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LOAN AGREEMENT

By and Among

PINNACLE PUBLIC FINANCE, INC.

SUNSHINE STATE GOVERNMENTAL FINANCING COMMISSION

and

CITY OF CORAL GABLES, FLORIDA

Dated as of February 1, 2013

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Sunshine State Governmental Financing Commission  
Revenue Bonds, Series 2013A

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## LOAN AGREEMENT

This Loan Agreement (the "Loan Agreement" or the "Agreement") dated as of February 1, 2013, and entered into among PINNACLE PUBLIC FINANCE, INC., a Delaware banking corporation (the "Bank"), SUNSHINE STATE GOVERNMENTAL FINANCING COMMISSION (the "Commission"), a separate legal entity and public body corporate and politic duly created and existing under the Constitution and laws of the State of Florida, and the CITY OF CORAL GABLES, FLORIDA (the "Borrower"), a duly constituted municipality under the laws of the State of Florida.

### WITNESSETH:

WHEREAS, pursuant to the authority of the hereinafter defined Act, the Commission desires to issue bonds and to loan to the Borrower the amount necessary to enable the Borrower to refinance the Project, as hereinafter defined, and the Borrower desires to borrow such amount from the Commission subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, the Commission is a public body corporate and politic duly created, organized and existing under and by virtue of the Interlocal Agreement, as hereinafter defined, such Interlocal Agreement constituting an interlocal agreement in accordance with Chapter 163, Part I, Florida Statutes, as amended (the "Interlocal Act"); and

WHEREAS, the Commission has determined that there is substantial need within the State for a financing program (the "Program") which will provide funds for qualifying projects for the participating borrowers; and

WHEREAS, the Commission is authorized under the Interlocal Act to issue its revenue bonds to provide funds for such purposes; and

WHEREAS, the Commission has determined that the public interest will best be served and that the purposes of the Interlocal Act can be more advantageously obtained by the Commission's issuance of revenue bonds in order to loan funds to the Borrower to refinance the Project (herein defined); and

WHEREAS, the Borrower is authorized under and pursuant to the Act, as amended, to enter into this Loan Agreement for the purposes set forth herein; and

WHEREAS, the Commission and the Borrower have determined that the lending of funds by the Commission to the Borrower pursuant to the terms of this Agreement, will assist in the development and maintenance of the public welfare of the residents of the State and the areas served by the Borrower, and shall serve a public purpose by improving the health and

living conditions, and providing adequate governmental services, facilities and programs and will promote the most efficient and economical development of such services, facilities and programs in the State; and

WHEREAS, the issuance of those certain revenue bonds of the Commission designated "Sunshine State Governmental Financing Commission Revenue Bonds, Series 2013A (the "Series 2013A Bond") shall not directly, indirectly or contingently obligate the Borrower, the State or any political subdivision or municipal corporation thereof to levy or pledge any form of ad valorem taxation for their payment, except that the Series 2013A Bond shall be payable by the Commission solely from the funds and revenues of the Borrower pledged under and pursuant to this Agreement; and

WHEREAS, the Bank is willing to purchase the Series 2013A Bond from the Commission as set forth herein in order to provide the funds to finance the Loan (as hereinafter defined).

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereto agree as follows:

## ARTICLE I

### DEFINITIONS

Unless the context or use indicates another meaning or intent, the following words and terms as used in this Loan Agreement shall have the following meanings, and any other hereinafter defined, shall have the meanings as therein defined.

"Accountant" or "Accountants" means an independent certified public accountant or a firm of independent certified public accountants.

"Act" means, collectively, to the extent applicable, Chapter 163, Part I, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 125, Part I, Florida Statutes, each as amended, and all other applicable provisions of law.

"Additional Payments" means payments required by Section 5.02 hereof.

"Anti-Dilution Certificate" means the certificate required to be executed by the Borrower, in substantially the form of Exhibit E, which sets forth the Borrower's dilution tests. The form of the certificate in Exhibit E may be changed or modified by agreement of the parties hereto. In the case of any conflict or ambiguity, the language of the Loan Agreement shall control.

"Arbitrage Regulations" means the income tax regulations promulgated, proposed or applicable pursuant to Section 148 of the Code as the same may be amended or supplemented or proposed to be amended or supplemented from time to time.

“Authorized Representative” means, when used pertaining to the Commission, the Chair of the Commission and such other designated members, agents or representatives as may hereafter be selected by Commission resolution; and, when used with reference to a Borrower which is a municipality, means the person performing the functions of the Mayor or Deputy, Acting or Vice Mayor thereof or other officer authorized to exercise the powers and performs the duties of the Mayor; and, when used with reference to a Borrower which is a County means the person performing the function of the Chairman or Vice Chairman of the Board of County Commissioners of such Borrower; and, when used with reference to an act or document, also means any other person authorized by resolution to perform such act or sign such document.

“Basic Payments” means the payments denominated as such in Section 5.01 hereof.

“Board” means the governing body of the Borrower.

“Bond Counsel” means Bryant Miller Olive P.A or any other nationally recognized bond counsel acceptable to the Commission.

“Bondholder” or “Holder” or “holder of Bonds” or “Owner” or “owner of Bonds” whenever used herein with respect to a Series 2013A Bond, means the person in whose name such Series 2013A Bond is registered.

“Bond Year” means a 12-month period beginning on October 1 and ending on and including the following September 30 except for the first period which begins on February \_\_, 2013.

“Business Day” means any day of the year which is not a Saturday or Sunday or a day on which banking institutions located in New York City or the State are required or authorized to remain closed or on which the New York Stock Exchange is closed.

“Certificate,” “Statement,” “Request,” “Requisition” and “Order” of the Commission mean, respectively, a written certificate, statement, request, requisition or order signed in the name of the Commission by its Chairman, Secretary-Treasurer or such other person as may be designated and authorized to sign for the Commission. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

“Closing” means the closing of the Loan pursuant to this Agreement.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated, proposed or applicable thereunder.

“Commencement Date” means the date when the term of this Agreement begins and the obligation of the Borrower to make Loan Repayments accrues.

“Commission” means the Sunshine State Governmental Financing Commission.

“Cost” means “Cost” as defined in the Act.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the Commission or the Borrower.

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

“Default Rate” shall mean the \_\_\_\_\_.

“Event of Default” shall have the meaning ascribed to such term in Section 8.01 of this Agreement.

“Financial Newspaper” or “Journal” means The Wall Street Journal or The Bond Buyer or any other newspaper or journal containing financial news, printed in the English language, customarily published on each Business Day and circulated in New York, New York, and selected by the Bank, whose decision shall be final and conclusive.

“Fiscal Year” means the fiscal year of the Borrower.

“Fitch” means Fitch Ratings, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns.

“Governmental Obligations” means (i) direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same, including interest on obligations of the Resolution Funding Corporation and (ii) pre-refunded municipal obligations meeting the following criteria:

(a) the municipal obligations may not be callable prior to maturity or, alternatively, the trustee has received irrevocable instructions concerning their calling and redemption;

(b) the municipal obligations are secured by cash or securities described in subparagraph (i) above (the “Defeasance Obligations”), which cash or Defeasance Obligations may be applied only to interest, principal, and premium payments of such municipal obligations;

(c) the principal and interest of the Defeasance Obligations (plus any cash in the fund) are sufficient to meet the liabilities of the municipal obligations;

(d) the Defeasance Obligations serving as security for the municipal obligations must be held by an escrow agent or a trustee; and

(e) the Defeasance Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent.

Additionally, evidences of ownership of proportionate interests in future interest and principal payments of Defeasance Obligations are permissible. Investments in these proportionate interests are limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying obligations; and (c) the underlying obligations are held in a special account separate and apart from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

"Interest Payment Date" means April 1 and October 1 of each year, commencing April 1, 2013.

"Interest Period" means the semi-annual period between Interest Payment Dates.

"Interlocal Act" means Chapter 163, Part I, Florida Statutes.

"Interlocal Agreement" means that certain Second Amended and Restated Interlocal Agreement creating the Commission among the various Governmental Units executing it from time to time.

