SECOND AMENDMENT TO CREDIT AGREEMENT

THIS SECOND AMENDMENT TO CREDIT AGREEMENT (this "Second Amendment") dated and effective as of October 15, 2020, is entered into by and among **CITY OF SAN JOSE, CALIFORNIA** (together with its successors and permitted assigns, the "City"), **CITY OF SAN JOSE FINANCING AUTHORITY** (together with its successors and permitted assigns, the "Authority') and **WELLS FARGO BANK, NATIONAL ASSOCIATION** (together with its successors and assigns, the "Bank").

W I T N E S S E T H :

WHEREAS, the City, the Authority and the Bank have previously entered into that certain Credit Agreement dated as of October 1, 2017, as amended by that certain First Amendment to Credit Agreement dated as of June 27, 2018 (the "Original Agreement"), pursuant to which the Bank agreed, upon the terms and conditions therein, to lend to the Authority up to the principal amount of $300,000,000;

WHEREAS, pursuant to Section 8.04 of the Original Agreement, the City, the Authority and the Bank wish to amend the Original Agreement as provided herein.

NOW, THEREFORE, in consideration of the foregoing and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

INTENTION OF PARTIES; AGREEMENT PROVISIONS

The City, the Authority and the Bank have entered into this Second Amendment pursuant to Section 8.04 of the Original Agreement to amend their rights and obligations set forth in the Original Agreement. The terms of the Original Agreement, as amended by the First Amendment and this Second Amendment (as so amended, the "Agreement"), shall govern the rights and obligations of the City, the Authority and the Bank in connection with the transactions contemplated by the Agreement. Capitalized terms used but not defined in this Second Amendment shall have the respective meanings assigned thereto in the Original Agreement.

ARTICLE II

AMENDMENTS

Section 2.01. The following definitions appearing in Section 1.01 of the Original Agreement are hereby amended and restated in their entireties to read as follows:

"*Amortization Payment Commencement Date*" means the first Business Day of the sixth (6^{th}) full calendar month following the Termination Date.

"*Anti-Corruption Laws*" means: (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended; and (b) any other anti-bribery or anti-corruption laws, regulations or ordinances in any jurisdiction in which the City or the Authority, as applicable, is located or doing business, and to which the City or the Authority, as applicable, is subject in such jurisdiction.

"*Base Rate*" means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time *plus* one percent (1.00%), (ii) the Fed Funds Rate in effect at such time *plus* two percent (2.00%), and (iii) seven percent (7.00%).

"*Fed Funds Rate*" means, for any date of determination, a fluctuating rate of interest per annum equal to the weighted average (rounded to the next higher 1/100 of 1%) of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average (rounded to the next higher 1/100 of 1%) of the quotations for such day on such transactions received by Wells Fargo Bank, National Association from three federal funds brokers of recognized standing selected by Wells Fargo Bank, National Association. Each determination of the Fed Funds Rate by Wells Fargo Bank, National Association shall be conclusive and binding on the Authority. Notwithstanding anything herein to the contrary, during any period of time while the Fed Funds Rate, determined as provided above, would be less than zero percent (0.0%), the Fed Funds Rate shall be deemed to be zero percent (0.0%).

"*Fee Letter Agreement*" means the Second Amended and Restated Fee Letter Agreement dated October 15, 2020, between the Authority and the Bank, as amended, supplemented, restated or otherwise modified from time to time in accordance with its terms.

"*LIBOR Index*" means, for any date of determination, the per annum rate of interest determined on the basis of the rate on deposits in United States dollars of amounts equal to or comparable to the amount of the loan in question, offered for a term of one month, which rate appears on the display designated as Reuters Screen LIBOR 0l Page (or any successor page), determined as of approximately 11:00 a.m., London time, on each Computation Date for effect on the immediately succeeding Rate Reset Date, or if such rate is not available, another rate reasonably determined by the Calculation Agent of which the Authority has received written notice. Notwithstanding anything herein to the contrary, during any period of time while the LIBOR Index, determined as provided above, would be less than five tenths of a percent (0.50%), the LIBOR Index shall be deemed to be five tenths of a percent (0.50%).

"*Stated Expiration Date*" means October 18, 2023, unless extended pursuant to Section 2.10 hereof.

