



JASON E. MUMPOWER
Comptroller

TENNESSEE STATE SCHOOL BOND AUTHORITY

MAY 24, 2021

AGENDA

1. Call meeting to order
2. Approval of the Minutes from the TSSBA meeting of March 22, 2021
3. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method by the University of Tennessee
4. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method by the University of Tennessee
5. Approval of the Resolution Authorizing and Providing with Respect to Amended and Restated Revolving Credit Agreement.
6. Adjourn

TENNESSEE STATE SCHOOL BOND AUTHORITY
March 22, 2021

The Tennessee State School Bond Authority (“TSSBA”, or the “Authority”) met on Monday, March 22, 2021, at 2:46 p.m. electronically via Webex Events. Interested members of the public were able to observe and listen to the meeting through electronic means. The Honorable Jason Mumpower, Comptroller of the Treasury, was present and presided over the meeting.

The following members were present:

The Honorable Tre Hargett, Secretary of State
The Honorable David Lillard, State Treasurer
Commissioner Butch Eley, Department of Finance and Administration

The following member participated electronically via Webex Events:

Danny Gibbs, proxy for Dr. Flora Tydings, Chancellor, Tennessee Board of Regents

The following members were absent:

The Honorable Bill Lee, Governor
Randy Boyd, President, University of Tennessee

Mr. Mumpower asked Ms. Sandi Thompson, Director of the Division of State Government Finance (“SGF”) and Assistant Secretary of the TSSBA, to call the roll. Ms. Thompson called the roll:

Mr. Lillard – Present
Mr. Eley – Present
Mr. Hargett – Present
Mr. Mumpower – Present
Mr. Gibbs – Present

Recognizing a physical quorum, Mr. Mumpower called the meeting to order and stated that the first item on the agenda was the approval of the minutes of the meeting held on February 17, 2021. Mr. Mumpower asked if there were any comments, questions, or discussion on the minutes. Hearing none, Mr. Hargett moved approval of the minutes, and Mr. Lillard seconded the motion.

The motion was approved unanimously.

Mr. Mumpower stated that the next item to come before the Authority was the consideration of approval of an increase in TSSBA funding of a project for the University of Tennessee at Chattanooga (“UTC”). Mr. Mumpower recognized Mr. Austin Oakes, Executive Director of Capital Projects at the University of Tennessee, to present the request.

- The University of Tennessee at Chattanooga – Football Athletic Facility (A95); Increase in cost of \$7,150,000 for total cost of \$29,150,000 of which \$25,650,000 will be funded by the TSSBA; Term of Financing: 30 years as long-term financing at an assumed tax-exempt rate.

Mr. Oakes stated that the University of Tennessee had one request for a project revision associated with the football athletic facility in Chattanooga. Mr. Oakes stated that this request increased the total project budget from \$22,000,000 to \$29,150,000 and covers the revised scope for renovating a portion of the arena to accommodate the facility, and upgrading the existing conditions including finishes and building systems. Mr. Oakes explained that the project will construct a new athletic training facility located at and connected to the McKenzie arena. Mr. Oakes stated that the original request had the facility located across the street with a bridge connector and a small addition to the arena.

Mr. Oakes explained that they were now proposing to integrate the facility into the arena for cost and efficiency purposes. Mr. Oakes explained that the original request planned for 60,000 new square feet,

while the revision planned for 37,000 new square feet and 26,000 renovated square feet. Mr. Oakes stated that the request for TSSBA funding as presented had increased by \$7,150,000 for an estimated total annual financing charge of \$2,246,300 to be funded with debt service funds. Mr. Oakes explained that these funds represented less than 1.3% of the UTC fiscal year 2021 annual E&G Operating budget. Mr. Oakes stated that TSSBA funds were approved in the original request in 2018 for a 30-year term which remains unchanged.

Mr. Mumpower asked if SGF had performed a feasibility analysis for the project that included the increased funding. Ms. Thompson stated that staff had conducted the feasibility study and concluded that the pledged revenues were sufficient to repay the debt service. Ms. Thompson stated that the schedule provided by staff had assumed a tax-exempt financing at a rate of 7.25% for a 30-year term and showed that the maximum annual debt service was covered by the pledged revenues. Mr. Lillard made a motion to approve the request, Mr. Eley seconded the motion.

The motion was approved unanimously.

Mr. Mumpower stated that the next item to come before the Authority was the report on the results of the TSSBA 2021 Series A bond sale. Mr. Mumpower recognized Ms. Thompson to present the report. Ms. Thompson stated that the total proceeds of the bond sale were \$713,365,000 of taxable refunding bonds. Ms. Thompson stated that the final maturity is November 1, 2045, with a range of yields between 0.167% and 2.661% with a true interest cost of 2.03%. Ms. Thompson stated that the underwriter's discount was \$473,130 and the net present value savings of the refunding was \$111,827,000 over a period of 24 years. Ms. Thompson stated that the present value savings represented as a percentage of the par amount of the refunded bonds was 18.47%.

Mr. Mumpower noted that the bond sale was an unprecedented opportunity that the Authority was able to take advantage of because of the work of Sandi Thompson and the SGF team. Mr. Mumpower also recognized the foresight of the Authority. Mr. Mumpower stated this was simultaneously the largest bond sale, lowest true interest cost, and largest cost savings in TSSBA history. Mr. Mumpower presented each board member of the Authority with a commemorative plaque that displayed the highlights of the record-breaking sale.

Mr. Mumpower stated that the next item on the agenda was the Report on Debt Obligation (form CT-0253) for the 2021 Series A bond sale. Mr. Mumpower recognized Ms. Thompson to report on the submission. Ms. Thompson stated that the Authority had filed the Report on Debt Obligation form within 45 days of the issuance of the debt as required by T.C.A 9-21-134. Ms. Thompson stated that the face amount of the debt issuance was \$713,365,000, the true interest cost was 2.03% at a taxable rate, and the rating of the debt were Aa1 from Moody's and AA+ from both S&P and Fitch. Ms. Thompson noted that the revenue bonds were sold at negotiated sale, the costs of issuance totaled approximately \$1.05 million, with recurring costs to the bond trustee of 4.8 basis points per thousand dollars of the total principal amount of bonds outstanding. Mr. Mumpower stated that unless there were any questions or comments this was only a report item, and no action was necessary.

Mr. Mumpower then stated that the next item of the agenda was the consideration of proposals received and the approval of selection of bond counsel. Mr. Mumpower then recognized Ms. Sandra Thompson, Assistant Secretary of the Board and Director of the Division of State Government Finance ("SGF"), who presented the proposals received. Ms. Thompson stated that staff representatives participated in a discussion on Tuesday, March 9, 2021, during which the responses from potential bond counsels were reviewed. Ms. Thompson further stated that six responses had been received from the initial request for qualifications ("RFQ"), and responses from a request for proposals ("RFP") had been received from the three firms that had been short listed. Ms. Thompson then stated that the members' packets contained a memo to the Board summarizing the RFP/RFQ process along with an Attachment A outlining the strengths and weaknesses of the firms' attributes based on their response, an Attachment B providing an analysis of the pricing, and an Attachment C which was the contract in place for the current provider.

Ms. Thompson stated that SGF staff noted that strong, positive attributes were heavily weighted towards Hawkins Delafield & Wood (“HDW”), the Board’s current provider, specifically regarding the depth of the legal and tax teams, institutional knowledge, and the challenges for the future the firm cited in its response such as COVID disclosure and cybersecurity. Ms. Thompson further stated that SGF staff also noted that two of the three law firms’ proposals did not demonstrate as many strong, positive attributes in the response that would compel staff to make a change from its current provider, HDW.

Ms. Thompson then stated that once the written responses to the RFP were evaluated, SGF staff examined the pricing proposals. Ms. Thompson stated that in the analysis of the pricing, staff wanted to point out that although HDW’s pricing proposal for a five-year period was \$26,000 more than the next proposal, staff did not believe that this price difference would give cause to award the business and make the transition to another law firm due to the strength of HDW’s written response. Ms. Thompson stated that therefore, staff recommended HDW be awarded the five-year contract and asked that the Board delegate to the Comptroller the responsibility to fix and finalize the details of the contract.

Mr. Mumpower made a motion to approve the selection of HDW as bond counsel under a five-year contract and delegate to the Office of the Comptroller the responsibility to fix and finalize the details of the contract. Mr. Hargett seconded the motion, and it was unanimously approved.

Mr. Mumpower stated that the next item on the agenda was an update on the Revolving Credit Facility review process. Mr. Mumpower recognized Ms. Thompson to present the update. Ms. Thompson stated that as previously discussed, the Authority was considering proposals from three providers and had concluded that a revolving credit facility was the most appropriate short-term financing vehicle for the construction phase of the TSSBA projects. Ms. Thompson stated that each provider had submitted a proposal that used a different benchmark and different pricing details. Ms. Thompson stated that because of these differences, SGF and Public Financial Management (“PFM”), the Authority’s financial advisor, performed a pricing analysis based on certain assumptions for comparison purposes. Ms. Thompson explained that PFM’s analysis showed that the proposal from US Bank/Wells Bank syndicate, the Authority’s current provider, provided the lowest cost, most competitive, and cost-efficient pricing for a 3-year period. Ms. Thompson stated PFM will provide the Authority with a letter recommending that the Authority proceed to negotiate the terms of the revolving credit agreement with US Bank/Wells Fargo to be presented at the next Authority meeting. Ms. Thompson explained that in the interim, staff will work with bond counsel and the financial advisor to prepare the resolution to authorize the negotiation of the revolving credit agreement with the provider to be approved by the Authority at the next scheduled meeting.

Mr. Mumpower stated that this was a report item, and no action was necessary. Mr. Mumpower made a motion to adjourn, and Mr. Hargett seconded the motion.

The motion was approved unanimously.

The meeting was adjourned.

Approved on this ____ day of _____, 2021.

Respectfully submitted,

Sandra Thompson
Assistant Secretary

**RESOLUTION TO APPROVE THE BORROWING OF
MONEY BY ANOTHER METHOD BY THE UNIVERSITY
OF TENNESSEE**

Recitals

Whereas, the University of Tennessee Health Science Center (UTHSC) College of Pharmacy (COP), based in Memphis, Tennessee, in 2007 expanded its pharmacy program to Knoxville, Tennessee; and

Whereas, to accommodate COP's 2007 expansion to Knoxville, approximately 14,177 square feet of space of classrooms, faculty offices, conference rooms and computer facilities (the "Knoxville COP Facilities") was built as an addition to the Graduate School of Medicine Building on the University Health Systems ("UHS") campus (formerly referred to as the UT Medical Center); and

Whereas, UHS is affiliated with The University of Tennessee ("UT") and operates the UT Medical Center, which includes The University of Tennessee Memorial Hospital and The University of Tennessee Graduate School of Medicine; and

Whereas, it is essential that the COP Knoxville Facilities be located adjacent to the UT Graduate School of Medicine, as well as the medical library and therefore the present location of the Knoxville COP Facilities is perfect in terms of the UTHSC educational programs in Knoxville and its partnership with UHS; and

Whereas, in 2007 a sublease (the "Sublease") between UT and UHS for the UT Graduate School of Medicine space was amended to include the build out of the Knoxville COP Facilities; and

Whereas, UT reimbursed UHS for the construction cost of the Knoxville COP Facilities as prepaid rent through June 30, 2020 and UT also pays actual operating costs of \$174,000 per year associated with the Knoxville COP Facilities; and

Whereas, the Sublease was amended last year to extend its term through June 30, 2021; and

Whereas, UT proposes to enter into a new five-year sublease (the "New Sublease") for the Knoxville COP Facilities; and

Whereas, the terms of the New Sublease are: lease rate of \$19.00 per square foot including utilities, maintenance and janitorial with a first-year annual rent (for 14,177 square feet) of two hundred sixty-nine thousand and three hundred sixty-three dollars (\$269,363) or twenty-two thousand four hundred forty-six dollars and ninety-two cents (\$22,446.92) per month and rate increases of 3% per year, with an average rent over the five-year term of two hundred eighty-six thousand one hundred and six dollars and ninety-five cents (\$286,106.95) per year or twenty dollars and seventeen cents (\$20.17) per square foot. In addition, UT may terminate for convenience with ninety (90) days prior notice and lack of funding from the appropriate legislative body; and

Whereas, funding comes UTHSC Operating Funds.

BE IT RESOLVED BY THE TENNESSEE STATE SCHOOL BOND AUTHORITY:

1. In accordance with the authority provided by Tennessee Code Annotated Section 49-3-1205(11), the Tennessee State School Bond Authority (the “Authority”) gives its approval to the University of Tennessee to enter into the New Sublease.

BE IF FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and the resolution shall be effective as of May 24, 2021.

Adopted by the Authority at its meeting on May 24, 2021.

JASON E. MUMPOWER, SECRETARY
TENNESSEE STATE SCHOOL BOND AUTHORITY

UNIVERSITY OF TENNESSEE

Acquisition – Sublease (Space)

Requested Action: Approval of a sublease with waiver of advertisement and appraisals

Transaction Description: Transaction No. TBD

• **Proposed Sublease**

- **Location:** University of Tennessee Health Science Center (UTHSC)
Knox County – 1924 Alcoa Highway, Knoxville, TN
- **Landlord:** University Health System, Inc. (UHS)
- **Term:** 5 years (July 1, 2021 – June 30, 2026)
- **Area / Costs:** Up to 14,177 Square Feet

First Year Contract Rent (incl utilities, maint, janitorial)	\$269,363.00	\$19.00/sf
Average Annual Contract Rent (incl utilities, maint, janitorial)	\$286,016.95	\$20.17/sf
Total Annual Effective Cost	\$286,016.95	\$20.17/sf

• **Current Sublease**

- **Location:** University of Tennessee Health Science Center (UTHSC)
Knox County – 1924 Alcoa Highway, Knoxville, TN
- **Landlord:** University Health System, Inc.
- **Term:** May 1, 2007 – June 30, 2021
- **Area / Costs:** 11,215 Square Feet/Prepaid Rent plus \$174,000/year for operating expenses (see comment below)

- **Source of Funding:** Operating Funds
- **Procurement Method:** Negotiated

Comment: In 2007, UTHSC expanded the College of Pharmacy to Knoxville and entered into an agreement with UHS for the construction of space on the UHS Campus (formerly the UT Medical Center). An addition to the College of Medicine Building was completed and UT reimbursed UHS for the cost of construction as prepaid rent through June 30, 2020. The agreement was extended for one year and will expire June 30, 2021. The University proposes to enter into a new sublease agreement to continue to offer the opportunity for second through fourth year students to attend classes on the Knoxville campus.

Waiver of advertisement is requested due to the location of the space on the UHS campus, need for adjacency to the UTHSC College of Medicine and medical library, and the build-out of the space specifically for this use. Waiver of appraisals is requested as the rental rate is below the market rate for comparable space in Knoxville.

The University may terminate with ninety (90) days prior notice.

Previous Action: 03/20/2006 Approved lease amendment with waiver of advertisement
05/26/2020 Approved a sublease amendment

SSC Report: 05/17/2021 Austin Oakes summarized the transaction. Staff referred to Executive Subcommittee for consent agenda.

EXECUTIVE SUMMARY

BACKGROUND

The University of Tennessee Health Science Center (UTHSC) College of Pharmacy (COP), based in Memphis, Tennessee, has been in existence for the past 107 years. In 2007, UTHSC expanded the pharmacy program to Knoxville, Tennessee. Students attend classes in Memphis for their first professional year and have the option to attend the campus in Knoxville for their second through fourth years. The Knoxville campus has approximately 225 pharmacy students.