"Liquidation Proceeds" means amounts received by the Bank or the Commission in connection with the enforcement of any of the remedies under this Loan Agreement after the occurrence of an "Event of Default" under this Loan Agreement which has not been waived or cured.

"Loan" means the Loan made to the Borrower from Series 2013A Bond proceeds to refinance the Project in the amount specified in Section 3.01 herein.

"Loan Agreement" means this Loan Agreement and any amendments and supplements hereto.

“Loan Repayments” means the payments of principal and interest and other payments payable by the Borrower pursuant to the provisions of this Loan Agreement, including, without limitation, Additional Payments.

“Loan Term” means the term provided for in Article IV of this Loan Agreement.

“Maturity Date” means October 1, 2028.

“Maximum Rate” means the maximum rate of interest permitted for non-rated governmental bonds as set forth in Section 215.84(3), Florida Statutes, as may be amended from time to time.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns.

“Non-Ad Valorem Revenues” means all revenues of the Borrower derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the Borrower of Loan Repayments.

“Opinion of Bond Counsel” means an opinion by Bond Counsel which is selected by the Commission.

“Opinion of Counsel” means an opinion in writing of a legal counsel, who may, but need not be, counsel to the Commission, a Borrower or the Bank.

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

“Principal Payment Date” means the maturity date or each October 1, commencing October 1, 2014 during the term of this Loan Agreement.

“Program” means the Commission’s program or programs of making Loans under the Act for financing a qualifying project.

“Program Administrator” means the Gams Group, Inc. and its successor and assigns.

“Project” means a governmental undertaking approved by the governing body of a Borrower for a public purpose, including the refinancing of any indebtedness, which shall for purposes of this Loan Agreement mean the project set forth in Exhibit A hereto.

“S&P” means Standard & Poor’s, a division of the McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns.

“Series 2013A Bond” means the \$\_\_\_\_\_ Sunshine State Governmental Financing Commission Revenue Bonds, Series 2013A.

“State” means the State of Florida.

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## ARTICLE II

### REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER AND COMMISSION

**SECTION 2.01. Representations, Warranties and Covenants.** The Borrower and the Commission represent, warrant and covenant on the date hereof for the benefit of the Bank, as follows:

(a) Organization and Authority. The Borrower:

(1) is a duly organized and validly existing municipality of the State; and

(2) has all requisite power and authority to own and operate its properties and to carry on its activities as now conducted and as presently proposed to be conducted.

(b) Full Disclosure. There is no fact that the Borrower knows of which has not been specifically disclosed in writing to the Commission and the Bank that materially and adversely affects or, except for pending or proposed legislation or regulations that are a matter of general public information affecting State of Florida municipalities generally, that will materially affect adversely the properties, activities, prospects or condition (financial or otherwise) of the Borrower or the ability of the Borrower to perform its obligations under this Agreement.

The financial statements, including balance sheets, and any other written statement furnished by the Borrower to the Commission and the Bank, were prepared in accordance with GAAP and were accurate and correct as of the date hereof. There has been no material change in the financial condition of the Borrower since the date of such financial and other written statements, and there is no fact known to the Borrower which the Borrower has not disclosed to the Commission and the Bank in writing which materially affects adversely or is likely to materially affect adversely the financial condition of the Borrower, or its ability to make the payments under this Agreement when and as the same become due and payable.

(c) Pending Litigation. There are no proceedings pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower, except as specifically described in writing to the Commission and the Bank in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, prospects or condition (financial or otherwise) of the Borrower, or the existence or powers or ability of the Borrower to enter into and perform its obligations under this Agreement.

(d) Borrowing Legal and Authorized. The execution and delivery of this Agreement and the consummation of the transactions provided for in this Agreement and compliance by the Borrower with the provisions of this Agreement:

(1) are within the powers of the Borrower and have been duly and effectively authorized by all necessary action on the part of the Borrower; and

(2) do not and will not (i) conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Borrower pursuant to any indenture, loan agreement or other agreement or instrument (other than this Agreement) or restriction to which the Borrower is a party or by which the Borrower, its properties or operations are bound as of the date of this Agreement or (ii) with the giving of notice or the passage of time or both, constitute a breach or default or so result in the creation or imposition of any lien, charge or encumbrance, which breach, default, lien, charge or encumbrance (described in (i) or (ii)) could materially and adversely affect the validity or the enforceability of this Agreement or the Borrower's ability to perform fully its obligations under this Agreement; nor does such action result in any violation of the provisions of the Act, or any laws, ordinances, governmental rules or regulations or court orders to which the Borrower, its properties or operations may be bound.

(e) No Defaults. No event has occurred and no condition exists that constitutes an Event of Default, or which, upon the execution and delivery of this Agreement and/or the passage of time or giving of notice or both, would constitute an Event of Default. The Borrower is not in violation in any material respect, and has not received notice of any claimed violation of any terms of any agreement or other instrument to which it is a party or by which it, its properties or operations may be bound, which may materially adversely affect the ability of the Borrower to perform hereunder.

(f) Governmental Consent. No further consent, approval or authorization of, or filing, registration or qualification with, any governmental authority is required on the part of the Borrower as a condition to the execution and delivery of this Loan Agreement, or to amounts becoming outstanding hereunder.

(g) Compliance with Law. The Borrower is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject, and which are material to its properties, operations, finances or status as a municipal corporation or subdivision of the State.

(h) Use of Proceeds.

(1) The Borrower will apply the proceeds of the Loan from the Commission solely for the refinancing of the Project as set forth in Exhibit A hereto.

(2) Borrower understands that the actual Loan proceeds received by it are less than the sum of the face amount of the Loan Agreement. Borrower will accordingly be responsible for repaying, through its Loan Repayments, the Series 2013A Bond issued to fund the Loan, including the portion of the Series 2013A Bond issued to fund any Loan fee of the Bank and other fees and costs of issuing the Series 2013A Bond.

(3) The Borrower covenants that it will make no use of the proceeds of the Series 2013A Bond which are in its control at any time during the term of the Series 2013A Bond which would cause such Series 2013A Bond to be "Arbitrage Bonds" within the meaning of Section 148 of the Code.

(4) The Borrower covenants that the Borrower shall neither take any action nor fail to take any action or to the extent that it may do so, permit any other party to take any action which, if either taken or not taken, would adversely affect the exclusion from gross income for Federal income tax purposes of interest on the Series 2013A Bond.

(i) Compliance with Interlocal Act and Interlocal Agreement. All agreements and transactions provided for herein or contemplated hereby by the Commission are in full compliance with the terms of the Interlocal Agreement and the Interlocal Act.

**SECTION 2.02. Covenants of Borrower.** The Borrower makes the following covenants and representations as of the date first above written and such covenants shall continue in full force and effect during the Loan Term:

(a) Security for the Loan and Loan Repayment. Subject to the provisions of Section 2.02(k) hereof, the Borrower covenants and agrees to appropriate in its annual budget, by amendment, if required, and to pay when due under this Loan Agreement as promptly as money becomes available directly to the Bank, amounts of Non-Ad Valorem Revenues of the Borrower sufficient to satisfy the Loan Repayment as required under this Loan Agreement. Such covenant is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereafter entered into. Such covenant and agreement on the part of the Borrower to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all required Loan Repayments, including delinquent Loan Repayments, shall have been budgeted, appropriated and actually paid to the Bank. The Borrower further acknowledges and agrees that the obligations of the Borrower to include the amount of any deficiency in Loan Repayments in each of its annual budgets and to pay such deficiencies from Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein. Notwithstanding the foregoing or any provision of this Loan Agreement to the contrary, the Borrower does not covenant to maintain any services or programs now maintained by the Borrower which generate Non-Ad Valorem Revenues or to maintain the charges it presently collects for any such services or programs.

During such time as the Loan is outstanding hereunder, the Borrower agrees that, prior to the issuance of debt by the Borrower which is secured by its Non-Ad Valorem Revenues, it shall deliver to the Commission and the Bank an Anti-Dilution Certificate in the form of Exhibit E attached hereto.