Section 2.02. Section 1.01 of the Original Agreement is hereby further amended by the addition of the following definitions to be inserted in the appropriate alphabetical order to read as follows:

"*Anti-Money Laundering Laws*" means applicable laws or regulations that relate to money laundering, any predicate crime to money laundering, or any financial record keeping and reporting requirements related to money laundering, in any jurisdiction in which the City or the Authority, as applicable, is located or doing business, and to which the City or the Authority, as applicable, is subject in such jurisdiction.

"*Sanction*" or "*Sanctions*" means any and all publicly listed economic or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes and restrictions and anti-terrorism laws imposed, administered or enforced from time to time by: (a) the United States of America, including those administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the U.S. Department of State, the U.S. Department of Commerce, or through any executive order and (b) any other Governmental Authority with jurisdiction over the City or the Authority, as applicable.

"*Sanctioned Target*" means any publicly listed target of Sanctions, including: (a) Persons on any published list of targets identified or designated pursuant to any Sanctions, (b) Persons, countries, or territories that are the target of any territorial or country-based Sanctions program, (c) Persons that are a target of Sanctions due to their ownership or control by any Sanctioned Target(s), or (d) vessels and aircraft, that are designated under any Sanctions program.

Section 2.03. Section 2.07(c) of the Original Agreement is hereby amended and restated in its entirety to read as follows:

(c) ***Term Out.*** (i) Notwithstanding subsection (b) above, in the event the Bank does not receive repayment of the outstanding principal of all Notes on or before the Termination Date, and provided that (A) no Default or Event of Default shall have occurred and be continuing and (B) the representations and warranties set forth in Article IV shall be true and correct on the Termination Date, then the outstanding principal of all Notes shall be due and payable on the date that is 30 days following the Termination Date. During such 30 day period all such amounts shall bear interest at the Bank Rate and shall be payable in arrears on each Amortization Interest Payment Date. In the event that the outstanding principal of all Notes is due and payable on the date that is 30 days following the Termination Date, upon delivery of a written request from the Authority to the Bank in the form of Exhibit H hereto no later than 30 days after the Termination Date and provided that (A) no Default or Event of Default shall have occurred and be continuing and (B) the representations and warranties set forth in Article IV shall be true and correct on the date that is 30 days following the Termination Date, then the Authority shall pay the outstanding principal amount of the Notes (the "Amortization Amount") in installments payable on each Amortization Principal Payment Date (each such payment, an "Amortization Principal Payment"), with the final installment in an amount equal to the remaining balance of the Amortization Amount on the Amortization End Date (the

period commencing on the Termination Date and ending on the Amortization End Date is herein referred to as the "Amortization Period"). Each Amortization Principal Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Amortization Principal Payments over the Amortization Period so the Amortization Amount is fully repaid by the end of the Amortization Period. The Authority may prepay, or cause to be prepaid, some or all of the Amortization Amount on any date upon one Business Days' notice to the Bank, such prepayment to be accompanied by interest accrued thereon at the Bank Rate to the date of prepayment.

(ii) During the Amortization Period, interest on the Notes shall accrue at the Bank Rate and shall be payable in arrears on each Amortization Interest Payment Date.

Section 2.04. Section 2.15 of the Original Agreement is hereby amended by the addition of a new Section 2.15(c), which shall read as follows:

(c) **Benchmark Transition Event**. The LIBOR Replacement Provisions attached to this Agreement as Exhibit I and incorporated herein by this reference provide a mechanism for determining an alternative rate of interest in the event that a Benchmark Transition Event (as defined in the LIBOR Replacement Provisions) should occur. To the extent that any term or provision of the LIBOR Replacement Provisions is or may be inconsistent with any term or provision in the remainder of this Agreement or any other Related Document, the terms and provisions of the LIBOR Replacement Provisions shall control.

Section 2.05. Section 4.01(n) of the Original Agreement is hereby amended and restated in its entirety to read as follows:

(n) ***Anti-Money Laundering and Anti-Corruption Laws; Sanctions.***

(i) *Anti-Money Laundering and Anti-Corruption Laws*. To the current actual knowledge of the Treasurer of the Authority, (A) the Authority is not under investigation for an alleged violation of Anti-Money Laundering Laws or Anti-Corruption Laws by a Governmental Authority that enforces such laws; and (B) the Authority has not funded any repayment of the Notes with proceeds, or provided as collateral any property, that was directly derived from any transaction or activity that is prohibited by Sanctions, Anti-Money Laundering Laws or Anti-Corruption Laws; provided, that the Authority makes no representation or warranty regarding the status, transactions or activities of any Person from which the Net System Revenues are derived or whether the collection of any amounts from which the Net System Revenues are derived, or the pledge or use of such amounts to or for the repayment of the Notes, constitute transactions or activities prohibited by Sanctions, Anti-Money Laundering Laws or Anti-Corruption Laws. The Authority agrees to comply with applicable Anti-Money Laundering Laws and Anti-Corruption Laws.