To accommodate the 2007 expansion to Knoxville, approximately 14,177 square feet of space of classrooms, faculty offices, conference rooms and computer facilities was built as an addition to the Graduate School of Medicine Building on the University Health Systems (UHS) campus (formerly referred to as the UT Medical Center). Affiliated with The University of Tennessee, UHS operates the UT Medical Center, which includes The University of Tennessee Memorial Hospital and The University of Tennessee Graduate School of Medicine. It was essential that the pharmacy space be located adjacent to the UT Graduate School of Medicine, as well as the medical library. This location is perfect in terms of the UTHSC educational programs in Knoxville and the partnership with UHS.

In 2007, a sublease between UT and UHS for the College of Medicine space was amended to include the build out of space for the COP. UT reimbursed UHS for the construction cost as prepaid rent through June 30, 2020. In addition, UT pays actual operating costs of \$174,000 per year associated with the COP space. The sublease was amended last year to extend the term through June 30, 2021.

In prior documents, the area was listed as 11,215 square feet. A recent calculation by UHS based on the drawings indicates 14,117 square feet. The University is verifying this number.

SUBLEASE AMENDMENT TERMS

UT proposes to enter into a new sublease agreement for this space. The lease rate is \$19.00/sf and includes utilities, maintenance and janitorial. At 14,117 square feet, the first-year annual rent is \$269,363 or \$22,446.92 per month. The rate increases 3% per year. The average rent over the five-year term is \$286,106.95 per year or \$20.17 per square foot. The University can terminate for convenience with ninety (90) days prior notice and lack of funding from the appropriate legislative body.

Waiver of advertisement is requested due to the location of the space on the UHS campus, need for adjacency to the UTHSC College of Medicine and medical library, and the build-out specifically for this use.

FUNDING

Funding comes UTHSC Operating Funds.

REQUEST

Request for approval of a Sublease for the rental of real property and waiver of advertisement as required by TCA 12-2-115.

May 3, 2021

To: David Miller, Senior Vice President and Chief Financial Officer

From: Tony Hopson, Director Real Property and Space Management

UTHSC College of Pharmacy-Knoxville Campus

Unique Space Justification – Waiver of Advertisement

The University of Tennessee Health Science Center College of Pharmacy (COP) based in Memphis, Tennessee has been in existence for the past 107 years. In 2007, the COP expanded its programs to include a campus in Knoxville, Tennessee. Under the expansion, all students continued to attend the Memphis campus for their first professional year with the option of attending the Knoxville campus their second through fourth year.

An addition to the Graduate School of Medicine Building on the University Health System (UHS) Campus was constructed in 2007 to provide space for classrooms, faculty offices, conference rooms and computer facilities for the COP. Affiliated with The University of Tennessee, UHS operates the UT Medical Center under a Lease and Transfer Agreement with UT. The University paid the construction cost of the addition upfront and this payment served as prepaid rent through 2022. The parties are now entering into a lease agreement for a five-year period.

At the time of construction, it was essential that the pharmacy space be located adjacent to the UT Graduate School of Medicine as well as the medical library. That remains true today and this location is perfect in terms of the educational programs in Knoxville and the partnership with UHS. In addition, the space was designed specifically for COP use and continues to meet their needs.

Approval of waiver of advertisement is requested to enter into a new sublease agreement for five (5) years.

I have reviewed and approve this request.

David L. Miller
Senior Vice President and
Chief Financial Officer

CERTIFICATION OF FUNDS

Please be advised that The University of Tennessee Health Science Center has adequate resources that are not encumbered or otherwise obligated from which to make related payments in accordance with the real property lease with **University Health System, Inc. Foundation** in the amount of up to **Two hundred sixty nine thousand three hundred sixty three dollars and 00/100 (\$269,363.00) per year with 3% annual increases.**

David L. Miller
Senior Vice President and Chief Financial Officer

Date:_____

Date Needed: (Mo./Yr.)	SPACE ACTION REQUEST TRANSMITTAL	F&A Date Logged In: (Mo./Day/Yr.)
SAR Transmittal Instructions: Prepare in duplicate, include attachments and submit to F&A	Tennessee Department of Finance & Administration Real Property Administration William R. Snodgrass Tennessee Tower 312 Rosa L. Parks Avenue, 22 nd Floor Nashville, Tennessee 37243	F&A Transaction No.:
		F&A Transaction Code:

REQUESTING AGENCY: <u>UNIVERSITY OF TENNESSEE</u>	SUBJECT LOCATION
Allotment Code: <u>332.10</u> Agency Cost Center: _____	Complete only if different from information shown at left.
Address (including County, City & Zip Code): <u>5723 Middlebrook Pike Suite 207</u>	ADDRESS (INCLUDING COUNTY, CITY & ZIP CODE):
<u>Knox County, Knoxville, TN 37996-0045</u>	<u>University Health System, Inc.</u>
Agency Contact (Name & Phone No.): <u>865-974-2441</u>	1924 Alcoa Highway, Knoxville, TN
<u>Tony Hopson ahopson4@tennessee.edu</u>	ON-SITE CONTACT (NAME & PHONE NO.):
	<u>Tony Hopson 865-974-2441</u>

* Reason for REQUEST *	* ACTION REQUESTED *
Check item(s) that best describe current situation and need	Check item(s) that will best meet need
* Must attach either letter of justification/explanation or Office Space Needs Worksheet to address both the reason and the action requested *	
Current Space: <input type="checkbox"/> State Owned <input checked="" type="checkbox"/> Subleased <input type="checkbox"/> Other Reflects Space: <input type="checkbox"/> Increase <input type="checkbox"/> Decrease <input checked="" type="checkbox"/> No Change <input checked="" type="checkbox"/> Sublease Expiration <input type="checkbox"/> New Unit Activated <input type="checkbox"/> Staff Reorganization: <input type="checkbox"/> Reconfigure Existing Staff Only (OR) <input type="checkbox"/> Staff Increase <input type="checkbox"/> Decrease From: _____ To: _____ <input type="checkbox"/> File / Storage / Equipment Space Need <input type="checkbox"/> Unresolved Tenant-Landlord Issue <input type="checkbox"/> Other Reason: _____	<input type="checkbox"/> Terminate Existing Lease <input type="checkbox"/> Amend (OR) <input type="checkbox"/> Hold-Over Existing Lease <input checked="" type="checkbox"/> Initiate Action for New Sublease <input type="checkbox"/> Unique and Special Requirement (TCA 12-2-114) <input type="checkbox"/> Desire Space Assignment in State Owned Building <input type="checkbox"/> Make Alteration to Current Space for Accommodating Need <input type="checkbox"/> Contact Landlord and/or DGS on Behalf of Tenant <input type="checkbox"/> Other Action: _____ <p style="text-align: center;">(Cost estimate, planning consultation, etc.)</p>

Current Data

Current SF = 14,177 Current Lease Number: NA FRF Cost Center: NA Current Lease Expiration NA Date: _____

TYPE OF SPACE NEEDED (Check all that apply)

Office Land Airport Facilities
 Warehouse House (Living Quarters) Educational Facilities Other: _____

NEW LOCATION CONSIDERATIONS

Location (County/City) and Boundaries if Required*: NA

*** Must attach justification letter for special boundaries ***

Cost Estm: UP TO 14,177 SF x \$18.00 (FRF Rate) = \$255,186 // UP TO 14,177 SF \$19.00 (A-87 Rate) = \$269,363
 x _____

Lease Term: 5 Years Commencing July 1, 2021 ; Ending June 30, 2026

Cancellation upon **Lack of funding** (OR) No Cancellation Option to Purchase

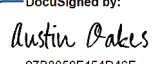
Parking N/A (OR) Parking spaces desired to accommodate staff (approximate no. _____) clients (approx. _____) no.:

Other Considerations: See Executive Summary

ATTACHMENTS (Check all that apply)

Office Space Needs Worksheet* Lead Sheet Photo Other: **Executive Summary**
 Justification / Explanation Letter* Other: Map Other: **Sublease**

REQUESTING AGENCY AUTHORIZATION

DocuSigned by:

 97B8050F454D46F... Assistant Vice President of Capital Projects 5/4/2021 | 05:29:25 P
 Signature Title Date

Fiscal Office Review Funding Source: Existing state appropriations Planned Budget Item Unplanned Budget Item

AGENCY:	
ALLOTMENT CODE:	COST CENTER:

This Instrument Prepared By:
 University of Tennessee
 301 Andy Holt Tower
 Knoxville, TN 37996

LE NO.

NOTE: No hand written or interlineated changes to this Lease will override the printed text of this Lease.

University is Tenant

This lease document is or binding unless approved in accordance with all applicable laws.

LEASE

1. Date of this Lease: _____ Name and Address of Building: College of Pharmacy 1924 Alcoa Highway Knoxville, TN 37920

2. Tenant: University of Tennessee Landlord Name and Address: University Health System, Inc. 1924 Alcoa Highway Knoxville, TN 37920
--

3. Leased Premises: space in the Building as identified herein and more particularly described on <u>Exhibit B</u> together with all Common Areas, including, without limitation, parking.
--

4. Rentable Square Feet: <u>14,177 sf</u>

5. Term of Lease: five (5) year(s) and <u>0</u> month(s) Commencement Date of Lease Term (and of the obligations hereunder): <u>July 1, 2021</u> Expiration Date of Lease Term: <u>June 30, 2026</u> If no fixed Commencement Date is inserted, the Commencement Date shall be set pursuant to <u>Exhibit C</u> .

6. Termination for Convenience: Tenant may terminate this Lease at any time by giving written notice to Landlord at least ninety (90) days prior to the date the termination becomes effective; provided, however, that such termination shall not be effective prior to July 1, 2022.

Monthly Rental Installments Table			
7. Lease Year(s)	Annual Rental	Monthly Rental Installments	Rental Rate Per Rentable Square Foot
1	\$269,363.00	\$22,446.92	\$19.00
2	\$277,443.89	\$23,120.32	\$19.57
3	\$285,767.21	\$23,813.93	\$20.16
4	\$294,340.22	\$24,528.35	\$20.76
5	\$303,170.43	\$25,264.20	\$21.38

8. Utilities & Services: <input checked="" type="checkbox"/> All utilities are included in the Monthly Rental Installments. <input type="checkbox"/> The following utilities are not included in the Monthly Rental Installments: _____ <input type="checkbox"/> Tenant is solely responsible for payment of the following separately metered utilities: <input type="checkbox"/> electric <input type="checkbox"/> gas <input type="checkbox"/> water/sewer <input type="checkbox"/> Janitorial services are not included in the Monthly Rental Installments.

9. Improvements (check any that apply): Leasehold Improvement Allowance: \$ _____ per Rentable Square Foot <input type="checkbox"/> A. Existing Space (New Tenant or Renewal) <input type="checkbox"/> B. Landlord to build out space pursuant to Exhibit __
--

10. This Lease is a sublease pursuant to that certain Lease and Transfer Agreement dated effective July 8, 1999 by and between the University of Tennessee, as landlord, and Landlord, as tenant. If not checked, this paragraph is not applicable.

11. Attached hereto and incorporated herein for all purposes are the following additional exhibits: Exhibit A -- Lease Standard Terms and Conditions; Exhibit B -- Floor Plan; <input type="checkbox"/> Other -- Exhibit C -- Commencement Date; <input type="checkbox"/>

LANDLORD: UNIVERSITY HEALTH SYSTEM, INC. By: _____ Date: _____ Name: _____ Title: _____	TENANT: UNIVERSITY OF TENNESSEE By: _____ Austin Oakes, Assistant Vice President Date: _____ By: _____ Herbert H. Slatery III, Attorney General & Reporter (For Form and Legality) Date: _____
--	--

LANDLORD NOTARY

STATE OF TENNESSEE
COUNTY OF KNOX

Before me, _____, Notary Public in and for the County and State aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself/herself to be the _____ of **University Health System, Inc.**, the within named Landlord, and that he/she as such _____ executed the within instrument for the purposes therein contained by signing the name of the entity by himself/herself as such _____.

Witness my hand and seal at office in _____, Tennessee, on this the ____ day _____, 2021.

Notary Public

My Commission Expires:

TENANT NOTARY

STATE OF TENNESSEE
COUNTY OF KNOX

Before me, _____, Notary Public in and for the County and State aforesaid, personally appeared **Austin Oakes**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself to be **Assistant Vice President** for the University of Tennessee, the within named Tenant, and that he as such representative, executed the foregoing instrument for the purposes therein contained and signed the name of the University of Tennessee, by himself as Assistant Vice President for the University of Tennessee.

Witness my hand and seal, at office in Knoxville, Tennessee, this the ____ day of _____, 2021.

Notary Public
My Commission Expires: _____

[seal]

EXHIBIT A

University is Tenant

*NOTE: No hand written or
interlineated
changes to this Lease will override the
printed text of this lease.*

In consideration of the mutual covenants and representations set forth in the Lease (the "Lease") and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties do hereby agree as follows. The capitalized terms used in this Exhibit A shall have the meaning assigned to such terms in the Lease, unless another meaning is assigned to such terms in this Exhibit A.

1. DEMISE. Upon the terms and conditions hereinafter set forth and as set forth in the Lease, Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, the Leased Premises for the Term of the Lease. Landlord represents and warrants to Tenant that Landlord is the fee simple owner of the Leased Premises and has the right to lease the Leased Premises to Tenant pursuant to the terms of the Lease. Landlord further represents and warrants to Tenant that there are no easements, covenants, restrictions or other agreements or instruments encumbering the Leased Premises that (i) contain any pre-approval rights relating to this Lease (including any lender approval rights) which have not been secured by Landlord, or (ii) would interfere with or restrict Tenant's ability to use the Leased Premises for office, storage and any other purpose permissible under applicable law (the "Permitted Use"). Landlord further represents and warrants to Tenant that (x) the use of the Leased Premises for the various purposes for which it is presently being used is permitted under all applicable zoning legal requirements and (y) all utilities necessary for the use of the Leased Premises for the various purposes for which it is presently being used are being supplied to the Building via publicly dedicated utility easement areas.

2. RENT. The Monthly Rental Installments for the Lease of the Leased Premises shall be payable in arrears on the last day of each and every month during the term hereof to Landlord at Landlord's address as set forth on the Lease, provided Landlord has submitted a completed the ACH Form (as defined below) to Tenant. Landlord shall not invoice Tenant for services until Landlord has completed this form and submitted it to Tenant. The Monthly Rental Installments shall be prorated for any partial calendar month during the Term.

No payment shall be made by Tenant under this Lease until Tenant has received the following documentation properly completed:

1. Landlord shall complete, sign and present to Tenant an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by Tenant. By doing so, Landlord acknowledges and agrees that, once said form is received by Tenant, all payments to Landlord, under this or any other contract Landlord has with Tenant shall be made by Automated Clearing House (ACH).

2. Landlord shall complete, sign and present to Tenant a "Substitute W-9 Form" provided by Tenant. The taxpayer identification number detailed by said form must agree with Landlord's Federal Employer Identification Number or Tennessee Edison Registration ID referenced in this Lease.

Landlord agrees that the Rent provided under the terms of this Section 2 is based in part upon the costs of the services, utilities, and supplies to be furnished by Landlord pursuant to Section 3 hereof and that should Tenant vacate the Leased Premises prior to the end of the term of this Lease, or, if after notice in writing from Tenant, all or any part of such services, utilities or supplies for any reason are not used by Tenant, then, in such event, the Monthly Rental Installments as to each month or portion thereof as to which such services, utilities or supplies are not used by Tenant shall be reduced by an amount equal to the average monthly costs of such unused services, utilities or supplies during the six-month period immediately preceding the first month in which such services, utilities or supplies are not used.