(b) Delivery of Information to the Bank and the Commission. Borrower shall deliver to the Bank and the Commission as soon as available and in any event within two hundred forty (240) days after the end of each Fiscal Year a copy of its audited statement of its financial position as of the end of such Fiscal Year and the related statements of revenues and expenses, fund balances and changes in fund balances for such Fiscal Year, all reported by an independent certified public accountant, whose report shall state that such financial statements present fairly Borrower's financial position as of the end of such Fiscal Year and the results of operations and changes in financial position for such Fiscal Year; [the annual Anti-Dilution Certificate]; and a copy of its annual budget within thirty (30) days after adoption, together with any other information the Bank may reasonably request.

(c) Information. Borrower's chief financial officer shall discuss Borrower's financial matters with the Bank and provide the Bank with copies of any documents reasonably requested by the Bank unless such documents or material cannot be legally provided to the Bank or are protected or privileged from disclosure under applicable Florida law.

(d) Litigation. The Borrower covenants to provide to the Commission and the Bank notice as soon as is reasonably possible of any litigation pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, prospects or condition (financial or otherwise) of the Borrower not in a manner which would adversely affect its ability to make the payments under this Agreement when and as the same become due and payable, or the existence or powers or ability of the Borrower to perform its duties and obligations hereunder.

(e) Further Assurance. The Borrower shall execute and deliver to the Bank and the Commission all such documents and instruments and do all such other acts and things as may be reasonably necessary to enable the Bank to exercise and enforce its rights under this Loan Agreement and to realize thereon, and record and file and re-record and re-file all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be reasonably necessary or required by the Bank to validate, preserve and protect the Bank's security under this Loan Agreement.

(f) Keeping of Records and Books of Account. The Borrower shall keep or cause to be kept proper records and books of account, in which correct and complete entries will be made in accordance with generally accepted accounting principles, consistently applied (except

for changes concurred in by the Borrower's independent auditors) reflecting all of its financial transactions.

(g) Payment of Taxes, Etc. The Borrower shall pay all legally contracted obligations when due and shall pay all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which penalties attach thereto, and all lawful claims, which, if unpaid, might become a lien or charge upon any of its properties, provided that it shall not be required to pay any such tax, assessment, charge, levy or claim which is being contested in good faith and by appropriate proceedings, which shall operate to stay the enforcement thereof.

(h) Compliance with Laws, Etc. The Borrower shall comply with the requirements of all applicable laws, the terms of all grants, rules, regulations and lawful orders of any governmental authority, non-compliance with which would, singularly or in the aggregate, materially adversely affect its business, properties, earnings, prospects or credit, unless the same shall be contested by it in good faith and by appropriate proceedings which shall operate to stay the enforcement thereof.

(i) Tax-Exempt Status of Series 2013A Bond. The Commission and the Borrower understand that it is the intention hereof that the interest on the Series 2013A Bond not be included within the gross income of the holders thereof for federal income tax purposes. In furtherance thereof, the Borrower and the Commission each agree that they will take all action within their control which is necessary in order for the interest on the Series 2013A Bond or this Loan to remain excluded from gross income for federal income taxation purposes and shall refrain from taking any action which results in such interest becoming included in gross income.

The Borrower and the Commission further covenant that, to the extent they have control over the proceeds of the Series 2013A Bond, they will not take any action or fail to take any action with respect to the investment of the proceeds of the Series 2013A Bond, with respect to the payments derived from the Series 2013A Bond or hereunder or with respect to the issuance of other Commission obligations, which action or failure to act may cause the Series 2013A Bond to be "arbitrage bonds" within the meaning of such term as used in Section 148 of the Code and the regulations promulgated thereunder. In furtherance of the covenant contained in the preceding sentence, the Borrower and the Commission agree to comply with the Tax Certificate as to Arbitrage and the provisions of Section 141 through 150 of the Internal Revenue Code of 1986, as amended, including the letter of instruction attached as an exhibit to the Tax Certificate, delivered by Bond Counsel to the Borrower and the Commission simultaneously with the issuance of the Series 2013A Bond, as such letter may be amended from time to time, as a source of guidelines for achieving compliance with the Code.

(j) Information Reports. The Borrower covenants to provide the Commission with all material and information it possesses or has the ability to possess necessary to enable the

Commission to file all reports required under Section 149(e) of the Code to assure that interest paid by the Commission on the Series 2013A Bond shall, for purposes of the federal income tax, be excluded from gross income.

(k) Limited Obligations. Anything in this Loan Agreement to the contrary notwithstanding, it is understood and agreed that all obligations of the Borrower hereunder shall be payable only from Non-Ad Valorem Revenues budgeted and appropriated as provided for hereunder and nothing herein shall be deemed to pledge ad valorem taxation revenues or to permit or constitute a mortgage or lien upon any assets or property owned by the Borrower and no Bondholder or any other person, including the Commission, may compel the levy of ad valorem taxes on real or personal property within the boundaries of the Borrower. The obligations hereunder do not constitute an indebtedness of the Borrower within the meaning of any constitutional, statutory or charter provision or limitation, and neither the Commission or the Bondholders or any other person shall have the right to compel the exercise of the ad valorem taxing power of the Borrower or taxation of any real or personal property therein for the payment by the Borrower of its obligations hereunder. Except to the extent expressly set forth in this Loan Agreement, this Loan Agreement and the obligations of the Borrower hereunder shall not be construed as a limitation on the ability of the Borrower to pledge or covenant to pledge said Non-Ad Valorem Revenues or any revenues or taxes of the Borrower for other legally permissible purposes. Notwithstanding any provisions of this Agreement or the Series Bond to the contrary, the Borrower shall never be obligated to maintain or continue any of the activities of the Borrower which generate user service charges, regulatory fees or any Non-Ad Valorem Revenues or the rates for such services or regulatory fees. Neither this Loan Agreement nor the obligations of the Borrower hereunder shall be construed as a pledge of or a lien on all or any legally available Non-Ad Valorem Revenues of the Borrower, but shall be payable solely as provided in Section 2.02(a) hereof and is subject in all respects to the provisions of Section 166.241, Florida Statutes, and is subject, further, to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Borrower.

The Commission and the Borrower understand that the amounts available to be budgeted and appropriated to make Loan Payments hereunder is subject to the obligation of the Borrower to provide essential services; however, such obligation to make Loan Repayments is cumulative and would carry over from Fiscal Year to Fiscal Year.

(l) Special Covenants and Financial Ratios. The Borrower shall comply with all special covenants and financial ratios set forth in Exhibit E hereto, at the times and upon the conditions as more fully described in Exhibit E hereto, the terms and provisions of which are incorporated by reference as if fully set forth in length.

(m) Ratings. The Borrower covenants to do all things necessary to maintain the minimum ratings established by the Commission assigned by Moody's Investors Service, or its successor, to the obligations of the Borrower. Further, the Borrower consents to a ratings

assessment of the pledged security for the Loan to be performed at least annually by Moody's Investors Service, or its successor, on behalf of the Commission.

(n) Continuing Disclosure. The Borrower shall, as soon as available and in any event within two hundred forty (240) days after the end of each Fiscal Year, provide to the Commission an annual report, which is consistent with the requirements with the Continuing Disclosure Certificate as set forth in Exhibit F hereto.

### ARTICLE III

#### THE LOAN AND THE SERIES 2013A BOND

**SECTION 3.01. Bond Issuance and the Loan.** The Commission hereby agrees to loan to the Borrower and the Borrower hereby agrees to borrow from the Commission the sum of \$\_\_\_\_\_. This amount includes amounts which the Borrower will use for the cost of the initial issuance of the Series 2013A Bond subject to the terms and conditions contained in this Loan Agreement. The amounts advanced net of the cost of the initial issuance are to be used by the Borrower for the purposes of refinancing the Project in accordance with the provisions of this Loan Agreement. The Commission hereby approves the form of the Series 2013A Bond attached hereto as Exhibit D and agrees to hereby issue the Series 2013A Bond to the Bank as set forth herein.

**SECTION 3.02. Evidence of Loan.** The Borrower's obligation hereunder to repay amounts advanced pursuant to Section 3.01, together with interest thereon, and other payments required under this Loan Agreement, shall be evidenced by this Loan Agreement.