(ii) *Sanctions*. To the current actual knowledge of the Treasurer of the Authority (A) the Authority is not a Sanctioned Target; (B) the Authority is not acting or

purporting to act for or on behalf of, directly or indirectly, a Sanctioned Target; (C) the Authority is not under investigation for an alleged violation of Sanction(s) by a Governmental Authority that enforces Sanctions; (D) the Authority has not directly used the proceeds of the Notes to make payments pursuant to any contract it has with a Person that is a Sanctioned Target; and (E) the Authority has not directly used the proceeds of the Notes to make payments to any Person, which payments would be prohibited by Anti-Money Laundering Laws or Anti-Corruption Laws.

(iii) *Notice.* The Authority shall notify the Bank in writing in accordance with Section 8.01(f) not more than five (5) Business Days after first becoming aware of any fact or circumstance that would cause this representation and warranty to be incorrect in any material respect had such representation and warranty been made at such future date; provided, that for the avoidance of doubt, the Authority shall not be deemed to have made this representation and warranty at the time of, and solely as a result of the giving of, such notice. The Authority agrees to comply with applicable laws regarding Sanctions.

Section 2.06. Section 4.02(p) of the Original Agreement is hereby amended and restated in its entirety to read as follows:

(p) ***Anti-Money Laundering and Anti-Corruption Laws; Sanctions.***

(i) *Anti-Money Laundering and Anti-Corruption Laws*. To the current actual knowledge of the Director of Finance of the City, (A) the City is not under investigation for an alleged violation of Anti-Money Laundering Laws or Anti-Corruption Laws by a Governmental Authority that enforces such laws; and (B) the City has not funded any repayment of the Notes with proceeds, or provided as collateral any property, that was directly derived from any transaction or activity that is prohibited by Sanctions, Anti-Money Laundering Laws or Anti-Corruption Laws; provided, that the City makes no representation or warranty regarding the status, transactions or activities of any Person from which the Net System Revenues are derived or whether the collection of any amounts from which the Net System Revenues are derived, or the pledge or use of such amounts to or for the repayment of the Notes, constitute transactions or activities prohibited by Sanctions, Anti-Money Laundering Laws or Anti-Corruption Laws. The City agrees to comply with applicable Anti-Money Laundering Laws and Anti-Corruption Laws.

(ii) *Sanctions*. To the current actual knowledge of the Director of Finance of the City (A) the City is not a Sanctioned Target; (B) the City is not acting or purporting to act for or on behalf of, directly or indirectly, a Sanctioned Target; (C) the City is not under investigation for an alleged violation of Sanction(s) by a Governmental Authority that enforces Sanctions; (D) the City has not directly used the proceeds of the Notes to make payments pursuant to any contract it has with a Person that is a Sanctioned Target; and (E) the City has not directly used the proceeds of the Notes to make payments to any Person, which payments would be prohibited by Anti-Money Laundering Laws or Anti-Corruption Laws.

(iii) *Notice.* The City shall notify the Bank in writing in accordance with Section 8.01(f) not more than five (5) Business Days after first becoming aware of any fact or circumstance that would cause this representation and warranty to be incorrect in any material respect had such representation and warranty been made at such future date; provided, that for the avoidance of doubt, the City shall not be deemed to have made this representation and warranty at the time of, and solely as a result of the giving of, such notice. The City agrees to comply with applicable laws regarding Sanctions.

Section 2.07. The Original Agreement is hereby amended by the addition of new Exhibits H and I, which shall read as provided in Exhibits H and I attached hereto.

ARTICLE III

CONDITIONS PRECEDENT

Section 3.01. Conditions Precedent. The parties hereto agree that this Second Amendment shall become effective as of the date first written above but only upon the Bank's receipt of the following, each in form and substance satisfactory to the Bank:

(a) *Second Amendment and Fee Letter.* Counterparts of this Second Amendment and the Second Amended and Restated Fee Letter Agreement.

