SCHEDULE D-2

NON-EXCLUDED LAND]

[MATTERS RELATING TO USE ARRANGEMENTS]

SCHEDULE E

DOCUMENTS REQUIRED BY SECTION 3.01(C) OF THE LEASE AGREEMENT

1. Resolution or ordinance of the City relating to the Series 20[] Project.
2. Resolution of the Corporation relating to the Series 20[] Project.
3. Certificate of the City.
4. Ground Lease relating to the Series 20[] Project.
5. Series 20[] Supplemental Trust Agreement.
6. Assignment of Lease Agreement [as supplemented or amended]
7. Assignment of Ground Lease Agreement [as supplemented or amended].
8. Memorandum of Lease with respect to the Series 20[] Project.
9. Memorandum of Ground Lease with respect to the Series 20[] Project.

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

[Date]

To: [____], as Trustee

I, the undersigned Authorized Officer of the City, do hereby certify as follows pursuant to the terms of the certain Master Lease-Purchase Agreement (Civic Facilities Master Lease Program) dated as of [____] 1, 20[____] (the "Master Lease"), as supplemented by Series 20[____] Lease Schedule dated as of [____] 1, 20[____] (the "Series 20[____] Lease Schedule" and, collectively with the Master Lease, the "Series 20[____] Lease"), pursuant to which the Corporation has agreed to lease-purchase to the City and the City has agreed to lease-purchase from the Corporation, subject to the terms and conditions of the Series 20[____] Lease, the Series 20[____] Project. All defined terms not otherwise defined herein shall have the respective meanings therefor set forth in the Series 20[____] Lease.

1. The City has completed the Series 20[____] Project described in the Series 20[____] Lease.

2. The Series 20[____] Project meets the City's specifications therefor, and has been constructed to the City's satisfaction. This certificate constitutes the Certificate of Acceptance for such Project required by Section 3.03 of the Master Lease and Section 6.03 of the Master Trust Agreement.

3. The actual cost of the portion of the Series 20[____] Project paid from proceeds of the Series 20 [____] Certificates is as follows: \$[_____].

4. The date of completion for such Series 20[____] Project is [____], 20[____].

5. The Trustee is hereby directed to apply \$[_____], representing the balance of monies in the Series 20[____] Subaccount of the Project Account not required to be retained in such Series 20[____] Subaccount of the Project Account to pay any remaining Costs of the Series 20[____] Project, as follows:

[(a) \$[_____] shall be applied to reimburse the City for costs of the Series 20[____] Project previously funded by the City from sources other than Certificate proceeds; and]

[(a)][(b)] \$[_____] shall be transferred to the Lease Payment Fund and applied as a credit to Basic Rent Payments due under Lease Schedule No. [____] in accordance with Section 6.06(a) of the Master Trust Agreement.

CITY OF POMPANO BEACH, FLORIDA

By: _____

Name: _____

Title: _____

DRAFT