**SECTION 3.03. Purchase of Bond.** The Bank agrees to purchase the Series 2013A Bond from the Commission for the amount of \$\_\_\_\_\_, which amount is hereby used to fund the Loan to the Borrower.

**SECTION 3.04. Description of the Series 2013A Bond.** The Series 2013A Bond shall be dated as of the date of Closing; shall mature on the Maturity Date and shall be in registered form. The Series 2013A Bond shall bear interest from the date of Closing until payment of the entire outstanding principal amount due thereon. The rate of interest shall be \_\_\_\_\_% and shall be calculated using a 360-day year consisting of twelve 30-day months. Interest on the Series 2013A Bond shall be paid on each Interest Payment Date, commencing April 1, 2013 directly to the Bank. Principal shall be paid annually on October 1 each year, commencing October 1, 2014, until the Maturity Date directly to the Bank.

The Series 2013A Bond shall have the further terms set forth in Exhibit D. The Commission hereby pledges and assigns all amounts payable by the Borrower as Loan Repayments to the Bank as security for the payment of the Series 2013A Bond.

## ARTICLE IV

### LOAN TERM AND LOAN CLOSING REQUIREMENTS

**SECTION 4.01. Commencement of Loan Term.** The Borrower's obligations under this Loan Agreement shall commence on the date hereof unless otherwise provided in this Loan Agreement.

**SECTION 4.02. Termination of Loan Term.** The Borrower's obligations under this Loan Agreement shall terminate after payment in full of all amounts due under this Loan Agreement and all amounts not theretofore paid shall be due and payable at the times and in the amounts set forth in Exhibit C attached hereto; provided, however, that all covenants and all obligations provided hereunder specified to so survive (including the obligation of the Borrower to pay of the rebate obligations of the Commission owed on the Series 2013A Bond) shall survive the termination of this Loan Agreement and the payment in full of principal and interest hereunder. Upon termination of the Loan Term as provided above, the Commission and the Bank shall deliver, or cause to be delivered, to the Borrower an acknowledgment thereof.

**SECTION 4.03. Loan Closing Submissions.** Concurrently with the execution and delivery of this Loan Agreement, the Borrower is providing to the Bank the following documents each dated the date of such execution and delivery unless otherwise provided below:

- (a) A certified resolution or ordinance of the Borrower authorizing the Loan and this Agreement;
- (b) An opinion of the Borrower's Counsel in the form of Exhibit B attached hereto to the effect that the Loan Agreement is a valid and binding obligation of the Borrower and opining to such other matters as may be reasonably required by Bond Counsel and the Bank;
- (c) A certificate of the officials of the Borrower who sign this Loan Agreement to the effect that the representations and warranties of the Borrower herein are true and correct;
- (d) an Anti-Dilution Certificate;
- (e) This executed Loan Agreement;
- (f) An opinion (addressed to the Commission, the Bank and the Borrower) of Bond Counsel to the effect that such refinancing of the Project with Loan proceeds is permitted under the Act and the resolution authorizing this Loan Agreement together with a customary tax opinion reasonably acceptable to the Bank; and

(g) Such other certificates, documents, opinions and information as the Commission, the Bank or Bond Counsel may require.

All opinions and certificates shall be dated the date of the Closing.

[Remainder of page intentionally left blank]

## ARTICLE V

### LOAN REPAYMENTS

**SECTION 5.01. Payment of Loan Repayments.** Borrower shall pay all Loan Repayments in lawful money of the United States of America to the Bank on behalf of the Commission, as payment on the Series 2013A Bond. No such Loan Repayment shall be in an amount such that interest on the Loan is in excess of the maximum rate allowed by the laws of the State of Florida or of the United States of America. The Loan shall be repaid in Basic Payments, consisting of:

- (a) principal in the amounts and on the dates set forth in Exhibit C; plus
- (b) interest in the amounts and on the dates set forth in Exhibit C.

**SECTION 5.02. Payment of Additional Payments.** In addition to Loan Repayments, Borrower agrees to pay on demand of the Commission or the Bank, the following Additional Payments:

(a) the reasonable annual fees or expenses of the Commission, if any, including the reasonable fees of any provider of arbitrage rebate calculations; the reasonable fees of the Program Administrator.

(b) All reasonable fees and expenses of the Commission or Bank relating to this Loan Agreement, including, but not limited to:

- (1) the cost of reproducing this Loan Agreement;
- (2) the reasonable fees and disbursements of Counsel utilized by the Commission and the Bank in connection with the Loan, this Loan Agreement and the enforcement thereof;
- (3) reasonable extraordinary fees of the Bank following a default;
- (4) all taxes (including any recording and filing fees) in connection with the execution and delivery of this Loan Agreement and the pledge and assignment of the Commission's right, title and interest in and to the Loan, the Loan Repayments and this Loan Agreement, and all expenses, including reasonable attorneys' fees, relating to any amendments, waivers, consents or collection or enforcement proceedings pursuant to the provisions hereof;
- (5) any amounts owed to the United States of America as rebate obligations on the Series 2013A Bond, or amounts incurred by the Borrower or the Commission in

complying with regulations of the U.S. Department of Treasury, which obligations shall survive the termination of this Loan Agreement;

(6) any Additional Amount (as defined in the Series 2013A Bond) imposed as a result of a Determination of Taxability (as defined in the Series 2013A Bond).

**SECTION 5.03. Obligations of Borrower Unconditional.** Subject in all respects to the provisions of this Loan Agreement, including but not limited to Section 2.02(a) and (k) hereof, the obligations of Borrower to make the Loan Repayments required hereunder and to perform and observe the other agreements on its part contained herein, shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while the series 2013A Bond remains outstanding or any Loan Repayments remain unpaid, regardless of any contingency, act of God, event or cause whatsoever. The Borrower shall pay in full the Loan Repayments and all other payments required hereunder, regardless of any rights of set-off, recoupment, abatement or counterclaim that Borrower might otherwise have against the Commission, the Bank or any other party or parties.

**SECTION 5.04. Prepayment.** The Loan may be prepaid in whole by the Borrower as set forth in the form of the Series 2013A Bond attached hereto as Exhibit D.

[Remainder of page intentionally left blank]

## ARTICLE VI

### DEFEASANCE

This Loan Agreement shall continue to be obligatory and binding upon the Borrower in the performance of the obligations imposed by this Loan Agreement and the repayment of all sums due by the Borrower under this Loan Agreement shall continue to be secured by this Loan Agreement as provided herein until all of the indebtedness and all of the payments required to be made by the Borrower shall be fully paid to the Commission or the Bank. Provided, however, if, at any time, the Borrower shall have paid, or shall have made provision for payment of, the principal amount of the Loan and the Series 2013A Bond and shall have paid all amounts due pursuant to Section 5.02 hereof, then, and in that event, the covenant regarding the Non-Ad Valorem Revenues and the lien on the revenues pledged, if any, to the Commission for the benefit of the holders of the Series 2013A Bond shall be no longer in effect and all future obligations of the Borrower under this Loan Agreement shall cease. For purposes of the preceding sentence, deposit of sufficient cash and/or Governmental Obligations in irrevocable trust with a banking institution or trust company, for the sole benefit of the Bank, the principal, interest and prepayment premiums, if any, received will be sufficient (as reflected in an Accountant's verification report) to make timely payment of the principal, interest and prepayment premiums, if any, on the Outstanding Loan and Series 2013A Bond, shall be considered "provision for payment."

If the Borrower shall make advance payments in an amount sufficient to retire the Loan of the Borrower, including any redemption premium and accrued interest to the next succeeding redemption date of the Series 2013A Bond, all future obligations of the Borrower under this Loan Agreement shall cease, including the obligations under Section 5.02 hereof, except as provided in Section 4.02 hereof.

[Remainder of page intentionally left blank]

## ARTICLE VII

### ASSIGNMENT AND PAYMENT BY THIRD PARTIES

**SECTION 7.01. Assignment by Commission to Bank.** The Bank shall be entitled to act hereunder in the place and stead of the Commission if the Loan is in default, except as specifically reserved to the Commission herein.

