

## PAYOFF AND TERMINATION LETTER

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

Barclays Bank PLC  
1301 6th Avenue  
New York, New York 10019  
Attention:

Re: Termination of the Commitment under that certain Revolving Credit Agreement dated as of November 1, 2018 (as amended from time to time, the "Credit Agreement"), by and between the City of San José (the "City") and Barclays Bank PLC (the "Bank")

---

Ladies and Gentlemen:

The City hereby notifies the Bank that the City intends to terminate in full the Commitment under the Credit Agreement on February \_\_, 2023 (the "*Termination Date*"), and, except as provided herein, to satisfy in full all advances and other payment obligations outstanding on such Termination Date (collectively, the "*Payoff Amount*"), including, but not limited to, all outstanding principal and accrued but unpaid interest, and other fees or charges outstanding or payable under the Credit Agreement, excepting therefrom the Letters of Credit issued by the Bank under the Credit Agreement described on Exhibit A attached hereto (collectively, the "Outstanding Letters of Credit"). The Letters of Credit shall be cash collateralized by the City depositing with the Bank the sum of \$\_\_\_\_\_ (the "*Cash Collateral Amount*"), representing the Minimum Collateral Amount applicable thereto, on or before the Termination Date pursuant to documentation in form of substance reasonably satisfactory to the City and the Bank. The City has advised the Bank that satisfaction of the Payoff Amount will be effected by the wire transfer from the City to the Bank in immediately available funds, in an aggregate amount sufficient to satisfy the full Payoff Amount on the Termination Date. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Credit Agreement.

The total Payoff Amount on the date hereof is set forth in the **[invoice provided by the Bank]** in the form of Exhibit B attached hereto.

The Bank agrees that (w) the Payoff Amount shall be satisfied, (x) any and all liens that have been granted by the City for the benefit of the Bank as security for the Obligations of the City under the Credit Agreement (other than with respect to the Cash Collateral Amount) shall automatically be terminated, released and discharged, and (y) the Credit Agreement, the Note, and the other Financing Documents shall be automatically terminated and of no further force or effect, without further action, and the City shall not have any further liability or obligation thereunder if, in each case, on or before the hereinafter defined Cutoff Time, (a) the Bank has received a wire transfer from the City of immediately available funds in the amount set forth in

Barclays Bank PLC  
Payoff and Termination Letter  
February \_\_, 2023

Exhibit B, (b) the City has delivered to the Bank the Cash Collateral Amount in immediately available funds and executed such agreements as the Bank may reasonably request to establish the Bank's security interest in the Cash Collateral Amount, and (c) a copy of this letter fully executed by the City and the Bank (the requirements of each of the foregoing items are collectively referred to as the "*Payoff Conditions*" and the date and time on which the Payoff Conditions are satisfied, the "*Payment Time*").

In the event that all of the Payoff Conditions are not satisfied on or before 4:00 p.m. (California time) on February \_\_, 2023 (the "*Cutoff Time*"), the payoff calculations set forth herein shall thereafter be null and void, and the City should contact the Bank to obtain updated payoff calculations.

No termination of the Bank's security under the Credit Agreement shall operate to terminate or impair the City's obligations to indemnify the Bank under the Credit Agreement which by their express terms survive the Payment Time. Further, nothing herein shall be deemed to modify, terminate, limit or impair the City's obligations to the Bank under the Outstanding Letters of Credit or the provisions of Sections 2.03 and 2.13 of the Credit Agreement, which shall continue in full force an effect until such time as the City's and Bank's obligations in respect of the Outstanding Letters of Credit are fully and finally discharged.

After the Payment Time, the Bank agrees to promptly execute and deliver all terminations and satisfactions necessary or reasonably requested by the City, if any, in order to release any and all security interests it may have securing the Obligations of the City under the Credit Agreement.

Effective as of the date hereof, each of the City and the Bank hereby acknowledge and agree that the Bank shall not have any further obligation to make Loans to the City, issue Letters of Credit for the account of the City or extend any other financial accommodations to or for the benefit of the City under the Credit Agreement or otherwise; provided, however, that nothing herein shall release the Bank from its obligations under the Outstanding Letters of Credit.

The Bank shall promptly release the Cash Collateral Amount to the City upon the expiration, or cancellation by the applicable beneficiaries, of the Outstanding Letters of Credit and discharge of the Bank's obligations thereunder.

This letter agreement may be executed in any number of counterparts, all of which, when taken together, shall be deemed one and the same agreement. Any manually executed counterpart of this letter agreement delivered by facsimile or other electronic transmission shall be deemed an original counterpart hereof. **This letter agreement shall be construed and enforced in accordance with the laws of the State of New York; provided, that the power and authority of the City to execute, deliver and perform its obligations under this Agreement shall be governed by the Laws of the State and shall be subject to Section 9.07 of the Credit Agreement.**

[Signatures appear on following page]

When accepted by the Bank, the foregoing shall constitute an agreement made in, and governed in accordance with the provisions of Section 9.07 of the Credit Agreement.

Very truly yours,

CITY OF SAN JOSE, California

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

The above and foregoing is acknowledged, accepted and agreed to:

BARCLAYS BANK PLC

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

Signature Page to Payoff and Termination Letter

**EXHIBIT A**

**[description of Outstanding Letters of Credit to be added prior to signing]**

**EXHIBIT B**

**[invoice or other evidence of Payoff Amount to be provided by the Bank and attached hereto as Exhibit B]**