3. LANDLORD'S OBLIGATIONS.

A. Utilities:

Landlord shall, at Landlord's expense, furnish all utilities to the Leased Premises, including electrical, gas, water and sewer, heat, ventilation, and air conditioning in capacities sufficient for the Permitted Use; provided, however, Tenant shall be responsible for telephone and data services. Electrical, gas, water and sewer, if provided by Landlord, must be provided on a 24 hours per day, 7 days a week basis. Heat, ventilation and air conditioning must be provided at least during the hours of 6:00am-7:00pm, Monday through Friday; provided, however, that the temperature of the telecom closet on the Leased Premises at all times shall be maintained between 64 and 75 degrees with a relative humidity of no greater than 60%.range of 30-55%.

B. Maintenance

Landlord shall, at Landlord's expense, and as required to keep the Building and the Leased Premises in a good, attractive and safe condition, maintain and repair, in a good and workmanlike manner and in compliance with all replacement and maintenance schedules followed by prudent landlords of commercial buildings, (i) the Building, including, but not limited to, the repair, maintenance and replacement of the roof, foundation and exterior and load-bearing walls; (ii) the mechanical, plumbing and electrical systems, including, but not limited to, air conditioning, heating, plumbing, wiring and piping and all filters, valves and other components; (iii) the exterior of the Building and the land upon which the Building is located, including any landscaped areas, parking areas and driveways, including, but not be limited to the following: lawn cutting during the growing season, debris pick-up, leaf removal, mulching of planting beds, maintain any landscaping, daily snow and ice removal from parking areas and entrances to the Leased Premises; (iv) elevators, if any; and (v) interior of the Building and the Leased Premises, including but not limited to repair, maintenance, patching, mold, mildew, and moisture removal, and painting of the walls, floors, ceilings, carpet and other surfaces; (vi) all lighting components, including but not limited to, furnishing and monthly replacement of electrical light bulbs, fluorescent tubes, ballasts and starters. Landlord shall also, at Landlord's expense, furnish and maintain appropriate outside trash and refuse receptacles for the disposal of trash and refuse from the Leased Premises. Furthermore, Landlord shall have maintenance personnel available to respond to routine calls within twenty-four (24) hours and emergency calls within four (4) hours. "Emergency" repair or maintenance calls shall include, but not be limited to, situations involving HVAC, electrical, plumbing, roof leaks, utility disruptions, ingress and egress, and environmental issues. Tenant shall be

permitted to maintain, inspect, repair and replace any equipment or fixtures installed by Tenant on the Leased Premises (the "Tenant Maintenance").

C. Insurance

Landlord shall, at Landlord's expense, maintain fire and extended coverage insurance on Leased Premises, in an amount not less than the full replacement cost of the Building, and comprehensive general liability insurance coverage in the sum of One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) per annual aggregate against any and all liability, loss or damage arising from any injury or damage to any person or property occurring in or about the Leased Premises or the Building resulting from Landlord's negligence or matters arising for reasons beyond Tenant's control. The policies described in this Section shall name Tenant as an additional insured. Annually, Landlord shall furnish Tenant with a certificate of such coverage which shall provide that thirty (30) days' advance written notice shall be given to Tenant in the event of cancellation or material change in the insurance policies maintained as required herein. Tenant agrees that Landlord, at its discretion, may fulfill all or part of its insurance requirements under this Section 3.C through various programs of self-insurance.

D. Taxes

Landlord shall be responsible for payment of all real estate taxes assessed against the Building or land on which the Building is located, as well as all applicable local, state and federal income taxes which are or may be payable by Landlord. Landlord, by virtue of leasing property to Tenant, does not become a State of Tennessee agency, entity, or employee and is not entitled to any rights, privileges or immunities pertaining to the State or its agencies and instrumentalities.

E. Janitorial

Landlord shall, at Landlord's expense, provide reasonable janitorial services to the Leased Premises (but not for any Tenant's owned equipment, supplies or personal property).

F. Pest Control

Landlord shall, at Landlord's expense, provide interior and quarterly exterior pest extermination services. All such services shall be performed after normal business hours.

4. TENANT'S OBLIGATIONS. In addition to the said rent to be paid, Tenant also agrees to pay directly during the term of the Lease, commencing on the Commencement Date, the following items of expense as the same become due and payable:

A. Intentionally deleted.

B. The cost to service, keep and maintain the interior, including doors, interior walls and Tenant owned appurtenances in good condition, repair and working order.

C. Intentionally deleted.

D. All service costs and installations of all telephone or data services.

5. IMPROVEMENTS. Tenant shall not during the existence of the Lease make or allow to be made any alterations, attach fixtures and erect additions, structures or signs in or upon the Leased Premises without Landlord's prior written approval. Any alterations, additions and improvements made to the building shall become the property of Landlord and shall be surrendered as a part of the Leased Premises at the termination of this Lease. Any fixtures equipment, or signs placed in or upon or attached to the Leased Premises under the Lease or any prior lease of the Leased Premises by Tenant with Landlord's approval shall be and remain the property of Tenant and may be removed therefrom by Tenant prior to the termination or expiration of this Lease or any renewal or extension thereof, or within a reasonable time thereafter.

6. TERMINATION FOR CAUSE. Tenant may in its sole discretion terminate this Lease at any time for any of the following causes: (a) Landlord's failure to disclose any conflict or potential conflict of interest existing at the date of this Lease or hereafter created; (b) termination or consolidation of Tenant's operations or programs housed in the Leased Premises because of loss of funding; (c) lack of funding by the appropriate Legislative Body for obligations required of Tenant under this Lease; (d) the availability of space in Tenant-owned property, provided that no cancellation for this reason may take place until the Lease has been in effect for one year; and (e) any default by Landlord which is not adequately remedied in accordance with **Section 8** hereof. Notwithstanding the foregoing, all terms and conditions of the Lease are made subject to the continued appropriations by the appropriate Legislative Body.

7. ENVIRONMENTAL PROVISIONS.

A. Landlord's Obligations.

Following due inquiry, Landlord represents that there are no hazardous substances or hazardous wastes as defined by the Comprehensive Environmental Response and Liability Act or any hazardous wastes as defined by the Resource Conservation and Recovery Act, or any mold, PCB's, radon or asbestos containing materials, located on, in or about the Leased Premises to be occupied by Tenant. Landlord agrees that should any hazardous wastes, hazardous substances, mold, PCB's, radon or asbestos containing materials be determined to be present as a result of the acts or omissions or negligence of any person or legal entity, other than Tenant, Landlord shall indemnify, hold harmless and defend Tenant from all claims, damages, expenses or litigation resulting from the presence of such materials. If Tenant reasonably believes that hazardous substances may be present in the Leased Premises or the Building, Landlord will engage, at its expense, a qualified third party engineer to conduct an appropriate environmental survey. If hazardous substances are found or such survey indicates a risk of such hazardous substances being present in the Leased Premises or Building, then Landlord, at its expense, will make all necessary changes and/or corrections so that the Building and/or the Leased Premises are in compliance with all environmental laws and regulations. In the event Landlord discovers hazardous materials on the Leased Premises during the Term of this Lease, Landlord shall promptly notify Tenant.

B. Tenant's Obligations.

Tenant shall not cause or permit any Hazardous Materials (as hereinafter defined) to be used, stored, transported, disposed of, emitted, escaped, released, handled, produced or installed in, on or from the Leased Premises in violation of applicable Environmental Laws, except to the extent and in the quantities as such Hazardous Materials are commonly used in pharmacy academic programs and properly maintained and disposed of by Tenant. "Hazardous Materials," as used herein, shall mean any flammable, explosives, radioactive materials, hazardous wastes, hazardous and toxic substances or released materials, asbestos or any material containing asbestos or any other substance or material defined as being hazardous or toxic by any Federal, state or local law, ordinance, rule or regulation. "Environmental Laws" as used herein, shall mean all local, state, federal, foreign, civil and criminal, common law, statutes, ordinances, codes, orders, decrees, laws, permits, rules or regulations of any governmental authority pertaining to or imposing liability or standards of conduct concerning environmental regulation, Hazardous Materials (as hereinafter defined), health and safety, contamination or clean-up.

8. **DEFAULT.** Tenant shall be in default of the terms of the Lease if Tenant shall fail to make a payment of any rent or additional rent, and such rent or additional rent is not paid within ten (10) days of written notice by Landlord to Tenant of non-payment of same, or in the event that Tenant shall otherwise commit an act of default under the terms hereof, and shall not cure such default within thirty (30) days of written notice by Landlord to Tenant of such default, or, if it is not possible to complete the cure by such time, Tenant has not commenced the cure within such 30 day period and does not thereafter diligently pursue the same to completion within a reasonable time thereafter (in no event more than sixty (60) days of Landlord's written notice of default to Tenant). In the event of default by Tenant hereunder:

- A. Landlord may continue the Lease in full force and effect and shall have the right to collect rent when due. During the term Tenant is in default, Landlord may re-enter the Leased Premises with legal process and relet same, or any part thereof, to third parties for Tenant's account. Tenant shall pay to Landlord the rent due under the Lease on the date such rent is due, less the rent Landlord receives from any reletting. Landlord shall make its best efforts to relet the Leased Premises at a reasonable price. Under this paragraph, Tenant's obligations shall not exceed the total rent due for the remainder of the term.
- B. Landlord may terminate the Lease pursuant to the terms of this Section. Upon termination, Landlord shall have the right to collect an amount equal to all expenses, if any, not including attorneys' fees, incurred by Landlord in recovering possession of the Leased Premises and all reasonable costs and charges for the care of the Leased Premises while vacated by Tenant.

Except as specifically set forth herein, Landlord shall be in default of the terms of the Lease if Landlord shall commit an act of default under the terms hereof, and shall not cure such default within thirty (30) days of written notice by Tenant to Landlord of such default, or, if it is not possible to complete the cure by such time, Landlord has not commenced the cure within such 30 day period and does not thereafter diligently pursue the same to completion within a reasonable time thereafter. In the event of a default by Landlord hereunder, Tenant may, in addition to all rights and remedies available at law or in equity, cure such default and deduct any reasonable and necessary amounts incurred by Tenant in connection therewith from the rent next due by Tenant hereunder with the presentment of receipts for such reasonable and necessary actions. Notwithstanding the foregoing, in the event that Tenant is unable, in its reasonable judgment, to operate in the Leased Premises as a result of the failure by Landlord to satisfy its obligations pursuant to Section 3 hereof (A) for a period of more than five consecutive days, then the rent shall abate during the entire period of the disruption and Tenant shall have the right to terminate the Lease in the event Landlord remains unable to satisfy its obligations pursuant to Section 3 hereof for a period of more than twenty (20) consecutive days; or (B) more than twenty (20) days during any twelve (12) month period, then Tenant shall have the right to terminate the Lease.

9. **END OF TERM.** At the termination of this Lease, Tenant shall surrender its interest in the Leased Premises to Landlord in as good condition and repair as reasonable use thereof will permit, ordinary wear and tear excepted, and will leave the Leased Premises broom clean. Tenant shall have the right, prior to said termination, to remove any equipment, furniture, trade fixtures or other personal property in the Leased Premises owned by Tenant, provided that Tenant promptly repairs any damage to the Leased Premises caused by such removal. In the event of holding over by Tenant after the expiration or termination of the Term of this Lease, Tenant shall pay rent at the then-current rate for rent as set forth in the Lease, on a monthly basis and the Term of this Lease shall be automatically extended for successive periods of one (1) year each; provided that during any automatically extended period following the expiration of the Term of this Lease, Landlord and Tenant shall each have the right to terminate this Lease by delivering written notice to the other at least ninety (90) days prior to the desired expiration date.

10. **MISCELLANEOUS.** The article captions contained in the Lease are for the convenience of the parties only and shall not be considered in the construction or interpretation of any provision hereof. Landlord and its agents shall have reasonable access to the Leased Premises during all reasonable business hours for the purpose of examining same to ascertain if they are in good repair and to make reasonable repairs which Landlord may be required to make hereunder. The making of repairs by Landlord or its agents shall be coordinated with Tenant to minimize disruptions of Tenant's conduct of business in the Leased Premises. The Lease contains the entire agreement between the parties and supersedes any and all other prior oral and written agreements between the parties regarding the subject matter contained herein and may not be changed or terminated orally but only by agreement in writing and signed by all parties. Landlord and Tenant acknowledge and agree that (i) all exhibits referenced in the Lease (or in any of its exhibits) are incorporated into the Lease by reference, and (ii) any reference to "the Lease," "this Lease," "hereunder," "herein" or words of like import shall mean and be a reference to the Lease including such exhibits. No waiver by either party shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision. The Lease shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors, assigns, executors and administrators. If Landlord has provided to Tenant a list of names and addresses of persons, associations, or corporations who hold any financial interest in the Leased Premises; such list shall be immediately revised in the event of a transfer of any such interest.

11. **DAMAGE OR DESTRUCTION.** If the Leased Premises are damaged by fire or other casualty, the damage shall be repaired by and at the expense of Landlord (excluding any personal property which is owned by Tenant),

provided that such repairs can, in Landlord's opinion, be made within ninety (90) days after the occurrence of such damage. Landlord shall notify Tenant within fifteen (15) days of the event of casualty of its determination. Until such repairs are completed, the rent shall be abated in proportion to the part of the Leased Premises rendered unusable, but there shall be no abatement of rent for a period equal to one (1) day or less. If such repairs cannot, in Landlord's opinion, be made within ninety (90) days, Landlord shall have the option of either repairing the damage or terminating this Lease. If Landlord chooses to repair, then Tenant may, at its option, continue as Tenant under the Lease until such repairs are completed, during which time all rent shall abate, or Tenant may terminate the Lease. A total destruction of the Building in which the Leased Premises are located shall automatically terminate the Lease. Total destruction of the Building shall be defined as damage greater than fifty percent (50%) of the then replacement value thereof.

12. NOTICES. Any notice required or permitted to be given hereunder shall be sufficiently given if personally served, sent by registered or certified mail, or by reputable overnight courier, addressed to the relevant party at the addresses specified in the Lease, for Landlord, and for Tenant to: Real Estate Asset Management, 312 Rosa L. Parks Avenue, 22nd Floor, Nashville, Tennessee 37243.

13. QUIET ENJOYMENT. So long as no event of default on the part of Tenant has occurred, Landlord warrants and shall defend Tenant in the quiet enjoyment and possession of the Leased Premises during the term and any extension or renewal thereof.

14. SUBORDINATION, ATTORNMEN AND NON-DISTURBANCE. Tenant agrees that the Lease and all rights of Tenant hereunder are and shall be subject and subordinate to any ground or underlying lease which may now or hereafter be in effect regarding the Building or any component thereof, to any mortgage now or hereafter encumbering the Leased Premises or the Building or any component thereof, to all advances made or hereafter to be made upon the security of such mortgage, to all amendments, modifications, renewals, consolidations, extensions and restatements of such mortgage, and to any replacements and substitutions for such mortgage (collectively, "Mortgages"); provided as a condition to such subordination, any holder of the Mortgage must enter into a Subordination, Non-Disturbance and Attornment Agreement with Tenant in form reasonably acceptable to Tenant. In the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under, or in the event of a deed in lieu of foreclosure with respect to any Mortgage covering the Leased Premises or the Building, or in the event of termination of any Lease under which Landlord may hold title, Tenant shall, at the option of transferee, attorn to such transferee and shall recognize and be bound and obligated hereunder to such person as Landlord under the Lease, unless the Lease is terminated. Notwithstanding anything contained herein to the contrary, so long as Tenant is not in default in the payment of rent, or in the performance of any of the other terms, covenants or conditions of the Lease beyond any applicable cure periods, no mortgagee or similar person shall disturb Tenant in its occupancy of the Leased Premises during the original or any renewal term of the Lease notwithstanding any event or proceedings described in this section.