**SECTION 7.02. Assignment by Borrower.** This Loan Agreement may not be assigned by the Borrower for any reason without the express prior written consent of the Bank. The Borrower shall give prior written notice to the Commission of any such assignment.

**SECTION 7.03. Assignment by Bank.** The Bank's or any subsequent Owner's right, title, and interest in and to the Series 2013A Bond, the Loan Repayments and any other amounts payable by the Borrower hereunder may be assigned and reassigned in whole or in part to one or more assignees or subassignees by the Bank or any subsequent Owner, without the necessity of obtaining the consent of the Borrower or the Commission; provided, that any such assignment, transfer or conveyance (i) shall be made only to investors each of whom the Bank or subsequent owner reasonably believes is (A) an "accredited investor" within the meaning of Regulation D under the Securities Act of 1993, as amended, or (B) a "qualified institutional buyer" as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1993, as amended, and is purchasing the Series 2013A Bond (or any interest therein), subject to each investor's right at any time to dispose of the Series 2013A Bond (or any interest therein) as it determines to be in its best interest and (ii) shall result in more than 35 owners of the Bank's or subsequent Owner's right and interest in the Series 2013A Bond. The Series 2013A Bond shall only be transferred at par.

[Remainder of page intentionally left blank]

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES

**SECTION 8.01. Events of Default Defined.** The following shall be “Events of Default” under this Loan Agreement and the terms “Event of Default” and “Default” shall mean (except where the context clearly indicates otherwise), whenever they are used in this Loan Agreement, any one or more of the following events:

(a) Failure by the Borrower to timely pay any Loan Repayment, within ten (10) days of the date due, so long as the Series 2013A Bond is outstanding;

(b) Failure by the Borrower to timely pay any other payment required to be paid hereunder on the date on which it is due and payable, provided the Borrower has prior written notice of any such payments being due;

(c) Failure by the Borrower to observe and perform any covenant, condition or agreement, on its part to be observed or performed under this Loan Agreement, other than a failure listed hereunder in this Section 8.01, for a period of thirty (30) days after notice of the failure, unless the Bank shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Bank, but cannot be cured within the applicable 30-day period, the Bank will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the failure is corrected; provided that such failure shall in any event be corrected within ninety (90) days;

(d) Any warranty, representation or other statement by the Borrower or by an officer or agent of the Borrower contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement, is false or misleading in any material respect when made;

(e) A petition is filed against the Borrower under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within 60 days of such filing;

(f) The Borrower files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;

(g) The Borrower admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including without limitation a receiver, liquidator or trustee) of the Borrower or any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than 60 days;

(h) Any material provision of this Loan Agreement shall at any time for any reason cease to be valid and binding on the Borrower, or shall be declared to be null and void, or the validity or enforceability of this Loan Agreement shall be contested by the Borrower or any governmental agency or authority, or if the Borrower shall deny any further liability or obligation under this Loan Agreement;

(i) Final judgment for the payment of money in the amount of \$250,000 or more is rendered against the Borrower, the payment of which would materially adversely affect the Borrower's ability to meet its obligations hereunder (it being agreed that, if insurance or adequate reserves are available to make such payment, such judgment would not materially affect the Borrower's ability to meet its obligations hereunder) and at any time after 90 days from the entry thereof, unless otherwise provided in the final judgment, (i) such judgment shall not have been discharged, or (ii) the Borrower shall not have taken and be diligently prosecuting an appeal therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, and have caused the execution of or levy under such judgment, order, decree or process of the enforcement thereof to have been stayed pending determination of such appeal, provided that such execution and levy would materially adversely affect the Borrower's ability to meet its obligations hereunder; or (iii) the Borrower is not obligated with respect to such judgment pursuant to the provisions of Chapter 768, Florida Statutes or other applicable law; or

(j) The Borrower or the Legislature of the State shall terminate the corporate existence of the Borrower unless, in the opinion of the Bank, adequate provision is made by law for the obligations of the Borrower hereunder.

**SECTION 8.02. Notice of Default.** The Borrower agrees to give the Bank and the Commission prompt written notice if any petition, assignment, appointment or possession referred to in Section 8.01(e), 8.01(f) and 8.01(g) is filed by or against the Borrower or of the occurrence of any other event or condition which constitutes a Default or an Event of Default, or with the passage of time or the giving of notice would constitute an Event of Default, immediately upon becoming aware of the existence thereof.

**SECTION 8.03. Remedies on Default.**

(a) If any Loan Repayment is not paid when due, any amount so in default shall bear interest at the Default Rate until such Default is cured. Anything provided herein or in the Series

2013A Bond to the contrary notwithstanding, in no event shall the Loan bear interest in excess of the Maximum Rate. In the event the interest rate exceeds the Maximum Rate, the Series 2013A Bond shall continue to bear interest at the Maximum Rate regardless of the reduction of the interest rate to a rate less than the Maximum Rate until such time as interest shall accrue on the Loan in an amount (the "Excess Interest") that would have accrued thereon had the interest rate not been limited by the Maximum Rate. Upon the Maturity Date, in consideration for the limitation of the interest rate otherwise payable on the Series 2013A Bond, the Commission shall pay to the Owner of the Series 2013A Bond a fee equal to the amount of the unpaid amount of all unpaid deferred Excess Interest.

(b) Whenever any Event of Default (except an Event of Default under Section 8.01(b)) hereof relating to payments due and owing by the Borrower hereunder to the Commission) shall have happened and be continuing, the Bank shall, in addition to any other remedies herein or by law provided, have the right, at its option without any further demand or notice, to take whatever other action at law or in equity which may appear necessary or desirable to collect amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder and shall have the right in its sole authority to determine whether to exercise any remedies provided herein or by law or in equity and in what manner.

Whenever an Event of Default under Section 8.01(b) hereof relating to payments due and owing by the Borrower hereunder to the Commission shall have happened and be continuing, the Commission with the prior written consent of the Bank, shall have the right, at its option to take whatever other action at law or in equity which may appear to enforce its rights hereunder with respect to such default.

#### **SECTION 8.04. [Reserved].**

**SECTION 8.05. No Remedy Exclusive; Waiver, Notice.** No remedy herein conferred upon or reserved to the Commission or the Bank is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Commission or the Bank to exercise any remedy reserved to it in this Article VIII, it shall not be necessary to give any notice other than such notice as may be required in this Article VIII.

**SECTION 8.06. Application of Moneys.** Any moneys collected by the Commission or the Bank pursuant to Section 8.03 hereof shall be applied (a) first, to pay interest due on the Loan, (b) second, to pay principal due on the Loan, (c) third, to pay any attorney's fees or other expenses owed by the Borrower pursuant to Section 5.02(b)(3) and (4) hereof, (d) fourth, to pay any other amounts due hereunder, and (e) fifth, to pay interest and principal on the Loan and

other amounts payable hereunder but which are not due, as they become due (in the same order, as to amounts which come due simultaneously, as in (a) through (d) in this Section 8.06).

[Remainder of page intentionally left blank]

## ARTICLE IX

### MISCELLANEOUS

**SECTION 9.01. Notices.** All notices, certificates or other communication hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

Commission: Sunshine State Governmental Financing Commission  
Post Office Box 15468  
Tallahassee, Florida 32317-5468

With a copy to: Program Administrator  
The GAMS Group, Inc.  
2308 Tour Eiffel Drive  
Tallahassee, Florida 32308-5932

Bank: Pinnacle Public Finance, Inc.  
8377 E. Hartford Drive, Suite 115  
Scottsdale, Arizona 85255  
Attention: Cathy Jimenez

Borrower: City of Coral Gables, Florida  
P.O. Box 141549  
Coral Gables, Florida 33114  
Attention: Finance Director

Any of the above parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

**SECTION 9.02. Binding Effect.** This Loan Agreement shall inure to the benefit of the Bank, the Commission and the Borrower, and shall be binding upon the Bank, the Commission and the Borrower and their respective successors and assigns. In the event the Commission is dissolved, ceases to be an entity, or if it is determined that the Commission did not have authority to enter into this Loan Agreement, this Loan Agreement shall be treated as an agreement between the Borrower and the Bank, and all provisions herein relative to the Commission shall be interpreted in a manner consistent with such treatment.