(b) *Incumbency of City and Authority.* A certificate of the Secretary or an Assistant Secretary of the Authority certifying the names and specimen signatures of each Authorized Officer of the Authority and a certificate of the City Clerk or Deputy City Clerk of the City certifying the names and specimen signatures of each Authorized Officer of the City, each with respect to the authorization and execution of this Second Amendment, the Second Amended and Restated Fee Letter Agreement and any other document to be delivered by the City or the Authority hereunder.

(c) *Resolutions of Authority and City*. Certified copies of all resolutions of the Authority and the City which authorize the execution, delivery or performance of this Second Amendment and the Second Amended and Restated Fee Letter Agreement.

(d) *Opinion of Bond Counsel*. Opinion of Orrick Herrington & Sutcliffe LLP, bond counsel to the Authority, which shall include such matters as the Bank may reasonably request.

(e) *Opinions of City Attorney*. Opinion of the City Attorney, counsel for the Authority, and an opinion of the City Attorney, counsel for the City, which shall include such matters as the Bank may reasonably request for each opinion.

(f) *Other Documents*. Such other documents, instruments, approvals and, if requested by the Bank, certified duplicates of executed copies thereof, and opinions as the Bank may reasonably request.

Section 3.02. Fees. Promptly following the receipt of an invoice therefor, the City and the Authority shall pay reasonable fees and expenses of the Bank (which shall include the

reasonable fees and expenses of counsel to the Bank) incurred in connection with the negotiation, execution and delivery of this Second Amendment and the Second Amended and Restated Fee Letter Agreement.

ARTICLE IV

FULL FORCE AND EFFECT

The Original Agreement is hereby amended to the extent provided in this Second Amendment and, except as specifically provided herein, the Original Agreement shall remain in full force and effect in accordance with its terms.

ARTICLE V

GOVERNING LAW

THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS SECOND AMENDMENT SHALL BE GOVERNED AS PROVIDED IN SECTION 8.09 OF THE ORIGINAL AGREEMENT.

ARTICLE VI

HEADINGS

Section headings in this Second Amendment are included herein for convenience of reference only and shall not have any effect for purposes of interpretation or construction of the terms of this Second Amendment.

ARTICLE VII

COUNTERPARTS

This Second Amendment may be signed in any number of counterpart copies, but all such copies shall constitute one and the same instrument.

ARTICLE VIII

REPRESENTATIONS AND WARRANTIES

Each party hereto represents and warrants to the other that this Second Amendment has been duly authorized and validly executed by it and that the Original Agreement as hereby amended constitutes its valid obligation, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and subject to the application of general principles of equity including but not limited to the right of specific performance.

The City and the Authority each further represents and warrants to the Bank that: (a) no Default has occurred and is continuing on the date hereof and after giving effect to this Second

Amendment, (b) each Note has been duly authorized and validly executed by it and constitutes its valid obligation, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and subject to the application of general principles of equity including but not limited to the right of specific performance and (c) except as disclosed in writing by the Authority and the City to the Bank on or before the date hereof, the representations and warranties of the City and of the Authority contained in the Agreement are true and correct on and as of the date hereof and after giving effect to this Second Amendment, as though made on and as of the date hereof (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date).

ARTICLE IX

SEVERABILITY

In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to Credit Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

Approved as to form:

_____, City Attorney

By: _____
Chief Deputy City Attorney

CITY OF SAN JOSE FINANCING AUTHORITY

By: _____
Name: _____
Title: _____

Attested to:

By: _____
Name: _____
Title: _____

[Signatures continued on next page]

[Signature page of Second Amendment to Credit Agreement]

CITY OF SAN JOSE

By: _____
Name: _____
Title: _____

Attested to:

By: _____
Name: _____
Title: _____

[Signatures Continued On Next Page]

[Signature page of Second Amendment to Credit Agreement]

WELLS FARGO BANK, NATIONAL ASSOCIATION

By:_____
Name: _____
Title: _____

EXHIBIT H

FORM OF REQUEST FOR EXTENDED FUNDING PERIOD

[DATE]

Wells Fargo Bank, National Association
333 Market Street, 15th Floor
MAC A0109-152
San Francisco, CA 94105
Attention: Mary Lou Lopez

CITY OF SAN JOSE FINANCING AUTHORITY
SUBORDINATE WASTEWATER REVENUE NOTES

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement, dated as of October 1, 2017 (as amended from time to time, the "Agreement"), among the City of San José Financing Authority (the "Authority"), the City of San José, California and Wells Fargo Bank, National Association (the "Bank"). All capitalized terms contained herein which are not specifically defined shall have the meanings assigned to such terms in the Continuing Covenant Agreement.