15. APPROVALS. Neither this Lease nor any amendment or modification hereto shall be effective or legally binding upon Tenant, unless and until a fully executed, original Lease has been returned to Tenant and the review and approval by all appropriate State officials and the State Building Commission, if applicable has been obtained.

16. COMPLIANCE WITH LAWS. Landlord represents and warrants to Tenant that as of the date of execution of this Lease, the Building complies with the provisions of the Americans with Disabilities Act (ADA) in all material respects. Landlord hereby indemnifies and holds harmless Tenant from and against all costs, liabilities, and causes of action occurring or arising as a result of Landlord's failure to comply with any of the requirements of the ADA or similar laws or as a result of any violation of any of the requirements of the ADA or similar laws by Landlord or its agents. Landlord shall provide all life safety equipment, including but not limited to, fire extinguishers and smoke alarms, in compliance with applicable municipal building codes. During the Term of this Lease, Tenant will comply with federal, state or local ordinance, statute, law, rule or regulation of any governmental authority to which Tenant's use of the Leased Premises may be subject or as pertains to Tenant's use, possession, occupancy, operation and management of the Leased Premises;

17. FORCE MAJEURE. With the exception of the obligation of Tenant to pay rent and all other amounts that may be due from time to time under this Lease, if either party shall be delayed or hindered in or prevented from doing or performing any act or thing required hereunder by reason of any matters beyond the reasonable control of such party, then such party shall not be liable or responsible for any such delays and the doing or performing of such act or thing shall be extended for a period equivalent to the period of such delay. In such event, this Lease and the obligations of both parties to perform and comply with all of the other terms and provisions of this Lease shall in no way be affected, impaired, or excused.

18. RECORDS RETENTION. Landlord shall maintain documentation for all charges against Tenant under the Lease. The books, records and documentation of Landlord, insofar as they relate to reimbursement by Tenant for costs incurred, whether in whole or in part, shall be maintained in conformity with generally accepted accounting principles for a period of three (3) full years from the date of what amounts to the final payment under this Lease, and shall be subject to audit, at any reasonable time and upon reasonable notice by the Comptroller of the Treasury or his duly appointed representative or a licensed independent public accountant.

19. SPACE AUDIT. Landlord certifies that the rentable square feet set forth in the Lease is accurate to the best of its knowledge. Tenant reserves the right to perform physical measurements of the Leased Premises and adjust the Monthly Rental Installments proportionally based upon such measurements. Tenant shall use the current Building Owner's and Manager's Association standards of measurements for either single or multi-tenant occupancy, whichever is applicable.

20. COMMON AREAS. During the Term of the Lease, Landlord agrees that Tenant and its employees, agents, invitees and visitors shall have the non-exclusive right to use the Common Areas for their intended purpose. Except for repairs, maintenance and replacements required under this Lease or as necessary to provide safe passage for Tenant and its employees, agents, invitees and visitors, Landlord shall not materially alter (or permit the material alteration of) any entrances, exits, corridors, sidewalks or hallways providing access to or from the Leased Premises. Landlord represents and warrants to Tenant that the Common Areas include all areas which are necessary for the use of the Leased Premises for its current use. As used herein, "Common Areas" means all portions of the Building intended for the general use or benefit of tenants or owners of the Building, and their employees, agents, and visitors,

including, without limitation, all entrances, common corridors, parking areas, loading and unloading areas, trash areas, roadways, walkways, sidewalks and driveways.

**EXHIBIT B
FLOOR PLAN**

See attached

EXHIBIT C
COMMENCEMENT DATE

Commencement Date Agreement

RE: Lease dated as of _____, 2021 by and between University Health System, Inc., as Landlord, and the State of Tennessee, as Tenant.

Dear Sirs:

Pursuant to the terms of the above captioned Lease, please be advised as follows:

1. The Commencement Date of the Lease Term is the 1st day of July, 2021, and the Expiration Date of the Lease Term is the 30th day of June, 2026, subject however to the terms and provisions of the Lease.
2. Terms denoted herein by initial capitalization shall have the meanings ascribed thereto in the Lease.

LANDLORD – University Health System, Inc.

By: _____

Title: _____

ACKNOWLEDGED AND AGREED:

State of Tennessee

By: _____

Title: _____

UNIVERSITY OF TENNESSEE**Acquisition - Sublease Amendment****Requested Action:** Approval of a sublease amendment**Transaction Description:** Transaction No. 06-02-010● **Proposed Amendment**○ **Term:** May 1, 2007 – June 30, 2021● **Current Lease**○ **Location:** University of Tennessee – Health Science Center
Knox County – 1924 Alcoa Highway, Knoxville, TN○ **Landlord:** University Health System, Inc. (UHS)○ **Term:** May 1, 2007 – June 30, 2020○ **Area / Costs:** 11,215 square feet/see comment below● **Source of Funding:** Operational Cost● **FRF Rate:** \$18.00/sf (for reference only)**Comment:**

This space is used by the UTHSC College of Pharmacy for second to fourth year students studying in Knoxville. UT requests a one-year extension to allow additional time to develop a new sublease agreement. Advertisement is not required for this one-year extension.

Rent for this space was prepaid in connection with the expansion of UHS' facility to accommodate space for this program. In addition to the prepaid rent, UT pays operating costs of \$174,000 per year.

Previous Action: 03/20/2006 Subcommittee approved the transaction as presented (approval to amend lease with waiver of advertisement).**Minutes:** 05/26/2020 Approved a sublease amendment

**AMENDMENT NO. 2 TO SUBLEASE AGREEMENT
BY AND BETWEEN UNIVERSITY HEALTH SYSTEM, INC. AND
THE UNIVERSITY OF TENNESSEE THROUGH ITS HEALTH SCIENCE CENTER**

This **AMENDMENT** is made and entered into as of the 15th day of June, 2020, by and between THE STATE OF TENNESSEE, by and through its instrumentality, THE UNIVERSITY OF TENNESSEE (hereinafter call "Sublessee" or "UT") and UNIVERSITY HEALTH SYSTEM, INC., a Tennessee nonprofit corporation (hereinafter called "Sublessor" or "UHS"). Unless otherwise specified herein, capitalized terms used herein shall have the same meaning as such term is given in the Sublease between the parties dated July 8, 1999 and Amendment No. 1 dated September 15, 2006.

WHEREAS, UT on behalf of Its Health Science Center College of Pharmacy (UTCOP) has developed a curriculum to serve students in an expanded pharmacy program in Knoxville, Tennessee and located this expanded program on the campus of The University of Tennessee Medical Center (UTMC), located in Knoxville, Tennessee;

WHEREAS, the operations and facilities of UTMC are controlled by the University Health System, Inc. (UHS) by a Lease and Transfer Agreement (LTA) between UT and UHS dated July 8, 1999;

WHEREAS, the Sublease was executed in furtherance of the LTA and a related affiliation agreement between the parties executed concurrently therewith with respect to UT's Graduate School of Medicine;

WHEREAS, up to 225 pharmacy students in their second through fourth years of pharmacy education are located at UTMC, beginning in August, 2007;

WHEREAS, Amendment No. 1 and the Term Sheet attached as Exhibit 1 to Amendment No. 1, was executed for expansion and improvement of facilities for UTCOP and sets forth the general structure of the relationship between UT and UHS, which was required to develop the UTMC facility as well as coordinate the continuing relationship between UT, UTCOP, and UHS with respect to an expanded pharmacy program in Knoxville, Tennessee;

WHEREAS, this Amendment No. 2 is executed to allow UHS and UT additional time to negotiate a long-term agreement; and

WHEREAS, both the Commissioner of the Department of Finance and Administration for the State of Tennessee and the University of Tennessee signed the Sublease and Amendment No. 1 to Sublease, the Commissioner's signature is no longer required and this Amendment No. 2 to Sublease will be executed by the University.

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto agree as follows:

1. The term of the Amendment No. 1 is extended for a one-year period effective July 1, 2020 through June 30, 2021.
2. All other terms of Amendment No. 1 remained unchanged.

IN WITNESS WHEREOF, the University and University Health System, Inc. have executed this Amendment No. 1 the day and year first written above.

SUBLESSEE
THE UNIVERSITY OF TENNESSEE:




Austin Oakes

Executive Director

6/15/20

Date

SUBLESSOR
UNIVERSITY HEALTH SYSTEM, INC.



Joseph Landsman

Chief Executive Officer

6/11/20

Date

STATE OF TENNESSEE

Approved for Form and Legality



Herbert H. Slatery III, Attorney General and Reporter

SUBLESSOR NOTARY

STATE OF TENNESSEE

COUNTY OF Knox

Before me, Tracey J. Whitt, Notary Public in and for the County and State aforesaid, personally appeared Joseph Landsman, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself/herself to be, the within named Landlord, and that he/she, executed the foregoing instrument for the purposes therein contained

Witness my hand and seal, at office in Knoxville, Tennessee, this the 11th day of June, 2020.

Tracey J. Whitt
Notary Public

My Commission Expires:



SUBLEESSEE NOTARY

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, Anthony F. Hopson, Notary Public in and for the County and State aforesaid, personally appeared Austin Oakes, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself to be **Executive Director of the University of Tennessee**, the within named Tenant, and that he as such representative, executed the foregoing instrument for the purposes therein contained and signed the name of the University of Tennessee, by himself as Interim Executive Director of the University of Tennessee.

Witness my hand and seal, at office in Knoxville, Tennessee, this the 15th day of June, 2020.

Anthony F. Hopson
Notary Public

My Commission Expires:

My Commission Expires June 6, 2023



**AMENDMENT NO. 2 TO SUBLEASE AGREEMENT
BY AND BETWEEN UNIVERSITY HEALTH SYSTEM, INC. AND
THE UNIVERSITY OF TENNESSEE THROUGH ITS HEALTH SCIENCE CENTER**

This **AMENDMENT** is made and entered into as of the 15th day of June, 2020, by and between THE STATE OF TENNESSEE, by and through its instrumentality, THE UNIVERSITY OF TENNESSEE (hereinafter call "Sublessee" or "UT") and UNIVERSITY HEALTH SYSTEM, INC., a Tennessee nonprofit corporation (hereinafter called "Sublessor" or "UHS"). Unless otherwise specified herein, capitalized terms used herein shall have the same meaning as such term is given in the Sublease between the parties dated July 8, 1999 and Amendment No. 1 dated September 15, 2006.

WHEREAS, UT on behalf of Its Health Science Center College of Pharmacy (UTCOP) has developed a curriculum to serve students in an expanded pharmacy program in Knoxville, Tennessee and located this expanded program on the campus of The University of Tennessee Medical Center (UTMC), located in Knoxville, Tennessee;

WHEREAS, the operations and facilities of UTMC are controlled by the University Health System, Inc. (UHS) by a Lease and Transfer Agreement (LTA) between UT and UHS dated July 8, 1999;

WHEREAS, the Sublease was executed in furtherance of the LTA and a related affiliation agreement between the parties executed concurrently therewith with respect to UT's Graduate School of Medicine;

WHEREAS, up to 225 pharmacy students in their second through fourth years of pharmacy education are located at UTMC, beginning in August, 2007;

WHEREAS, Amendment No. 1 and the Term Sheet attached as Exhibit 1 to Amendment No. 1, was executed for expansion and improvement of facilities for UTCOP and sets forth the general structure of the relationship between UT and UHS, which was required to develop the UTMC facility as well as coordinate the continuing relationship between UT, UTCOP, and UHS with respect to an expanded pharmacy program in Knoxville, Tennessee;

WHEREAS, this Amendment No. 2 is executed to allow UHS and UT additional time to negotiate a long-term agreement; and

WHEREAS, both the Commissioner of the Department of Finance and Administration for the State of Tennessee and the University of Tennessee signed the Sublease and Amendment No. 1 to Sublease, the Commissioner's signature is no longer required and this Amendment No. 2 to Sublease will be executed by the University.

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto agree as follows:

1. The term of the Amendment No. 1 is extended for a one-year period effective July 1, 2020 through June 30, 2021.
2. All other terms of Amendment No. 1 remained unchanged.

IN WITNESS WHEREOF, the University and University Health System, Inc. have executed this Amendment No. 1 the day and year first written above.

SUBLESSEE
THE UNIVERSITY OF TENNESSEE:



Austin Oakes

Executive Director

6/15/20

Date

SUBLESSOR
UNIVERSITY HEALTH SYSTEM, INC.



Joseph Landsman

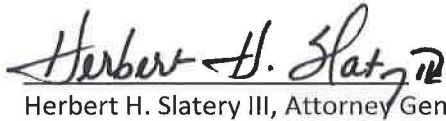
Chief Executive Officer

6/11/20

Date

STATE OF TENNESSEE

Approved for Form and Legality



Herbert H. Slatery III, Attorney General and Reporter

SUBLESSOR NOTARY

STATE OF TENNESSEE

COUNTY OF Knox

Before me, Tracey J. Whitt, Notary Public in and for the County and State aforesaid, personally appeared Joseph Landsman, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself/herself to be, the within named Landlord, and that he/she, executed the foregoing instrument for the purposes therein contained

Witness my hand and seal, at office in Knoxville, Tennessee, this the 11th day of June, 2020.

Tracey J. Whitt
Notary Public

My Commission Expires:



SUBLESEE NOTARY

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, Anthony F. Hopson, Notary Public in and for the County and State aforesaid, personally appeared **Austin Oakes**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself to be **Executive Director of the University of Tennessee**, the within named Tenant, and that he as such representative, executed the foregoing instrument for the purposes therein contained and signed the name of the University of Tennessee, by himself as Interim Executive Director of the University of Tennessee.

Witness my hand and seal, at office in Knoxville, Tennessee, this the 15th day of June, 2020.

Anthony F. Hopson
Notary Public

My Commission Expires:

My Commission Expires June 6, 2023



UNIVERSITY OF TENNESSEEAcquisition - Sublease Amendment

Requested Action: Approval of a sublease amendment

Transaction Description: Transaction No. 06-02-010

- **Proposed Amendment**

- **Term:** May 1, 2007 – June 30, 2021

- **Current Lease**

- **Location:** University of Tennessee – Health Science Center
Knox County – 1924 Alcoa Highway, Knoxville, TN

- **Landlord:** University Health System, Inc. (UHS)

- **Term:** May 1, 2007 – June 30, 2020

- **Area / Costs:** 11,215 square feet/see comment below

- **Source of Funding:** Operational Cost

- **FRF Rate:** \$18.00/sf (for reference only)

Comment:

This space is used by the UTHSC College of Pharmacy for second to fourth year students studying in Knoxville. UT requests a one-year extension to allow additional time to develop a new sublease agreement. Advertisement is not required for this one-year extension.

Rent for this space was prepaid in connection with the expansion of UHS' facility to accommodate space for this program. In addition to the prepaid rent, UT pays operating costs of \$174,000 per year.

Previous Action:

03/20/2006 Subcommittee approved the transaction as presented (approval to amend lease with waiver of advertisement).

Minutes:

05/26/2020 Approved a sublease amendment

UNIVERSITY OF TENNESSEE

LAND ITEM

Review of a request for APPROVAL to AMEND LEASE, with WAIVER OF ADVERTISEMENT required interest in the following real property, not to exceed the appraised value for the property being acquired:

Description: **Knox County – 15,000 square feet – University Health Systems Campus, Knoxville, TN – Transaction No. 06-02-010 (GM)**

Purpose: Acquisition by Lease for needed space for classrooms, faculty offices, conference rooms, and computer rooms for pharmacy students.