**SECTION 9.03. Severability.** In the event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**SECTION 9.04. Amendments, Changes and Modifications.** This Loan Agreement may be amended by the Commission and the Borrower; provided, however, that no such amendment shall be effective unless it shall have been consented to in writing by the Bank.

**SECTION 9.05. Execution in Counterparts.** This Loan Agreement may be simultaneously executed in several counterparts, each of which, when so executed and delivered, shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 9.06. Applicable Law.** This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

**SECTION 9.07. Benefit of Bondholders.** This Loan Agreement is executed in part to induce the purchase by the Bank of the Series 2013A Bond. Accordingly, all covenants, agreements and representations on the part of the Borrower and the Commission, as set forth in this Loan Agreement, are hereby declared to be for the benefit of the holders from time to time of the Series 2013A Bond.

**SECTION 9.08. Consents and Approvals.** Whenever the written consent or approval of the Commission shall be required under the provisions of this Loan Agreement, such consent or approval may be given by an Authorized Representative of the Commission or such other additional persons provided by law or by rules, regulations or resolutions of the Commission.

**SECTION 9.09. Immunity of Officers, Employees and Members of Commission and Borrower.** No recourse shall be had for the payment of the principal of or premium or interest hereunder or for any claim based thereon or upon any representation, obligation, covenant or agreement in this Loan Agreement against any past, present or future official officer, member, counsel, employee, director or agent, as such, of the Commission or the Borrower, either directly or through the Commission or the Borrower, or respectively, any successor public or private corporation thereto under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, counsels, employees, directors or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement.

**SECTION 9.10. Captions.** The captions or headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of sections of this Loan Agreement.

**SECTION 9.11. No Pecuniary Liability of Commission.** No provision, covenant or agreement contained in this Loan Agreement, or any obligation herein imposed upon the Commission, or the breach thereof, shall constitute an indebtedness or liability of the State or any political subdivision or municipal corporation of the State or any public corporation or governmental agency existing under the laws thereof other than the Commission. In making

the agreements, provisions and covenants set forth in this Loan Agreement, the Commission has not obligated itself except with respect to the application of the revenues, income and all other property as derived herefrom, as hereinabove provided.

**SECTION 9.12. Payments Due on Holidays.** With the exception of Loan Repayments, if the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Loan Agreement, shall be other than on a Business Day, such payments may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Loan Agreement; provided however, that any interest due shall accrue until paid.

**SECTION 9.13. Calculations.** Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

**SECTION 9.14. Time of Payment.** Any Loan Repayment or other payment hereunder which is received by the Bank after 2:00 p.m. (New York time) on any day shall be deemed received on the following Business Day.

**SECTION 9.15. Waiver of Jury Trial.** The Commission, the Borrower and the Bank irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any controversy or claim between them, whether arising in contract, tort or by statute, that arises out of or relates to this Loan Agreement, the Series 2013A Bond or the Resolution. This provision is a material inducement for the Commission, the Borrower and the Bank to enter into this Loan Agreement.

**SECTION 9.16. Amendment to Interlocal Agreement.** The Commission agrees not to amend or modify the Interlocal Agreement or enter into any arrangement which would have the effect of affecting the rights, obligations or remedies of the parties hereunder with respect to the Loan or under the Series 2013A Bond without the prior written consent of the Bank.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Sunshine State Governmental Financing Commission has caused this Loan Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attested by its duly authorized officers and the City of Coral Gables, Florida, has caused this Loan Agreement to be executed in its name with its seal hereunto affixed and attached by its duly authorized officers and Pinnacle Public Finance, Inc. has caused this Loan Agreement to be executed in its corporate name and attested by its duly authorized officers. All of the above occurred as of the date first above written.

SUNSHINE STATE GOVERNMENTAL  
FINANCING COMMISSION

(SEAL)

By: \_\_\_\_\_  
Title: Chair

ATTEST:

By: \_\_\_\_\_  
Title: Secretary-Treasurer

LOAN AGREEMENT

CITY OF CORAL GABLES, FLORIDA

(SEAL)

By: \_\_\_\_\_  
Title: Mayor

ATTESTED BY:

By: \_\_\_\_\_  
Title: City Clerk

Approved as to form and correctness  
this \_\_\_\_ day of February, 2013.

By: \_\_\_\_\_  
Title: City Attorney

LOAN AGREEMENT

PINNACLE PUBLIC FINANCE, INC.

By: \_\_\_\_\_  
Title: President

**EXHIBIT A**

**CITY OF CORAL GABLES, FLORIDA  
USE OF LOAN PROCEEDS**

**DESCRIPTION OF PROJECT TO BE ACQUIRED, CONSTRUCTED OR REFINANCED**

<u><b>PROJECT</b></u>	<u><b>TOTAL AMOUNT TO BE FINANCED</b></u>
Refinancing the loan to the City from the proceeds of the \$22,195,000 Sunshine State Governmental Financing Commission Tax-Exempt Revenue Bonds, Series 2004A evidenced by a Loan Agreement between Sunshine State Governmental Financing Commission and the City dated as of January 1, 2004	
Cost of Issuance	
Total	\$

**EXHIBIT B**

**OPINION OF BORROWER'S COUNSEL**

[Letterhead of Counsel to Borrower]

February \_\_\_\_, 2013

Sunshine State Governmental Financing Commission  
Tallahassee, Florida

Bryant Miller Olive P.A.  
Miami, Florida

Pinnacle Public Finance, Inc.  
\_\_\_\_\_/\_\_\_\_\_

Gentlemen:

We are counsel to City of Coral Gables, Florida (the "Borrower"), and have been requested by the Borrower to give this opinion in connection with the loan by the Sunshine State Governmental Financing Commission (the "Commission") to the Borrower of funds to refinance the cost of certain projects (the "Projects") as defined in, and as described in Exhibit A of the Loan Agreement, dated as of February 1, 2013 (the "Loan Agreement"), between Pinnacle Public Finance, Inc. (the "Bank"), the Commission and the Borrower.

In this connection, we have reviewed such records, certificates and other documents as we have considered necessary or appropriate for the purposes of this opinion, including applicable laws, and ordinances adopted by the City Commission of the Borrower, the Loan Agreement and Resolution No. \_\_\_\_\_ adopted by the Borrower on February \_\_\_\_, 2013 (the "Resolution"). Based on such review, and such other considerations of law and fact as we believe to be relevant, we are of the opinion that:

(a) The Borrower is a municipality duly organized and validly existing under the Constitution and laws of the State of Florida and under the provisions of the Constitution and laws of the State of Florida. The Borrower has the legal right and all requisite power and authority to enter into the Loan Agreement, to adopt the Resolution and to consummate the transactions contemplated thereby, including the refinancing of the Project, and otherwise to carry on its activities and own its property.

(b) The Borrower has duly authorized, executed and delivered the Resolution and the Loan Agreement, and such instruments are legal and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, except to the extent that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity, and to the sovereign police powers of the State of Florida and the constitutional powers of the United States of America.

(c) The execution and delivery of the Resolution and the Loan Agreement, the consummation of the transactions contemplated thereby, the refinancing of the indebtedness to be refinanced with the proceeds of the loan and the fulfillment of or compliance with the terms and conditions of the Loan Agreement do not and will not conflict with or result in a material breach of or default under any of the terms, conditions or provisions of any agreement, contract or other instrument, or law, ordinance, regulation, or judicial or other governmental order, to which the Borrower is now a party or it or its properties is otherwise subject or bound, and the Borrower is not otherwise in violation of any of the foregoing in a manner material to the transactions contemplated by the Loan Agreement.

(d) There is no litigation or legal or governmental action, proceeding, inquiry or investigation pending or, to the best of our knowledge, threatened or to which the Borrower is a party or of which any property of the Borrower is subject, which has not been disclosed in writing to the Commission and the Bank and which, if determined adversely to the Borrower, would individually or in the aggregate materially and adversely affect the validity or the enforceability of the Loan Agreement, or the properties or conditions (financial or otherwise) of the Borrower, or the ability of the Borrower to enter into and perform its obligations under the Loan Agreement.