The Borrower hereby requests, pursuant to Section 2.07(c) of the Agreement, that the outstanding principal amount of all Notes on the Termination Date be payable on each Amortization Principal Payment Date with interest as provided in Section 2.07(c).

In connection with such request, the Borrower hereby represents and warrants that:

(a) no Default or Event of Default has occurred and is continuing under the Agreement on the Amortization Payment Commencement Date; and

(b) all representations and warranties of the Borrower in the Agreement are true and correct and are deemed to be made on the Amortization Payment Commencement Date.

We have enclosed along with this request the following information:

1. The outstanding principal amount of the Notes;

2. The nature of any and all Defaults and Events of Default; and

3. Any other pertinent information previously requested by the Bank.

Please advise if the foregoing terms are acceptable.

Very truly yours,

CITY OF SAN JOSE FINANCING AUTHORITY

By _____
Name _____
Title _____

EXHIBIT I
LIBOR REPLACEMENT PROVISIONS

Notwithstanding anything to the contrary contained in this Agreement or in any other Related Document, the Authority, the City, and the Calculation Agent agree as follows:

(a) **Benchmark Replacement**. Upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, the Calculation Agent shall determine the Benchmark Replacement to replace the then-current Benchmark. The Benchmark Replacement shall replace the then-current Benchmark used to establish the LIBOR Index on the first Computation Date following the Benchmark Replacement Date and on each Computation Date thereafter**,** unless, in connection with an Early Opt-in Election, the Calculation Agent has received written notice of objection to such Early Opt-in Election from the Authority or the City within five (5) Business Days of providing notice thereof as described in Section paragraph (c) in this Exhibit I. No replacement of a Benchmark with a Benchmark Replacement pursuant to this paragraph (a) will occur prior to the applicable Benchmark Transition Start Date.

(b) **Benchmark Replacement Conforming Changes**. In connection with a Benchmark Replacement, the Calculation Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Related Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of the Authority, the City or any other party to this Agreement or any other Related Document.

(c) **Notices; Standards for Decisions and Determinations**. The Calculation Agent will promptly notify the Authority and the City of (i) any occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date or an Early Opt-in Election, as applicable, (ii) the implementation of any Benchmark Replacement, and (iii) the effectiveness of any Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Calculation Agent pursuant to this paragraph (c), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in the Calculation Agent's sole discretion and without the Authority's or the City's consent.

(d) **Benchmark Unavailability Period.** For any determination of interest under this Agreement or any other Related Document during a Benchmark Unavailability Period, except as otherwise provided in the Agreement and the Notes with regard to overdue amounts and amounts outstanding during the continuance of an Event of Default, interest shall be computed as follows:

(i) The principal amount outstanding under the Tax Exempt Note subject to the then-current Benchmark shall bear interest at a fluctuating rate per annum (computed on the basis of a 360-day year, actual days elapsed) established by the Calculation Agent on each Computation Date equal to the sum of (A) the Tax Exempt Applicable Spread plus (B) the product of (I) the Fed Funds Rate multiplied by (II) the Applicable Factor. Such interest rate shall be rounded upwards to the fifth decimal place. Notwithstanding the forgoing provisions of this paragraph (d)(i) of this Exhibit I, during the Benchmark Unavailability Period occurring after the Taxable Date the interest rate computed on the amounts outstanding under the Tax Exempt Note shall bear interest at a rate determined pursuant to paragraph (d)(ii) of this Exhibit I.

(ii) The principal amount outstanding under the Taxable Note subject to the then-current Benchmark shall bear interest at a fluctuating rate per annum (computed on the basis of a 360-day year, actual days elapsed) established by the Calculation Agent on each Computation Date equal to the sum of the Taxable Applicable Spread plus the Fed Funds Rate. Such interest rate shall be rounded upwards to the fifth decimal place.

(iii) The Authority may revoke any request for an advance under the Notes during any Benchmark Unavailability Period.

(e) **Approving Opinion.** The Authority and the City shall cause an Approving Opinion to be delivered to the Bank each time a new Benchmark Replacement is determined pursuant to this Exhibit I. Delivery of such opinion shall be a condition precedent to the effectiveness of the new Benchmark Replacement but shall not be condition to the effectiveness of an interest rate determined pursuant to paragraph (d)(i) in this Exhibit I.