Source of Funding: Operational Cost

Owner(s): University Health Systems (UHS)

Comment: Proposed to enter into a lease with a term up to 15 years. The University will pay for the actual costs of construction of 2-stories and continue to pay the operational cost associated with the facility.

SSC Report: Jurgen Bailey summarized the transaction. Alvin Payne summarized the transaction for the purpose of Amending the Lease and to allow (UHS) to build additional 2-floors on the existing building. There are approximately 225-250 students that will complete their pharmacy degrees there. Staff referred to Sub-Committee for recommendation.

SC Action: 03-20-06. Subcommittee approved the transaction as presented. Final action.

96859

This instrument prepared by:
The University of Tennessee
Office of Real Estate Administration
5723 Middlebrook Pike, Suite 120
Knoxville, TN 37996

**AMENDMENT NO. 1
TO
SUBLEASE**

This AMENDMENT, made and entered into as of the 15 day of SEPTEMBER, 2006, by and between THE STATE OF TENNESSEE, by and through its COMMISSIONER OF DEPARTMENT OF FINANCE AND ADMINISTRATION (the "Commissioner") and by and through its instrumentality, THE UNIVERSITY OF TENNESSEE (hereinafter called "Sublessee" or "UT") and UNIVERSITY HEALTH SYSTEM, INC., a Tennessee nonprofit corporation (hereinafter called "Sublessor" or "UHS"). Unless otherwise specified herein, capitalized terms used herein shall have the same meaning as such term is given in the Sublease between the parties dated July 8, 1999 ("Sublease").

WITNESSETH

WHEREAS, UT on behalf of its Health Science Center College of Pharmacy (UTCOP) has proposed the development of a curriculum to serve students in an expanded pharmacy program in Knoxville, Tennessee (Knoxville Program). The proposal is to locate this expanded program on the campus of The University of Tennessee Medical Center (UTMC), located in Knoxville, Tennessee; and

WHEREAS, the operations and facilities of UTMC are controlled by the University Health System, Inc. (UHS) by a Lease and Transfer Agreement (LTA) between UT and UHS dated July 8, 1999; and

WHEREAS, the Sublease was executed in furtherance of the LTA and a related affiliation agreement between the parties executed concurrently therewith with respect to UT's Graduate School of Medicine; and

WHEREAS, it is anticipated that up to 225 pharmacy students in their second through fourth years of pharmacy education will be located at the UTMC, beginning in August, 2007;

WHEREAS, the Term Sheet, attached as Exhibit 1 to this Amendment, sets forth the general structure of the relationship between UT and UHS, which will be required to develop the UTMC facility as well as coordinate the continuing relationship between UT,

UTCOP, and UHS with respect to an expanded pharmacy program in Knoxville, Tennessee; and

WHEREAS, this Amendment and a separate affiliation agreement concerning the pharmacy program in Knoxville are intended to promote, and will be executed with respect to, this relationship.

NOW THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto agree as follows:

1. UHS shall expand and improve facilities presently located on the UTMC campus sufficient to meet the requirements of UTCOP for occupancy on or before May 1, 2007. Once such improvements are completed, these facilities, a description of which shall be subsequently attached hereto as Exhibit 2, shall be included as part of the Premises subject to the Sublease.
 - a. The construction cost will be paid in full by UT, as provided below, for the entire project as "Prepaid Rent." The construction cost will equal an amount of \$2,740,378 representing the current estimated construction costs for renovation and expansion; provided, however, that the actual construction cost may vary based upon the final construction costs and the final plans and specifications as required and approved by UT.
 - b. Reimbursement of the construction costs incurred by UHS shall be by annual payments from UT up to \$1,500,000 per year on **September 15, 2006** and **March 31, 2007**. If at the issuance of a Certificate of Occupancy, the construction costs as described above have not been reimbursed in full, UT will make a final payment of the unpaid amount within 30 days of the issuance of said Certificate of Occupancy or as may otherwise be certified by UHS as remaining unreimbursed thereafter.
2. In addition to the Prepaid Rent, UT shall pay mutually agreed upon actual operating costs on a monthly basis for the UTCOP space provided under this Amendment. These operating costs will not include ancillary services, such as computer networks, telephone, teleconferencing infrastructure, and computer desktop support, unless mutually agreed upon by both parties under a separate agreement. Costs will be based upon the then current rates for comparable office space and services on the UHS campus. In determination of these rates, UHS will annually submit supporting cost data for the services provided and agreed upon. Costs may include charges for parking as may be agreed by UT and UHS.
3. Prepaid Rent, as well as the operating costs paid pursuant to Section 2 above, shall be the only consideration owing for the rental of the UTCOP space provided under this Amendment for the period ending on June 30, 2020 ("Renewal Date"); rental costs thereafter shall be as mutually agreed by the parties. Anything in the Sublease notwithstanding, UT's sublease of the UTCOP space provided under this

Amendment shall not be terminated prior to the Renewal Date, except upon UT's failure to cure a breach of a covenant in this Amendment following thirty (30) days notice by UHS.

4. Since this Amendment requires the expenditure of funds by the University beyond a single fiscal year and it will be necessary for the legislative body for the University to appropriate funds for payment during each fiscal period, in the event the legislative body of the University does not appropriate sufficient funds for the payment of any amounts due under this Amendment for any fiscal period, this Amendment shall be terminated with no penalty to the University upon notice to UHS.

5. Notice must be given in a writing (including facsimile, but not electronic mail) which identifies itself as a notice under this Amendment. Notice is effective on the date which is the later of: (a) the actual date received; (b) five (5) business days after the notice is deposited with the U.S. Postal Service, postage prepaid, certified mail, return receipt requested; or (c) three (3) business days after the notice is deposited prepaid with a national overnight package delivery service for overnight delivery. Notice must be given to the following addresses, unless the parties have given prior notice of a change of address:

If to UT: Office of the Treasurer
301 Andy Holt Tower
Knoxville, TN 37996
865-974-2302

With a copy to: The University of Tennessee Health Science Center
Office of Finance & Operations
62 S. Dunlap Street, Suite 300
Memphis, TN 38163

If to UHS: Chief Executive Officer
University Health System, Inc.
1520 Cherokee Trail, Suite 200
Knoxville, TN 37920

With a copy to: General Counsel
University Health System, Inc.
1520 Cherokee Trail, Suite 330
Knoxville, TN 37920

6. All other terms and conditions of the Sublease remain unchanged.


IN WITNESS WHEREOF, the University and University Health System have executed this Amendment No. 1 the day and year first written above.

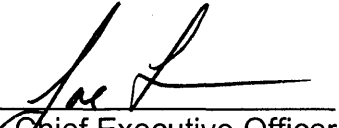
SUBLESSEE

SUBLESSOR


THE UNIVERSITY OF TENNESSEE

UNIVERSITY HEALTH SYSTEM, INC

By: 
Its: Vice President

By: 
Its: Chief Executive Officer

Attest: 

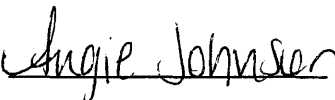
Attest: 

STATE OF TENNESSEE

THE STATE OF TENNESSEE, BY AND THROUGH ITS COMMISSIONER OF FINANCE AND ADMINISTRATION

By: 
Its: Senior Vice President and Chief Administrative Officer

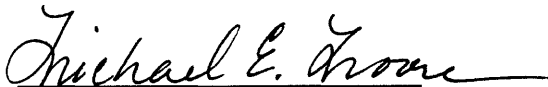
By: 
Title: Commissioner

Attest: 

Attest: _____

Approved as to form and legality

THE ATTORNEY GENERAL OF THE STATE OF TENNESSEE



Michael E. Moore
Acting Attorney General

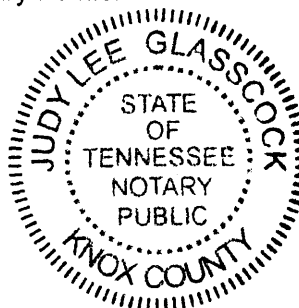
STATE OF Tennessee
COUNTY OF KNOX

Personally appeared before me, the undersigned Notary Public for KNOX County, Joseph Landsman (Name) Chief Executive Officer of University Health System, Inc., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged that he/she is the President + CEO (Title) of University Health System, Inc., and that he/she as President + CEO (Title), being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of University Health System, Inc., by himself/herself as President + CEO (Title).

Witness my hand and seal, at office in, this 23 day of August, 2006

Judy Lee Glasscock
Notary Public.

My Commission Expires:
My commission expires July 13, 2009



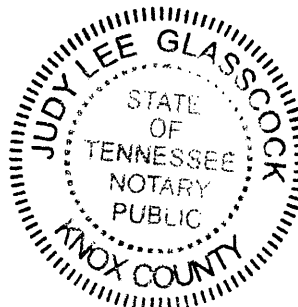
STATE OF Tennessee
COUNTY OF KNOX

Personally appeared before me, the undersigned Notary Public for KNOX County, Abner Majors (Name) Senior Vice President and Chief Administrative Officer of University Health System, Inc., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged that he/she is the SR VP + CAO (Title) of University Health System, Inc., and that he/she as SR VP + CAO (Title), being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of University Health System, Inc., by himself/herself as SR VP + CAO (Title).

Witness my hand and seal, at office in, this 23 day of August, 2006

Judy Lee Glasscock
Notary Public.

My Commission Expires:
My commission expires July 13, 2009



STATE OF TENNESSEE
COUNTY OF KNOX

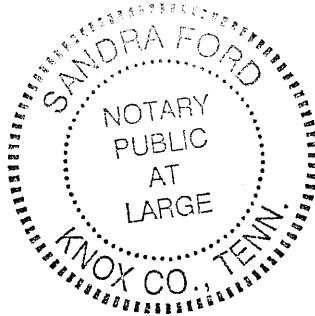
Personally appeared before me, the undersigned Notary Public for Knox County,
Charles M. Percolo Vice President of The University of Tennessee, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged that he/she is the Vice President of The University of Tennessee and that he/she as Vice President, being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of The University of Tennessee by himself/herself as Vice President.

Witness my hand and seal, at office in, this 24th day of August, 2006

Sandra Ford
Notary Public.

My Commission Expires:

9/4/2006



STATE OF TENNESSEE
COUNTY OF DAVIDSON

Personally appeared before me, the undersigned, Notary Public for Davidson County, M. D. Geetz, Jr., Commissioner of Finance and Administration with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged that he/she is the Commissioner of Finance and Administration and that he/she as Commissioner of Finance and Administration, being authorized so to do, executed the foregoing instrument for the purpose therein contained by signing the name of the State of Tennessee by himself/herself as Commissioner of Finance and Administration.

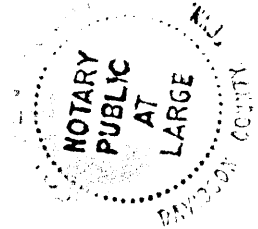
Witness my hand and seal, at office in, this 23 day of Oct, 2006

Pat Pentecost

Notary Public.

My Commission Expires:

3.31.07



**TERMS OF RELATIONSHIP BETWEEN
THE UNIVERSITY OF TENNESSEE ON BEHALF OF
THE UNIVERSITY OF TENNESSEE HEALTH SCIENCE CENTER COLLEGE OF
PHARMACY
AND
UNIVERSITY HEALTH SYSTEM, INC.**

The University of Tennessee ("UT") on behalf of its Health Science Center College of Pharmacy (the "UTCOP") has proposed the development of a curriculum to serve students in an expanded pharmacy program in Knoxville, Tennessee (referred to as the "Knoxville Program"). The proposal is to locate this expanded program on the campus of The University of Tennessee Medical Center (UTMC), located in Knoxville, Tennessee ("UHS"). The operations and facilities of UHS are controlled by the University Health System, Inc. (UHS) by the Lease and Transfer Agreement between UT and UHS dated July 8, 1999 (the "LTA"). It is anticipated that up to 225 pharmacy students in their second through fourth years of pharmacy education would be located at the UTMC; beginning in August, 2007. This document (the "Term Sheet") sets forth the general structure of the relationship between UT and University Health System, Inc. ("UHS"), which will be required to develop the UTMC facility as well as coordinate the continuing relationship between UT, UTCOP and UHS.

The general terms of the relationship are set forth below and will be formalized through an academic affiliation agreement and a lease agreement as are generally outlined herein:

ACADEMIC AFFILIATION AGREEMENT TERMS:

1. A separate affiliation agreement between UHS and UT, on behalf of the UTCOP, will set forth the specifics of the relationship and will supersede any existing affiliation agreement(s) with respect to the UTCOP.
2. The UHS Director of Pharmacy and the Associate Dean of the UTCOP Knoxville Program will work collaboratively on all matters related to UHS and the UTCOP.
3. The Chief Executive Officer of UHS and the Dean of the UTCOP, or their designee(s) will appoint the Chair and members of the selection committee for the Associate Dean of the Knoxville Program. Any candidate proposed to be selected as Associate Dean of the Knoxville Program must have the prior approval of the CEO of UHS and the Dean of the UTCOP.
4. The UHS Director of Pharmacy will serve as a member of the selection committee for the Associate Dean of the Knoxville Program.
5. In the event that the Associate Dean of the Knoxville Program wishes to participate in an active practice of pharmacy, it will be located at UHS, if that service is offered at UHS. He or she will be required to meet any and all credentialing requirements established by UHS. Such practice will be subject to approval by the Director of Pharmacy at UHS in addition to all required approvals by UT.

6. All UTCOP faculty who practice clinically at UHS will do so under the direction of the UHS Director of Pharmacy. The practice models will be approved by the UHS Director of Pharmacy in advance of any recruitment of faculty and will meet the needs of the UHS pharmacy program and the UTCOP academic program.
7. The Associate Dean of the Knoxville Program and the UHS Director of Pharmacy will act together to recruit UTCOP faculty who will practice clinically at UHS. Any such individual(s) recruited will be required to meet any and all credentialing requirements established by UHS, as well as the prior approval of the UHS Director of Pharmacy, and all required prior approvals by UT.
8. The UHS Director of Pharmacy will annually perform written evaluations of all UTCOP faculty practicing clinically at UHS as it relates to their clinical practice activities and submit such evaluations on or before May 1st to the Associate Dean of the Knoxville Program for consideration in their annual performance, salary, and planning review for UT. Such evaluation of clinical practice by the UHS Director of Pharmacy will determine the faculty member's continued opportunity to practice clinically at UHS.
9. Any pharmacy residency positions assigned to UHS will be integrated into the established or newly developed residency program(s). The particular type (post graduate year 1 or post graduate year 2) and number of pharmacy residency positions will be determined by the UHS director of Pharmacy in coordination with the Associate Dean of the Knoxville Program and will be designed to support UTCOP faculty positions, the extent of which will be mutually agreed upon, and the UHS pharmacy program in accordance with prevailing accreditation standards.
10. A minimum of 4 new UTCOP funded pharmacy residency positions and 8 new UTCOP funded pharmacy faculty positions will be assigned to UHS with their distribution of work effort mutually agreed upon by the Associate Dean of the Knoxville Program, and the UHS Director of Pharmacy. These positions will be in addition to any positions or financial support currently provided to UHS by UTCOP
11. UHS agrees that UHS will exclusively accept UTCOP Pharmacy students for experiential training and education unless prior written approval is received from the Dean of the UTCOP, or his or her designee, for the experiential education of pharmacy students from other colleges or schools of Pharmacy.