(e) Any indebtedness being refinanced, directly or indirectly, with the proceeds of the loans was initially incurred by the Borrower, and the proceeds of such indebtedness have been fully expended, to finance the cost of the Project.

(f) No authorization, approval, consent, license or other action of any court or public or governmental or regulatory authority having jurisdiction over the Borrower that has not been obtained is or will be required for adoption of the Resolution, the issuance and sale of the Series 2013A Bond (as defined in the Loan Agreement) or the valid and lawful authorization, execution and delivery of, or consummation by the Borrower of the other transactions contemplated by, the Loan Agreement and the Resolution.

Very truly yours,

EXHIBIT C

DEBT SERVICE SCHEDULE

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
04/01/2013				
10/01/2013				
04/01/2014				
10/01/2014				
04/01/2015				
10/01/2015				
04/01/2016				
10/01/2016				
04/01/2017				
10/01/2017				
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04/01/2026				
10/01/2026				
04/01/2027				
10/01/2027				
04/01/2028				
10/01/2028				

**EXHIBIT D**

**FORM OF SERIES 2013A BOND**

TRANSFER OF THIS BOND IS SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 7.03 OF THE LOAN AGREEMENT.

No. R-1

\$\_\_\_\_\_

SUNSHINE STATE GOVERNMENTAL FINANCING COMMISSION  
REVENUE BOND, SERIES 2013A

RATE OF INTEREST

MATURITY DATE

DATE OF ISSUE

\_\_\_\_\_%

October 1, 2028

\_\_\_\_\_, 2013

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL MEN BY THESE PRESENTS, that the Sunshine State Governmental Financing Commission (the "Commission"), for value received, hereby promises to pay to the Registered Owner designated above, or registered assigns, solely from the special funds hereinafter mentioned, on October 1, 2014, and on each October 1 thereafter, to and including the Maturity Date specified above, the installments of the above Principal Amount as shown on Schedule 2 attached hereto and forming a part hereof (the "Schedule") and not previously repaid, and to pay solely from such funds interest on the outstanding Principal Amount hereof from the date of this Bond or from the most recent date to which interest has been paid, whichever is applicable, until payment of such Principal Amount, interest at the Rate of Interest shown above, subject to adjustment as set forth in Schedule I attached hereto, such interest being payable semi-annually on each April 1 and October 1 (an "Interest Payment Date") commencing April 1, 2013, with all unpaid interest being due on the Maturity Date or upon the earlier payment of principal hereunder, by wire transfer in accordance with written instructions delivered by the Registered Owner to the Commission or by such other medium acceptable to the Commission and to such Registered Owner. The principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America. Interest due hereon shall be calculated on the basis of a 360-day year of twelve 30-day months.

This Bond may be prepaid in whole, but not in part, on any Interest Payment Date

commencing October 1, 2018 at a price equal to 101% of the amount to be prepaid.

This Bond is issued to finance the costs of refinancing certain outstanding obligations, as described in the Loan Agreement, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 163, Part I, Florida Statutes, Chapter 166, Part II, Florida Statutes, as amended, and other applicable provisions of law, Resolution No. \_\_\_\_\_ adopted by the Board of Directors of the Commission December \_\_, 2012, (the "Resolution"), and pursuant to a Loan Agreement among Pinnacle Public Finance, Inc., the Commission and the City of Coral Gables, Florida (the "Borrower"), dated February 1, 2013 (the "Loan Agreement"), to which reference should be made to ascertain those terms and conditions.

This Bond is payable from and secured solely by a lien upon and pledge of the Loan Repayments, as defined and described in the Loan Agreement, all in the manner provided in, and subject to the terms and conditions of the Resolution and the Loan Agreement.

The principal of and interest on this Bond do not constitute a general obligation or indebtedness of the Commission or the Borrower, and the Registered Owner shall never have the right to require or compel the levy of taxes on any property of or in the Commission or the Borrower for the payment of the principal of and interest on this Bond. The issuance of this Bond shall not directly, indirectly or contingently obligate the Borrower, the State or any political subdivision or municipal corporation thereof to levy or pledge any form of ad valorem taxation for its payment but shall be payable solely from the funds and revenues pledged under and pursuant to the Loan Agreement.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of Florida to be performed, to exist and to happen precedent to and in the issuance of this Bond, have been performed, exist and have happened in regular and due form and time as so required.

IN WITNESS WHEREOF, the Sunshine State Governmental Financing Commission has caused this Bond to be executed by the Chair or Vice-Chair, and attested by the Secretary-Treasurer, either manually or with their facsimile signatures, and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the Date of Issue above.

SUNSHINE STATE GOVERNMENTAL  
FINANCING COMMISSION

(SEAL)

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

ATTEST:

By: \_\_\_\_\_  
Secretary-Treasurer

CERTIFICATE OF AUTHENTICATION

This is the Bond described in the within defined Loan Agreement hereby duly authenticated and registered.

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

SUNSHINE STATE GOVERNMENTAL  
FINANCING COMMISSION

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

## SCHEDULE 1

### ADJUSTMENTS TO INTEREST RATE

In the event of a Determination of Taxability, the interest rate payable hereunder shall be subject to a full gross-up modification, as determined by the Registered Owner and its counsel (the "Taxable Rate"), effective retroactively to the date on which such Determination of Taxability was made. In addition, upon a Determination of Taxability, the Borrower agrees to pay to the Registered Owner subject to such Determination of Taxability the Additional Amount upon demand. "Additional Amount" means (i) the difference between (a) interest on this Bond for the period commencing on the date on which the interest on this Bond ceased to be excludable from gross income for federal income tax purposes and ending on the earlier of the date this Bond ceased to be outstanding or such adjustment is no longer applicable to this Bond (the "Taxable Period") at a rate per annum equal to the Taxable Rate, and (b) the aggregate amount of interest paid on this Bond for the Taxable Period under the provisions of this Bond without considering the Determination of Taxability, plus (ii) any penalties and interest paid or payable by such Registered Owner to the Internal Revenue Service by reason of such Determination of Taxability. As used herein, "Determination of Taxability" means a final decree or judgment of any federal court or a final action of the Internal Revenue Service or of the United States Treasury Department determining that any interest payable on this Bond is includable in the gross income of the Registered Owner. No such decree or action shall be considered final for the purposes of this paragraph unless the Borrower has been given written notice thereof and, if it is so desired by the Borrower and is legally permissible, the Borrower has been afforded the opportunity to contest the same, at its own expense, either directly or in the name of the Registered Owner and until the conclusion of any appellate review, if sought.

SCHEDULE 2

PAYMENT SCHEDULE

<u>Period Ending</u>	<u>Principal</u>
10/01/2014	
10/01/2015	
10/01/2016	
10/01/2017	
10/01/2018	
10/01/2019	
10/01/2020	
10/01/2021	
10/01/2022	
10/01/2023	
10/01/2024	
10/01/2025	
10/01/2026	
10/01/2027	
10/01/2028	
	<hr/>
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## EXHIBIT E

### SPECIAL COVENANTS AND FINANCIAL RATIOS

Pursuant to Section 2.02(a) hereof, the Borrower has covenanted and agreed to budget and appropriate in its annual budget, by amendment, if required, and to pay when due directly to the Bank, sufficient amounts of Non-Ad Valorem Revenues or other legally available funds sufficient to satisfy the Loan Payment as required hereunder. The obligation of the Borrower pursuant to Section 2.02(a) includes an obligation to make amendments to the budget of the Borrower to assure compliance with the terms and provisions thereof.

#### ADDITIONAL DEBT

As certified in the Anti-Dilution Certificate in the form attached hereto, the Borrower may incur additional debt payable from or secured by Non-Ad Valorem Revenues only if the average total amount of Non-Ad Valorem Revenues for the two most recent prior fiscal years was at least 2.00 times the maximum annual debt service on all outstanding debt of the Borrower payable from or secured by Non-Ad Valorem Revenues and the debt proposed to be issued (including all long-term financial obligations appearing on the Borrower's most recent audited financial statements) (collectively, the "Debt").