(f) **Certain Defined Terms.** As used in this Exhibit I, each of the following capitalized terms has the meaning given to such term below:

"***Approving Opinion***" means, with respect to any action relating to the Notes, the occurrence of which requires an opinion of counsel, an opinion of counsel delivered by Bond Counsel to the effect that such action will not, in and of itself, cause interest on the Tax-Exempt Notes to be included in gross income for purposes of federal income taxation.

"***Benchmark***" means, initially, the LIBOR Index; *provided, however,* that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, has occurred with respect to the LIBOR Index or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has become effective pursuant to paragraph (a).

*"**Benchmark Replacement**"* means the sum of: (a) the rate of interest (which may include Term SOFR) that has been selected by the Calculation Agent as the replacement for the then-current Benchmark, giving due consideration to (i) any selection or recommendation of a

replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement of the then-current Benchmark for U.S. dollar-denominated syndicated or bilateral credit facilities, and (b) the applicable Benchmark Replacement Adjustment for such Benchmark Replacement; provided that, if the Benchmark Replacement as so determined would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

*"**Benchmark Replacement Adjustment**"* means, with respect to any replacement of the Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Calculation Agent, giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated or bilateral credit facilities at such time.

"***Benchmark Replacement Conforming Changes***" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definitions of "Computation Date" and "Interest Period," timing and frequency of determining rates and making payments of interest and other administrative matters) that the Calculation Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Calculation Agent in a manner substantially consistent with market practice (or, if the Calculation Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Calculation Agent determines that no market practice for the administration of the Benchmark Replacement exists, in such other manner of administration as the Calculation Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Related Documents).

*"**Benchmark Replacement Date**"* means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark;

(b) in the case of clause (c) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein;

(c) in the case of an Early Opt-in Election, the date selected in the Rate Election Notice, so long as the Calculation Agent has not received by the fifth (5^{th}) Business Day after providing such Rate Election Notice written notice of objection to such Early Opt-in Election from the Authority or the City; or

(d) in the case of a LIBOR Unavailability Event, the first Business Day of the next month following the occurrence of the LIBOR Unavailability Event.

*"**Benchmark Transition Event**"* means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the U.S. Federal Reserve System, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(c) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative; or

(d) the occurrence of a LIBOR Unavailability Event.

"***Benchmark Transition Start Date***" means (a) in the case of a Benchmark Transition Event the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event, is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication), (b) in the case of an Early Opt-in Election, the date specified by the Calculation Agent by notice to the Authority and the City, and (c) in the case of a LIBOR Unavailability Event, the first Business Day of the next month following the occurrence of the LIBOR Unavailability Event.

"Benchmark Unavailability Period" means, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark and solely to the extent that the Benchmark has not been replaced with a Benchmark Replacement, the period (x) beginning on the first Computation Date on or after such Benchmark Replacement Date has occurred if, on such Computation Date, no Benchmark Replacement has replaced the Benchmark in accordance with this Exhibit I and (y) ending at the time that a Benchmark Replacement has replaced the Benchmark in accordance with this Exhibit I.

"***Early Opt-in Election***" means the occurrence of:

(a) a determination by the Calculation Agent that Relevant Debt Obligations are being executed or amended to incorporate or adopt a new benchmark interest rate to replace the Benchmark, and

(b) the election by the Calculation Agent to declare the Early Opt-in Election has occurred and the Calculation Agent has provided the Rate Election Notice to the Authority and the City at least five (5) Business Days prior the Computation Date on which such election is to become effective.

*"**Federal Reserve Bank of New York's Website**"* means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

*"**LIBOR Unavailability Event**"* means, other than in connection with a Benchmark Transition Event or an Early Opt-in Election, the events affecting LIBOR Index availability as set forth in Sections 2.15(a) and 2.15(b) of this Agreement.

"***Rate Election Notice***" means a written notice given by the Calculation Agent to the Authority and the City that the Calculation Agent has determined to make the Early Opt-in Election effective as of the first Computation Date following the fifth (5^{th}) Business Day after delivery of such notice.

"***Relevant Debt Obligations***" means bonds, notes or other forms indebtedness issued or incurred by state or local governmental entities located in Unites States of America which bear interest at rates based upon LIBOR.

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

*"**SOFR**"* with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website.

*"**Term SOFR**"* means the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

*"**Unadjusted Benchmark Replacement**"* means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.