LEASE AGREEMENT TERMS

1. The UTMC will require renovation and addition to facilities presently located on the UHS campus. Once renovated and expanded, the facilities will be leased by UT from UHS for a lease term of 15 years ending on June 30, 2020. The lease payment will be paid in full by UT, in advance, for the entire lease term (the "Prepaid Lease"). The Prepaid Lease amount will equal an amount of \$2,740,378 representing the current estimated construction costs for renovation and expansion. UT and UHS acknowledge that this estimated Prepaid Lease amount may vary based upon the final construction costs and the final plans and specifications as required and approved by UT. In the event that the

lease is not renewed at any time by the Parties, the facilities constructed and leased, as outlined in this Agreement, shall become a part of the Property as that term is defined under the LTA.


2. In addition, UTCOP shall pay mutually agreed upon actual operating costs on a monthly basis for the UTCOP leased space. These operating costs will not include ancillary services, such as computer networks, telephone, teleconferencing infrastructure, and computer desktop support, unless mutually agreed upon by both parties under a separate agreement. Costs will be based upon the then current rates for comparable office space and services on the UHS campus. In determination of these rates, UHS will annually provide supporting cost data for the services provided and agreed upon. Costs may include costs for parking as may be agreed by UT and UHS.
3. The reimbursement mechanism for payment of the Prepaid Lease will be accomplished through annual payments from UT up to \$1,500,000 per year on March 31, 2006 and March 31, 2007. If at the issuance of a *Certificate of Occupancy*, the construction costs as identified in paragraph 1 are not paid in full, UT will make a final payment for the unpaid amount within 30 days of the issuance of said *Certificate*.
4. In order to meet the 2007 academic year goal for the initial year of the UTCOP program expansion, UHS agrees to move forward with the renovation, construction, and expansion of the facilities on the UHS campus with the approval of this Term Sheet with projected occupancy on or before May 1, 2007.

GENERAL TERMS

1. This Agreement may be amended from time to time upon written mutual consent of both UHS and UT.
2. UT and UHS agree that their respective commitments as set forth in this term sheet must meet all legal, regulatory and other approvals as may be required by both UT and UHS. This Term Sheet Agreement is made, entered into under, and shall be construed in accordance with the laws of the State of Tennessee.
3. UT and UHS agree that these terms as set forth in this Term Sheet set forth, in principal, the terms of the agreement between the parties.
4. UT and UHS further agree that definitive agreements setting forth the agreement of the Parties in full will be developed within One Hundred Twenty (120) days of the later of the date of approval of this Term Sheet by UT and the UHS Board of Directors.
5. Good faith is the essence of this Agreement. Both UT and UHS each agree to exercise good faith and commercial reasonableness in the interpretation, performance, and enforcement of the Agreement.

Agreed to and accepted this 26 day of January, 2006.

UNIVERSITY HEALTH SYSTEM, INC.
("UHS")

By: 

Title: CEO

THE UNIVERSITY OF TENNESSEE
("UT")

By: 

Title: President

Exhibit 2

to be provided

This Instrument Prepared By:
Baker, Donelson, Bearman & Caldwell
1700 Nashville City Center
511 Union Street
Nashville, TN 37219

SUBLEASE

This Sublease (the "Sublease"), made and entered into as of the 8th day of July, 1999, by and between THE STATE OF TENNESSEE, by and through its COMMISSIONER OF FINANCE AND ADMINISTRATION (the "Commissioner") and by and through its instrumentality, THE UNIVERSITY OF TENNESSEE (hereinafter called Sublessee" or "UT") and UNIVERSITY HEALTH SYSTEM, INC., a Tennessee nonprofit corporation (hereinafter called "Sublessor"). Unless otherwise specified herein, capitalized terms used herein shall have the same meaning as such term is given in the Affiliation Agreement. #1

WITNESSETH:

The parties hereto, upon the terms and conditions and for the consideration hereinafter specified, agree as follows:

1. DESCRIPTION. Sublessor hereby subleases unto Sublessee and Sublessee hereby subleases from Sublessor those premises with the appurtenances thereto situated in the State of Tennessee and County of Knox, City of Knoxville, located in the buildings known as The University of Tennessee Memorial Research Center and Hospital, its affiliated clinics and the physician office buildings, more particularly described on Exhibit "A" hereto (hereinafter referred to as the "Premises"). All of the above described property being a portion of the same property conveyed to the State of Tennessee as Trustee for the use and benefit of The University of Tennessee by deeds from Knox County, Tennessee dated January 26, 1916 and July 22, 1942 recorded at Deed Book 285, page 397 and Deed Book 645, page 180, respectively, Register's Office for Knox County, Tennessee and leased to Lessor pursuant to the Lease and Transfer Agreement of even date herewith.

2. TERM. The term of this Sublease shall commence on the Closing (as such term is defined in the Affiliation Agreement) and shall end on termination of the Affiliation Agreement, with such rights of termination as may be hereinafter expressly set forth. Should the Sublessee occupy the Premises beyond the term of this Sublease, or the end of any renewal period which may be expressly provided for hereinafter, such occupancy shall in no event be month-to-month but at the will of the Sublessor.

3. RENT. The Sublessee shall pay rent as described in Exhibit B attached hereto.

4. PURPOSE The Premises hereby subleased shall be used by the Graduate School of Medicine for such uses as existed as of the date of Closing and such other uses as are reasonably necessary and appropriate for the Graduate School of Medicine and consistent with the purposes of Hospital, including tax-exempt educational and research programs; provided however that Sublessee shall use the Premises solely for purposes which are exclusively tax-exempt under applicable federal income tax law and regulations, except as consented to in writing by Sublessor in advance. In the event Sublessee's use of the Premises changes following the Closing, Sublessor may terminate this Sublease upon ninety (90) days written notice to Sublessor.

5. ASSIGNMENT AND SUBLETTING. The Sublessee may not assign or sublet the Premises in whole or in part without the written consent of the Sublessor.

6. REPAIR/MAINTENANCE. The Sublessee accepts the Premises in their present physical condition and without obligation on the part of the Sublessor to make repairs or improvements. Sublessee agrees to make all repairs to the cosmetic interior of the Premises at its own expense. Sublessor agrees to maintain the structure of the Building, any common areas, and the building's mechanical systems in at least as good a condition as they existed at the commencement of this Sublease. The Sublessee shall take good care of the Premises hereby subleased, and the appurtenances thereof, and neither commit or permit any waste thereon.

7. ALTERATIONS. The Sublessee shall not make any alterations, additions or improvements on the Premises without first obtaining written consent from the Sublessor, which shall not be unreasonably withheld. All alterations, additions or improvements made by the Sublessee shall inure to the benefit of and be the property of, the Sublessor upon the termination and end of this Sublease (unless renewed) unless hereinafter specified to the contrary or otherwise agreed to in writing and signed by both parties. Upon the expiration of the Term of the Lease and Transfer Agreement (as defined in the Lease and Transfer Agreement), Section 8.3 of that Agreement shall control.

8. UTILITIES. The Sublessor shall pay, as they become due, for all utilities including, but not limited to, water, sewerage, electrical, gas, fuel, and custodial services but excluding telephone services and television services.

9. INSPECTION. The Sublessor shall have the right to enter the Premises, at reasonable times in order to inspect, render services or make necessary repairs to the Premises. Further, Sublessor shall have similar entry rights if necessary to inspect, repair or improve Sublessor's adjoining property, if any.

10. FIRE AND CASUALTY. If the Premises be destroyed by fire or other casualty, this Sublease shall immediately terminate. In the case of partial destruction or damage so as to render the Premises untenable, either party may terminate this Sublease by giving written notice to them other within fourteen (14) days thereafter.

11. LIABILITY. Sublessor shall not be liable for any property or valuables destroyed, damaged, lost, stolen, taken or missing from the Premises, the Sublessee agreeing to sufficiently protect, secure, insure and safeguard any and all property maintained or stored upon the Premises. Any property placed on or within the Premises is maintained strictly at Sublessee's own risk. The Sublessor agrees to provide fire and casualty insurance or self insurance in accordance with Article 9 of the Lease and Transfer Agreement.

12. TERMINATION. This Sublease may be terminated by Sublessee upon the giving of written notice to Sublessor not less than sixty (60) days prior to the date of such termination and shall quit and vacate the Premises as of the date of such termination.

Notwithstanding any other provision to the contrary, in the event that the Sublessee becomes insolvent, or bankruptcy proceedings are filed against or by the Sublessee, his heirs or assigns in any court whatsoever, it shall give the right to Sublessor or its assigns, at their option, to immediately declare this contract null and void and at once resume possession of the property. No receiver, trustee, or other judicial officer shall have any right, title or interest in or to the above described property by virtue of this contract.

13. NOTICES. All notices herein provided to be given, shall be given in the method prescribed in Section 13.4 of the Affiliation Agreement.

14. AMENDMENT. This Sublease may not be amended, modified or in any way changed, except by written agreement signed by both parties.

IN WITNESS WHEREOF, this Sublease has been executed by the parties hereto on the day and year first above written.

SUBLESSEE:

THE UNIVERSITY OF TENNESSEE

By: [Signature]
Its: Vice President

Attest: Karen M. Moore

SUBLESSOR:

UNIVERSITY HEALTH SYSTEM, INC.

By: [Signature]
Its: President & CEO

Attest: Karen M. Moore

STATE:

THE STATE OF TENNESSEE, BY AND THROUGH ITS COMMISSIONER OF FINANCE AND ADMINISTRATION

Attest:

By: Karen M. Moore
Title: Notary Public

By: [Signature]
Title: Commissioner

Approved as to form and legality:

THE ATTORNEY GENERAL OF THE STATE OF TENNESSEE

IN WITNESS WHEREOF, this Sublease has been executed by the parties hereto on the day and year first above written.

SUBLESSEE:

THE UNIVERSITY OF TENNESSEE

By: _____
Its: Vice President

Attest: _____

Attest:

By: _____
Title: _____

SUBLESSOR:

UNIVERSITY HEALTH SYSTEM, INC.

By: _____
Its: _____

Attest: _____

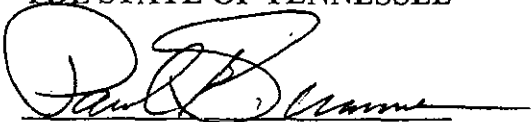
STATE:

THE STATE OF TENNESSEE, BY AND THROUGH ITS COMMISSIONER OF FINANCE AND ADMINISTRATION

By: _____
Title: _____

Approved as to form and legality:

THE ATTORNEY GENERAL OF THE STATE OF TENNESSEE



STATE OF TENNESSEE)
 DAVIDSON) ss
COUNTY OF KNOX)

Before me, a Notary Public of the State and County aforesaid, personally appeared Joseph E. Johnson, with whom I am personally acquainted, and who under oath acknowledged himself to be a ~~Vice~~ President of The University of Tennessee, the within named bargainer, and that he as such ~~Vice~~ President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the University by him/herself as ~~Vice~~ President.

Witness my hand and official seal at office in Nashville ~~Knoxville~~, Tennessee, this the 8th day of July, 1999.

Karen M. Moore
Notary Public

My Commission expires:
May 28, 2000

STATE OF TENNESSEE)
 DAVIDSON) ss
COUNTY OF ~~KNOX~~)

Before me, a Notary Public of the State and County aforesaid, personally appeared C.E. Bilbrey, with whom I am personally acquainted, and who under oath acknowledged himself/herself to be President & CEO of University Health System, Inc., the within named bargainor, a corporation, and that he/she as such President & CEO, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as President & CEO.

Witness my hand and official seal at office in Nashville ~~Knoxville~~, Tennessee, this the 7th day of July, 1999.

Karen M. Moore
Notary Public

My Commission expires:
May 28, 2000

EXHIBIT "A"

[Floor Plan of Leased Space]

**Graduate School of Medicine
Projected Building Rental**

	FY 99		FY 00		FY 01		FY 02		FY 03		FY 04	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
POB Spaces 12,429 sq. ft.	\$15.00	\$ 186,435.00	\$15.50	\$ 192,649.50	\$16.00	\$ 198,864.00	\$16.50	\$ 205,078.50	\$17.00	\$ 211,293.00	\$17.50	\$ 217,507.50
Hospital Spaces 20,985 sq. ft.	\$11.00	\$ 230,835.00	\$11.50	\$ 241,327.50	\$12.00	\$ 251,820.00	\$12.50	\$ 262,312.50	\$13.00	\$ 272,805.00	\$13.50	\$ 283,297.50
Research – All Other 24,968 sq. ft.	\$9.25	\$ 230,954.00	\$9.50	\$ 237,196.00	\$9.75	\$ 243,438.00	\$10.00	\$ 249,680.00	\$10.25	\$ 255,922.00	\$10.50	\$ 262,164.00
Research – Ground 6,068 sq. ft.	\$5.00	\$ 30,340.00	\$5.25	\$ 31,857.00	\$5.50	\$ 33,374.00	\$5.75	\$ 34,891.00	\$6.00	\$ 36,408.00	\$6.25	\$ 37,925.00
CEC – Ground 3,476 sq. ft.	\$5.00	\$ 17,380.00	\$5.25	\$ 18,249.00	\$5.50	\$ 19,118.00	\$5.75	\$ 19,987.00	\$6.00	\$ 20,856.00	\$6.25	\$ 21,725.00
CEC – All Other 34,915 sq. ft.	\$9.25	\$ 322,963.75	\$9.50	\$ 331,692.50	\$9.75	\$ 340,421.25	\$10.00	\$ 349,150.00	\$10.25	\$ 357,878.75	\$10.50	\$ 366,607.50
Trailer #1 1,422 sq. ft.	\$9.25	\$ 13,153.50	\$9.50	\$ 13,509.00	\$9.75	\$ 13,864.50	\$10.00	\$ 14,220.00	\$10.25	\$ 14,575.50	\$10.50	\$ 14,931.00
Total:		\$1,032,061.25		\$1,066,480.50		\$1,100,899.75		\$1,135,319.00		\$1,169,738.25		\$1,204,157.50

Total Square Footage: 104,263 sq. ft.