For purposes of calculating maximum annual debt service if the terms of the Debt are such that interest thereon for any future period of time is to be calculated at a rate which is not then susceptible of precise determination ("Variable Rate Debt"), interest on such Variable Rate Debt shall be computed as follows:

(a) if the principal amount of Variable Rate Debt (including any Variable Rate Debt proposed to be incurred) is less than or equal to 25% of the principal amount of all Debt (including the Debt proposed to be incurred), an interest rate equal to the higher of 12% per annum or The Bond Buyer 40 Index shall be assumed; or

(b) if the principal amount of Variable Rate Debt (including any Variable Rate Debt proposed to be incurred) is more than 25% of the principal amount of all Debt (including the Debt proposed to be incurred), the maximum rate which could be borne by such Variable Rate Debt shall be assumed.

For purposes of any loan, including the Loan, where the lender obtains the right to put the loan back to the Borrower at a specific date, the Borrower shall assume that the loan is amortized over the full term (put is not exercised) when calculating maximum annual debt service. In the event that the Borrower is required to fund a reserve fund, the funding of such reserve fund shall be included in the calculation of debt service. For the purposes of calculating maximum annual debt service, the Variable Rate Debt with a bullet maturity shall be assumed to amortize in up to 20 years on a level debt service basis.

FORM OF ANTI-DILUTION CERTIFICATE

I, \_\_\_\_\_, the undersigned, Finance Director of the City of Coral Gables, Florida, hereby certify in connection with the Sunshine State Governmental Financing Commission Revenue Bonds, Series 2013A that:

1. The average total amount of Non-Ad Valorem Revenues for the prior two fiscal year were at least 2.00 times the maximum annual debt service on all outstanding debt of the Borrower payable from or secured by Non-Ad Valorem Revenues (including all long-term financial obligations appearing on the Borrower's most recent audited financial statements) (collectively, the "Debt").

2. The calculation and supporting schedules, attached hereto, are true and correct.

3. A copy of the audited financial statements or comprehensive annual financial report of the Borrower for the period ending September 30, \_\_\_\_ or the most recent fiscal year ended may be obtained electronically at the following internet address:  
\_\_\_\_\_.

Executed as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

CITY OF CORAL GABLES, FLORIDA

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

Name: \_\_\_\_\_

Title: Finance Director

FORM OF ANTI-DILUTION TEST CALCULATION

**Anti-Dilution Test <sup>A</sup>**

	Without Proposed Debt to be Incurred	With Proposed Debt to be Incurred	Total Debt
1	\$	\$	\$
2			
3			
4			
5			
6	\$	\$	\$

<sup>A</sup> This schedule supports the Anti-Dilution Certificate required under Exhibit E “Special Covenants and Financial Ratios” of the Loan Agreement. Attach supporting schedules for Lines 1, 2, and 3, as required.

<sup>B</sup> Non ad valorem revenues per Exhibit E shall have the meaning ascribed thereto in the Loan Agreement.

<sup>C</sup> Projected debt service is based on the maximum estimated annual loan payments for the Sunshine State loans during the remaining fiscal years until the date of maturity of such loans and the maximum annual debt service on bonds or other debt obligations payable or secured from Non Ad Valorem Revenues outstanding as of the appropriate year end.

**EXHIBIT F**  
**BORROWER'S**  
**CONTINUING DISCLOSURE CERTIFICATE**

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Coral Gables, Florida (the "Borrower") in connection with the issuance of \$\_\_\_\_\_ Sunshine State Governmental Financing Commission (the "Commission") Revenue Bonds, Series 2013A (the "Bond"). The Bond is being issued pursuant to the Loan Agreement (the "Loan") by and among Pinnacle Public Finance, Inc. (the "Bank"), the Commission, and the Borrower, dated February 1, 2013.

The Borrower covenants and agrees as follows:

**SECTION 1. PURPOSE OF THE DISCLOSURE CERTIFICATE.** This Disclosure Certificate is being executed and delivered by the Borrower for the benefit of the Commission and the Owner of the Bond. It is the understanding of the Commission and the Borrower that they are not legally required to comply with the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12 in connection with the Loan.

**SECTION 2. DEFINITIONS.** In addition to the definitions set forth in the Loan Agreement which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

["Designated Funds" shall mean the fund or funds listed on Exhibit E of the Loan Agreement.]

"Event of Bankruptcy" shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure

Certificate.

“Loan Agreement” shall mean the Loan Agreement executed between the Bank, the Commission and the Borrower, dated February 1, 2013.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Obligated Person” shall mean any person, including the Commission and the Borrower, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Loan (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

“Rule” shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same maybe amended from time to time.

SECTION 3. PROVISION OF ANNUAL REPORTS. The Borrower or its dissemination agent shall, as soon as available and in any event within two hundred forty (240) days after the end of each Fiscal Year, provide to the Commission and the Bank an Annual Report, which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Borrower may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Borrower's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

If the Borrower is unable to cause an Annual Report to be provided to the Commission and the Bank by the date required in subsection (a), the Borrower shall send a notice to the Commission and the Bank in substantially the form attached as Exhibit A.

The Commission shall acknowledge the receipt of the Borrower's submission.

SECTION 4. CONTENT OF ANNUAL REPORTS. The Borrower's Annual Report shall contain or include by reference the following:

The audited financial statements of the Borrower for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Borrower's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statement, and the audited financial statements shall be filed in the same manner as

the Annual Report when they become available.

An update of the annual Anti-Dilution Certificate provided in Exhibit E of the Loan Agreement, including the tabular information and any supporting data attached or referenced by the Anti-Dilution Certificate.

The information provided under Section 4(a) and 4(b) may be included by specific reference to other documents, including the official statements of debt issues of the Commission, Borrower or related public entities. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Borrower shall clearly identify each such other document so included by reference.

#### SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

Pursuant to the provisions of this Section 5, the Borrower shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Loan to the Commission and the Bank. Such notice shall be given in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 14 below, which notice shall be given in a timely manner:

1. additional debt secured by the Non-Ad Valorem Revenues, together with such evidence demonstrating compliance with the Commission's lending and credit rating criteria for borrowers;
2. delinquencies in the payment of principal and interest;
3. non-payment related defaults;
4. unscheduled draws on the debt service reserves reflecting financial difficulties;
5. unscheduled draws on credit enhancements reflecting financial difficulties;
6. substitution of credit or credit facility provider, or their failure to perform;
7. adverse tax opinions to or events affecting the tax-exempt status of the Loan;
8. modifications to rights of the Holder, if material;
9. any call (other than scheduled principal repayments) or any acceleration of the maturity thereof;
10. defeasance in whole or in part;

11. release, substitution, or sale of property securing repayment of the Loan;
12. any change in the rating assigned to the Loan or other related obligations of the Borrower;
13. an Event of Bankruptcy or similar event of the Borrower; and
14. notice of any failure on the part of the Borrower to meet the requirements of Section 3 hereof.

SECTION 6. TERMINATION OF REPORTING OBLIGATION. The Borrower's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 7. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Certificate, the Borrower may amend this Disclosure Certificate with the consent of the Commission, and any provision of this Disclosure Certificate may be waived.,

SECTION 8. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Certificate. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Borrower shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. DEFAULT. In the event of a failure of the Borrower to comply with any provision of this Disclosure Certificate, the Commission or the Bank may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Borrower to comply with its obligations under this Disclosure Certificate; provided, however, the sole remedy under this Disclosure Certificate in the event of any failure of the Borrower to comply with the provisions of this Disclosure Certificate shall be an action to compel performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Loan Agreement.

SECTION 10. BENEFICIARIES. This Disclosure Certificate shall inure solely to the benefit of the Borrower, the Commission and the Bank; and shall create no rights in any other

person or entity; provided, however, that nothing contained herein shall prevent the Commission from filing with the MSRB Electronic Municipal Market Access (EMMA) system, making publicly available on the Commission's web site, or furnishing to other interested parties, a copy of each document, instrument and statement received by the Commission from the Borrower pursuant to this Disclosure Certificate.

Date: \_\_\_\_\_, 2013

CITY OF CORAL GABLES, FLORIDA

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

Name: Jim Cason

Title: Mayor