Effective: 04/22/99

**Graduate School of Medicine
Projected Building Rental**

	<u>Total Square Footage</u>	<u>FY 99</u>	<u>FY 00</u>	<u>FY 01</u>	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>
Anesthesia	5,534 sq. ft.	\$60,874.00	\$63,641.00	\$66,408.00	\$69,175.00	\$71,942.00	\$74,709.00
Family Medicine	15,276 sq. ft.	\$141,303.00	\$145,122.00	\$148,941.00	\$152,760.00	\$156,579.00	\$160,398.00
Medicine	18,268 sq. ft.	\$188,057.50	\$193,454.00	\$198,850.50	\$204,247.00	\$209,643.50	\$215,040.00
OB/GYN	11,270 sq. ft.	\$116,191.25	\$120,715.00	\$125,238.75	\$129,762.50	\$134,286.25	\$138,810.00
Medical Biology	2,162 sq. ft.	\$19,998.50	\$20,539.00	\$21,079.50	\$21,620.00	\$22,160.50	\$22,701.00
Pediatrics	11,427 sq. ft.	\$119,257.75	\$122,764.50	\$126,271.25	\$129,778.00	\$133,284.75	\$136,791.50
Radiology	946 sq. ft.	\$10,406.00	\$10,879.00	\$11,352.00	\$11,825.00	\$12,298.00	\$12,771.00
Surgery	16,392 sq. ft.	\$186,859.00	\$193,764.00	\$200,669.00	\$207,574.00	\$214,479.00	\$221,384.00
Oral & Maxillofacial	1,715.5 sq. ft.	\$25,732.50	\$26,590.25	\$27,448.00	\$28,305.75	\$29,163.50	\$30,021.25
General Dentistry	1,247.5 sq. ft.	\$18,712.50	\$19,336.25	\$19,960.00	\$20,583.75	\$21,207.50	\$21,831.25
Dean's Office	3,994 sq. ft.	\$36,944.50	\$37,943.00	\$38,941.50	\$39,940.00	\$40,938.50	\$41,937.00
CME / CDE	1,422 sq. ft.	\$13,153.50	\$13,509.00	\$13,864.50	\$14,220.00	\$14,575.50	\$14,931.00
Medical Photography	380 sq. ft.	\$3,515.00	\$3,610.00	\$3,705.00	\$3,800.00	\$3,895.00	\$3,990.00
Preston Medical Library	8,161 sq. ft.	\$60,716.25	\$62,756.50	\$64,796.75	\$66,837.00	\$68,877.25	\$70,917.50
Animal Facility	<u>6,068 sq. ft.</u>	<u>\$30,340.00</u>	<u>\$31,857.00</u>	<u>\$33,374.00</u>	<u>\$34,891.00</u>	<u>\$36,408.00</u>	<u>\$37,925.00</u>
Total:	104,263 sq. ft.	\$1,032,061.25	\$1,066,480.50	\$1,100,899.75	\$1,135,319.00	\$1,169,738.25	\$1,204,157.50

Graduate School of Medicine
 Projected Building Rental
 Department of Anesthesia Expenses

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
North Pavilion 2 nd Floor 2,661 sq. ft.	\$11.00	\$29,271.00	\$11.50	\$30,601.50	\$12.00	\$31,932.00	\$12.50	\$33,262.50	\$13.00	\$34,593.00	\$13.50	\$35,923.50
North Pavilion 3 rd Floor 2,873 sq. ft.	\$11.00	<u>\$31,603.00</u>	\$11.50	<u>\$33,039.50</u>	\$12.00	<u>\$34,476.00</u>	\$12.50	<u>\$35,912.50</u>	\$13.00	<u>\$37,349.00</u>	\$13.50	<u>\$38,785.50</u>
Total:		\$60,874.00		\$63,641.00		\$66,408.00		\$69,175.00		\$71,942.00		\$74,709.00
Total Square Footage:	5,534 sq. ft.											

**Graduate School of Medicine
 Projected Building Rental
 Department of Family Medicine Expenses**

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
CEC Bldg. 1 st Floor 15,276 sq.ft.	\$9.25	\$141,303.00	\$9.50	\$145,122.00	\$9.75	\$148,941.00	\$10.00	\$152,760.00	\$10.25	\$156,579.00	\$10.50	\$160,398.00

Total Square Footage: 15,276 sq. ft.

**Graduate School of Medicine
Projected Building Rental
Department of Medicine Expenses**

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
1 st Floor – POB I Suite 118 303 sq. ft.	\$15.00	\$4,545.00	\$15.50	\$4,696.50	\$16.00	\$4,848.00	\$16.50	\$4,999.50	\$17.00	\$5,151.00	\$17.50	\$5,302.50
1 st Floor – POB I Suite 119 528 sq. ft.	\$15.00	\$7,920.00	\$15.50	\$8,184.00	\$16.00	\$8,448.00	\$16.50	\$8,712.00	\$17.00	\$8,976.00	\$17.50	\$9,240.00
1 st Floor – POB I Suite 126 100 sq. ft.	\$15.00	\$1,500.00	\$15.50	\$1,550.00	\$16.00	\$1,600.00	\$16.50	\$1,650.00	\$17.00	\$1,700.00	\$17.50	\$1,750.00
2 nd Floor – POB I Suite 222 2,387 sq. ft.	\$15.00	\$35,805.00	\$15.50	\$36,998.50	\$16.00	\$38,192.00	\$16.50	\$39,385.50	\$17.00	\$40,579.00	\$17.50	\$41,772.50
2 nd Floor – CEC 4,162 sq. ft.	\$9.25	\$38,498.50	\$9.50	\$39,539.00	\$9.75	\$40,579.50	\$10.00	\$41,620.00	\$10.25	\$42,660.50	\$10.50	\$43,701.00
2 nd Floor Research 8,684 sq. ft.	\$9.25	\$80,327.00	\$9.50	\$82,498.00	\$9.75	\$84,669.00	\$10.00	\$86,840.00	\$10.25	\$89,011.00	\$10.50	\$91,182.00
4 th Floor Research 2,104 sq. ft.	\$9.25	<u>\$19,462.00</u>	\$9.50	<u>\$19,988.00</u>	\$9.75	<u>\$20,514.00</u>	\$10.00	<u>\$21,040.00</u>	\$10.25	<u>\$21,566.00</u>	\$10.50	<u>\$22,092.00</u>
Total:		\$188,057.50		\$193,454.00		\$198,850.50		\$204,247.00		\$209,643.50		\$215,040.00

Total Square Footage: 18,268 sq. ft.

**Graduate School of Medicine
Projected Building Rental
Department of OB/GYN Expenses**

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
North Pavilion 5 th Floor 6,825 sq. ft.	\$11.00	\$75,075.00	\$11.50	\$78,487.50	\$12.00	\$81,900.00	\$12.50	\$85,312.50	\$13.00	\$88,725.00	\$13.50	\$92,137.50
Research 5 th Floor 4,445 sq. ft.	\$9.25	\$41,116.25	\$9.50	\$42,227.50	\$9.75	\$43,338.75	\$10.00	\$44,450.00	\$10.25	\$45,561.25	\$10.50	\$46,672.50
Total:		\$116,191.25		\$120,715.00		\$125,238.75		\$129,762.50		\$134,286.25		\$138,810.00

Total Square Footage: 11,270 sq. ft.

**Graduate School of Medicine
 Projected Building Rental
 Department of Medical Biology (Research) Expenses**

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
Research 3 rd Floor 1,968 sq. ft.	\$9.25	\$18,204.00	\$9.50	\$18,696.00	\$9.75	\$19,188.00	\$10.00	\$19,680.00	\$10.25	\$20,172.00	\$10.50	\$20,664.00
Research 5 th Floor 194 sq. ft.	\$9.25	<u>\$1,794.50</u>	\$9.50	<u>\$1,843.00</u>	\$9.75	<u>\$1,891.50</u>	\$10.00	<u>\$1,940.00</u>	\$10.25	<u>\$1,988.50</u>	\$10.50	<u>\$2,037.00</u>
Total:		\$19,998.50		\$20,539.00		\$21,079.50		\$21,620.00		\$22,160.50		\$22,701.00

Total Square Footage: 2,162 sq. ft.

**Graduate School of Medicine
Projected Building Rental
Department of Pediatric Expenses**

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
4 th Floor North Pavilion 348 sq. ft.	\$11.00	\$3,828.00	\$11.50	\$4,002.00	\$12.00	\$4,176.00	\$12.50	\$4,350.00	\$13.00	\$4,524.00	\$13.50	\$4,698.00
1 st Floor --POB III * Suite 145 2,252 sq. ft.	\$15.00	\$33,780.00	\$15.50	\$34,906.00	\$16.00	\$36,032.00	\$16.50	\$37,158.00	\$17.00	\$38,284.00	\$17.50	\$39,410.00
2 nd Floor -- CEC 3,264 sq. ft.	\$9.25	\$30,192.00	\$9.50	\$31,008.00	\$9.75	\$31,824.00	\$10.00	\$32,640.00	\$10.25	\$33,456.00	\$10.50	\$34,272.00
3 rd Floor -- CEC 3,534 sq. ft.	\$9.25	\$32,689.50	\$9.50	\$33,573.00	\$9.75	\$34,456.50	\$10.00	\$35,340.00	\$10.25	\$36,223.50	\$10.50	\$37,107.00
4 th Floor Research 2,029 sq. ft.	\$9.25	<u>\$18,768.25</u>	\$9.50	<u>\$19,275.50</u>	\$9.75	<u>\$19,782.75</u>	\$10.00	<u>\$20,290.00</u>	\$10.25	<u>\$20,797.25</u>	\$10.50	<u>\$21,304.50</u>
Total:		\$119,257.75		\$122,764.50		\$126,271.25		\$129,778.00		\$133,284.75		\$136,791.50

Total Square Footage: 11,427 sq. ft.

*POB III space will be moving into the hospital upon project completion. Date of move TBD.

04/22/99

**Graduate School of Medicine
 Projected Building Rental
 Department of Radiology Expenses**

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
East Pavilion 1 st Floor 946 sq. ft.	\$11.00	\$10,406.00	\$11.50	\$10,879.00	\$12.00	\$11,352.00	\$12.50	\$11,825.00	\$13.00	\$12,298.00	\$13.50	\$12,771.00

Total Square Footage: 946 sq. ft.

**Graduate School of Medicine
 Projected Building Rental
 Department of General Dentistry Expenses**

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
3 rd Floor – POB III Suite 340 1,247.5 sq. ft.	\$15.00	\$18,712.50	\$15.50	\$19,336.25	\$16.00	\$19,960.00	\$16.50	\$20,583.75	\$17.00	\$21,207.50	\$17.50	\$21,831.25

Total Square Footage; 1,247.5 sq. ft.

**Graduate School of Medicine
 Projected Building Rental
 Dean's Office Expenses**

	<u>FY 99</u>		<u>FY 00</u>		<u>FY 01</u>		<u>FY 02</u>		<u>FY 03</u>		<u>FY 04</u>	
	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual	Rate	Annual
2 nd Floor – CEC 3,994 sq. ft.	\$9.25	\$36,944.50	\$9.50	\$37,943.00	\$9.75	\$38,941.50	\$10.00	\$39,940.00	\$10.25	\$40,938.50	\$10.50	\$41,937.00

Total Square Footage: 3,994 sq. ft.

EXHIBIT "B"

For the period from the commencement of this Sublease until June 30, 2000, the Sublessor and the Sublessee agree on the following fair market value rental fees:

Location	Size (square feet)	Annual Rate	Annual Rent
POB Spaces	12,429	\$15.50	\$192,649.50
Hospital Spaces	20,985	\$11.50	\$241,327.50
Research -- All Other	24,968	\$ 9.50	\$237,196.00
Research -- Ground	6,068	\$ 5.25	\$ 31,857.00
CEC -- Ground	3,476	\$ 5.25	\$ 18,249.00
CEC -- All Other	34,915	\$ 9.50	\$331,692.50
Trailer # 1	1,422	\$ 9.50	\$ 13,509.00
Total:	104,263		\$1,066,480.50

Until June 30, 2000, Sublessor will waive the first year's annual rent relating to certain space in the CEC building included in the table above, in an amount equal to \$145,122, yielding a total annual rent for the first year of \$921,358.50. Periods of less than one full year will be pro-rated on a daily basis.

**RESOLUTION TO APPROVE THE BORROWING OF
MONEY BY ANOTHER METHOD BY THE UNIVERSITY
OF TENNESSEE SYSTEM**

Recitals

Whereas, in September 2020, The University of Tennessee System (the “UT System”) and Martin Methodist College (“MMC”), signed a letter of intent regarding the transfer of assets from MMC to the UT System, contingent upon approval from the Board of Trustees at both institutions, the Tennessee General Assembly, the Tennessee Higher Education Commission, the Tennessee State School Bond Authority (the “Authority”), the Southern Association of Colleges and Schools Commission on Colleges, and other state entities; and

Whereas, RJ Young Company provides copiers to MMC under a Cost per Copy Agreement (the “CPC”); and

Whereas, payments for the CPC include a periodic equipment payment, a periodic supply maintenance payment and an excess charge per copy payment for any copies in excess of the minimum copy requirement; and

Whereas, the term of the CPC is July 31, 2019 through July 30, 2024 with an annual contract cost of forty-six thousand eight hundred dollars (\$46,800); and

Whereas, subject to final approvals, MMC will transfer most of its assets (including the copiers covered by the CPC) to the UT System on July 1, 2021 and on that date there will be 37 months remaining on the CPC, which exceeds the thirty-six month or less threshold for not obtaining Authority approval contained in the Authority’s Guidelines. The CPC will be assigned to the UT System through an amendment.

BE IT RESOLVED BY THE TENNESSEE STATE SCHOOL BOND AUTHORITY:

1. In accordance with the authority provided by Tennessee Code Annotated Section 49-3-1205(11), the Authority gives its approval for the CPC to be assigned to the UT System.

BE IF FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and the resolution shall be effective as of May 24, 2021.

Adopted by the Authority at its meeting on May 24, 2021.

JASON E. MUMPOWER, SECRETARY
TENNESSEE STATE SCHOOL BOND AUTHORITY

EXECUTIVE SUMMARY

BACKGROUND

In September 2020, The University of Tennessee System (UT System) and Martin Methodist College (MMC), signed a letter of intent regarding the acquisition of MMC by the UT System, contingent upon approval from the Board of Trustees at both institutions, the Tennessee General Assembly, the Tennessee Higher Education Commission (THEC), the Tennessee State School Bond Authority (TSSBA), the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), and other state entities.

Martin Methodist College is a private liberal arts college located in Pulaski, Tennessee. This United Methodist-affiliated college currently offers 36 academic programs for degrees at the associate's, bachelor's, and master's levels. The total enrollment is 905 with 84% full-time and 16% part-time students. The campus is comprised of approximately 29 buildings with a total of 302,000 square feet of space. Academic functions are located on the main campus which is comprised of 51 acres while the athletic complex on the East Campus is comprised of 43 acres.

Although Tennessee has set the statewide goal of equipping 55 percent of adults with a degree or credential by 2025, the rate of attainment across the 95 counties in the state varies widely. While certain counties are approaching 55 percent—with Williamson County surpassing it at 69 percent attainment—other counties, particularly those in southern middle Tennessee, are less than halfway to the target 55 percent. Giles, Lawrence, Lincoln, and Marshall Counties all have postsecondary degree or credential attainment rates in the twenties, at 23, 22, 27, and 23 percent, respectively.

Labor Market Trends in the State of Tennessee indicate a need for college educated workers, particularly in business and professional services, nursing, and education, where 58% of the total change in jobs from 2020-2025 require a postsecondary degree. There is a lack of public, four-year Tennessee institutions along Tennessee's southern border between Memphis and Chattanooga. MMC is ideally situated to meet these needs.

REQUEST

The UT System is seeking TSSBA review and approval of leases that fall under TSSBA Guidelines for Requests for Approval to Borrow Money by Another Method. MMC has a total of two real estate related leases and four non-real estate related leases. One real estate related lease and one non-real estate related lease fall under the TSSBA Guidelines and require TSSBA approval. These are summarized below and for information, a summary of the other leases is provided at the end of this document.

LEASES REQUIRING TSSBA APPROVAL

Real Estate Related Lease

USDA Loan

In 2018, Reveille Properties LLC, a nonprofit LLC of which MMC is the sole member took out a \$7 million US Department of Agriculture (USDA) loan which is secured by four campus properties – the Student Clinic, Colonial Hall, Student Apartments and Curry Christian Life Center. Below is a summary of each –

- Student Clinic – this small 1,736 square foot facility was a former house that was renovated in 2013. The clinic provides basic health care needs to faculty, staff, and students.
- Colonial Hall – a 14,300 square foot two story building renovated in 2002 that serves as the main administration building and houses admissions, financial aid, business office, career services and human resources.
- Student Apartments A & B – these include one three-story and one four-story co-ed apartment buildings built in 2004 to house 116 students.
- Curry Christian Life Center – this 37,000 square foot structure was built in 1983 and renovated in 2008. Uses include a gymnasium, indoor pool, indoor track, weight room, racquetball courts, and an athletic training room.

A lease agreement for the four buildings between Reveille and MMC was executed in 2018. The University continues to work with USDA on this item and plans to bring it forward at the June TSSBA meeting.

Non-Real Estate Related Lease

RJ Young Company – Copier Equipment

RJ Young Company out of Nashville, TN provides copiers to MMC under a Cost per Copy Agreement (CPC). The CPC payment consists of a periodic equipment payment and a periodic supply maintenance payment. An excess charge per copy is assessed for maintenance services and supplies for copies in excess of the minimum copy requirement. The term of the CPC is July 31, 2019 through July 30, 2024 with an annual contract cost of \$46,800. Subject to final approvals, MMC will merge into the UT System on July 1, 2021 and there will be 37 months remaining on the contract, exceeding the three-year threshold in the TSSBA Guidelines. This agreement will be assigned to UT through an amendment.

OTHER MMC LEASES NOT REQUIRING TSSBA APPROVAL – FOR INFORMATION ONLY

Lease of Property at 111 North First Street, Pulaski, TN

MMC leases this small building in Pulaski to hold MBA classes and use as lab space. The annual cost is \$16,800 and the term runs through December 1, 2021. This lease will either be assigned to UT or a new agreement executed. Based on the current term and annual cost does not require TSSBA approval. If a new agreement is executed, the term will be five years or less.

Caldwell & Gregory – Laundry Service and Maintenance

Caldwell & Gregory Inc. (CGI) provides 8 Maytag commercial washers and 8 Maytag commercial dryers. CGI services and repairs the equipment at its' expense during the term of the agreement which runs January 14, 2015 through February 28, 2022. There will be 8 months remaining on the term of the agreement following the July 1, 2021 acquisition. The annual cost is based on the number of housed students per semester and has ranged from \$10,000 – 11,200 per year. Students have non-metered access during the Fall and Spring semesters while the machines operate on coins during the summer months.

MailFinance, Neopost – Postal Metering

MailFinance, Inc. leases a postage meter and an online mail services to MMC. The annual cost is \$4,080 and the term began July 25, 2018 and ends July 24, 2023. There will be 25 months remaining on the term of the agreement following the July 1, 2021 acquisition.

Vertical Communications

MMC leases phones and related equipment from Vertical. The annual cost is \$21,598 with a term that began December 19, 2018 and ends December 18, 2023. There will be 29.5 months remaining on the term of the agreement following the July 1, 2021 acquisition.

RJ Young Company - Nashville P.O. Box 40623 Nashville, TN 37204				(615)255-8551 (800)347-1955		Page 1 of 4 Order # GBOY00	
Cost Per Copy Agreement				Customer Purchase Order		Sales Rep # 10SA48	
<i>Billing Location</i>				<i>Install Location</i>			
Full Customer Name - Include Inc., Corp., LLC etc. Martin Methodist College				Customer Name Martin Methodist College			
Street Address 433 W Madison Street				Department		County Giles	
City Pulaski		State TN	Zip+4 38478	City Pulaski		State TN	Zip+4 38478
Contact Name Hector Lora		Phone # (931) 424-7344	Fax # (931) 363- 9818	Meter Contact Hector Lora		Phone # (931) 424-7344	Fax # (931) 363- 9818
Email Hlora@martinmethodist.edu				Email Hlora@martinmethodist.edu			

Qty.	Manufacturer	Equip. ID	Model	Serial Number	Unit Price	Amount
1	Ricoh		C4503	E174MC60808		
1	Ricoh		C3003	E155M360782		
1	Ricoh		C2503	E215M360605		
1	Ricoh		C3003	E155M360832		
1	Ricoh		C2503	E215M560270		
1	Ricoh		C2503	E215M560134		
1	Ricoh		c2503	E215M560153		
1	Ricoh		C2503	E215M560060		
Trade-In/Buyout (Items to be picked up)						Total This Page
1	RICOH		C6502	E234CB00052		Total From Add'l Equipment List
1	Ricoh		C5503	E185M111107		Sales Tax
Tax Exempt <input type="checkbox"/> Yes <input type="checkbox"/> No Attach Exemption Certificate						Total

1) The equipment specified above will be provided at the following rates:

Commencement Date	Term	Security Deposit	Total Minimum Payment	Minimum Billing Frequency		Overage Billing Frequency	
	60		\$3,900.00	Monthly		Quarterly	
Monthly Minimum Number of B&W Copies	150000	Overage Rate per B&W Copy	0.008500	Monthly Minimum Number of Color Copies	20000	Overage Rate per Color Copy	0.040000
Monthly Minimum Number of Square Feet		Overage Rate per Square Foot		Monthly Minimum Number of Linear Feet		Overage Rate per Linear Foot	
Monthly Minimum Number of B&W Prints		Overage Rate per B&W Print		Monthly Minimum Number of Color Prints		Overage Rate per Color Print	
Monthly Minimum Number of Misc		Overage Rate per Misc		Monthly Minimum Number of Misc 2		Overage Rate per Misc 2	
Agreement Includes <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Master Unit <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Color Supplies <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Drum/Photo Conductor <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Imaging Units <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Parts/Labor <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Toner/Dispensant <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Developer <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Other <input type="checkbox"/> New Account <input checked="" type="checkbox"/> New Equipment <input type="checkbox"/> Upgrade <input checked="" type="checkbox"/> Remanufactured Equipment <input checked="" type="checkbox"/> Additional Unit <input type="checkbox"/> Equipment <input checked="" type="checkbox"/> MAM <input type="checkbox"/> Used <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No MICR Toner							

Remarks:

Upon commencement of this contract, the existing contract # EZOL00-01 will be cancelled. Rates are fixed (locked) for 60 month term. RJ Young will review service portion of contract quarterly and MMC will have the opportunity to increase or decrease service through an addendum to this contract. Contract Invoicing will be billed arrears beginning August 2019. The wide Format maintenance plan will continue as is on this contract.

<i>Additional terms and conditions on page 2.</i>			
Signature: <u>Robby Shelton</u>	Sales Rep: <u>[Signature]</u>	Date: <u>7-31-19</u>	
Print Name: <u>Robby Shelton</u>			
Title: <u>Gte V.P. & COO</u>	Date: <u>7-31-19</u>	Sales Manager: <u>Melissa Barnes</u>	Date: <u>7-31-19</u>



*This is a non-cancelable agreement*Order # **GBOY00**

2. RENTAL AGREEMENT. You agree to rent the equipment described in this Cost per Copy agreement (collectively "Equipment"). This Agreement will begin on the commencement date listed in the Cost Per Copy Agreement (CPC). You agree to pay us any required Security Deposit when you sign this Agreement. Your CPC Payment consists of the Periodic Equipment Payment and the Periodic Supply Maintenance Payment. The Excess Charge Per Copy is the variable charge for maintenance services and supplies (as set forth in this Agreement) for copies in excess of Minimum Copy Requirement for the applicable period. Unless otherwise set forth in this Agreement, each CPC payment is due and payable monthly. The Minimum Monthly Payment is due whether or not you receive an invoice from us. Excess Charge Per Copy amounts are payable as invoiced by us following the end of each Billing Period. If in any period you make fewer copies than the Periodic Copy Requirement, you cannot carry over that amount to any other period. We have the right to increase, without written notice, the Periodic Supply Maintenance Payment and the Excess Charge per Copy on an annual basis. You will provide us with accurate meter readings for each item of Equipment when and by such means as we request. YOU AGREE THAT WE MAY ESTIMATE THE NUMBER OF COPIES PRODUCED IF A METER READING IS NOT RECEIVED BY US WITHIN 5 DAYS OF THE DATE WE SPECIFY. IF AN ACTUAL METER READING IS RECEIVED WITHIN 90 DAYS OF THE BILLING DATE FOR THE EXCESS COPIES, AN ADJUSTMENT WILL BE MADE. NOTWITHSTANDING ANY ADJUSTMENT, YOU WILL NEVER PAY LESS THAN THE PERIODIC CPC PAYMENT. Single copy charges apply up to 8.5" x 14". For efficient and electronic meter reading, RJY utilizes specialized software that reports current meter readings on all print devices connected to your Network. Customer agrees that meters may be accessed and reported in this manner. Should the number of scans exceed the total of all prints and copies, we reserve the right to invoice these excess scans at \$.0025 per scan. You will make all payments required under this Agreement to us at the address we may specify in writing. Unless a proper exemption certificate is provided applicable sales and use taxes will be added to the Payment. If any Payment is not paid when due, you will pay us a late charge of up to 15% of the amount of the payment or \$15.00 whichever is greater (or such lesser rate as is the maximum rate allowed under applicable law). You also agree to pay \$35.00 for each returned check. Restrictive endorsements or additional terms on checks you send to us will not reduce your obligations to us.

3. CONNECTION TO COMPUTERS/NETWORKS. RJY offers complimentary installation of manufacturer print drivers and software for any connectable equipment listed in this agreement. Installation is performed by support personnel. Customer agrees to provide access and information required to complete the requested installation. Customer will provide all necessary network cabling required for installation. If RJY performs the installation/Connection, the customer agrees that RJY is responsible for only completing the installation and setup of the equipment listed in this agreement. The initial installation and any additional basic configurations are covered at no charge for the first 90 days under the condition that the customer has made no changes to their network during that period. Installations requiring extensive configuration will be quoted separately and performed upon request. After the initial 90 day period, any network connectivity support requested by the customer will be billed at RJY's then current charge rate for connectivity support. RJY will not be held liable for any errors, property damage, loss of time or profit, consequential or incidental damages of any kind arising as result of operating any software provided with the purchase of a manufacturer's product or downloaded from a manufacturer's website.

4. TITLE; RECORDING. We are the owner of and will hold title to the Equipment. You will keep the Equipment free of all liens and encumbrances.

5. USE. You shall use the Equipment in a careful and proper manner in conformance with manufacturer's specifications and all laws, ordinances and regulations in any way relating to the possession or use of the Equipment. Customer represents that these products are NOT acquired for personal, family, or household purposes.

6. INDEMNIFICATION. You are responsible for any losses, damages, penalties, claims, suits and actions (collectively "Claims"), whether based on a theory of strict liability or otherwise caused by or related to the installation, ownership, maintenance, use, rental, possession, or delivery of the Equipment. You agree to reimburse us for and, if we request, to defend us against any Claims.

7. ASSIGNMENT. You agree not to sell, assign, transfer or sublease the equipment or your interest in this Agreement. We may, without notifying you, sell, assign, or transfer this Agreement and our rights to the Equipment. The rights of the assignee will not be subject to any claim, defense or set-off that you may have against us.

8. LOSS OR DAMAGE. You are responsible for any loss, theft, destruction of, or damage to, the Equipment (collectively "Loss") from any cause at all, whether or not insured, until it is delivered to us at the end of this Agreement. You are required to make all CPC payments even if there is a Loss. You must notify us in writing immediately of any Loss. Then, at our option, you will either (a) repair the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay us the amount equal to the net present value of all unpaid CPC Payments for the remainder of the term plus the present value of our anticipated residual interest in the Equipment, each discounted at 5% per year, compounded annually, plus all other amounts due or that may become due under this Agreement. If you have satisfied your obligations under this Section 8, we will forward to you any insurance proceeds that we receive for lost, damaged, or destroyed Equipment. If you are in default, we will apply any insurance proceeds we receive to reduce your obligations under Section 16 of this Agreement.

9. TAXES AND FEES. You agree to show the Equipment as "Leased Property" on all personal property tax returns. You will pay when due, either directly or to us upon our demand, all taxes, fines and penalties relating to this Agreement or the Equipment that are now or in the future assessed or levied by any state, local or government authority.

10. EQUIPMENT LOCATION; RETURN. You will keep and use the Equipment only at the Equipment Location shown in this Agreement. You may not move the Equipment without our prior written consent. You will provide adequate space and electrical services for the operation of the Equipment. You will not make any alterations, additions or replacements to the Equipment without our prior written consent. All alterations, additions or replacements will become part of the Equipment and our property at no cost or expense to us. Upon the expiration or earlier termination of this Agreement, you will deliver the Equipment to us, in good condition, full working order and in complete repair, except ordinary wear and tear. We will pick up the Equipment provided that the Equipment is in our servicing territory. If the Equipment is outside our servicing territory, you will crate, insure, and ship the Equipment, in good working condition, to us by means we designate, with all expenses to be prepaid by you. You will be responsible for any damage to the Equipment during shipping.

11. RENEWAL. Unless you give us at least 30 days written notice before the end of the initial term or any renewal term of this Agreement, this Agreement will automatically renew for an additional one year renewal term. During such renewal term(s) the CPC Payment will remain the same (subject to the annual adjustment provided in Section 2 above). We may cancel an automatic renewal term by sending you written notice 10 days prior to such renewal term.

12. YOUR REPRESENTATIONS. You state for our benefit that as of the date of this Agreement: (a) you have the lawful power and authority to enter into this Agreement; (b) the individuals signing this Agreement have been duly authorized to do so on your behalf; (c) by entering into this Agreement you will not violate any law or other agreement to which you are a party; (d) you are not aware of anything that will have a material negative effect on your ability to satisfy your obligations under this Agreement; and (e) all financial information you have provided us is true and accurate and provides a good representation of your current financial condition.

13. YOUR PROMISES. In addition to the other provisions of this Agreement, you agree that during the term of this Agreement (a) you will promptly notify us in writing if you move your principal place of business, if you change the name of your business, or if there is a change in your ownership; (b) you will provide to us such financial information as we may reasonably request from time to time; and (c) you will take any action we reasonably request to protect our rights in the Equipment and to meet your obligation under this Agreement.

14. DEFAULT. You will be in default under this Agreement if any of the following events occur: (a) you fail to make any CPC payment or other sum when due; (b) you fail to comply with any other term or condition of this Agreement or any other agreement between us, or fail to perform any obligation imposed upon you relating to this Agreement or any such other agreement; (c) you become insolvent, you dissolve or are dissolved, you assign your assets for the benefit of your creditors, you sell, transfer or otherwise dispose of all or substantially all of your assets, or you enter (voluntarily or involuntarily) into any bankruptcy or reorganization proceeding; (d) without our prior written consent, you merge or consolidate with any other entity and you are not the survivor of such merger or consolidation; (e) any guarantor of this Agreement dies, does not perform its obligations under the guaranty, or becomes subject to one of the events listed in clause (c) above.

15. REMEDIES. In the event you default under this Agreement, as defined above, we will have the right to take ONE OR MORE of the following actions, in addition to any and all other remedies that may be available to us under law: (a) cancel this Agreement without prior notice or warning to you; (b) file a law suit against you to collect all past due amounts AND ALL AMOUNTS THAT WILL BECOME DUE IN THE FUTURE DURING THE UNEXPIRED TERM, plus the "residual value" of the Equipment as determined by us in our sole but reasonable judgment, plus all other fees, charges or amount that are then due, plus all of our reasonable legal costs, including but not limited to reasonable attorneys' fees, reasonable overhead for employee time spent on preparing for suit or attempting to collect payments and mitigate our damages; (c) repossess the Equipment or apply to a court for an order allowing repossession. In this event, you agree that, after the Equipment is repossessed, you will have no further rights in the Equipment, and you agree we may resell, re-lease or otherwise remarket the Equipment without notice to you. You agree (and you waive any rights that may provide to the contrary) that we will NOT be required to repossess, resell, re-lease or otherwise remarket the Equipment at any time, and that our failure to do so will not affect our other rights of collection and other rights under this Agreement or under law.

16. NOTICES. All of your written notices to us must be sent by certified mail or recognized overnight delivery service, postage prepaid, to us at our address stated in this Agreement. All of our notices to you may be sent first class mail, postage prepaid, to your address stated in this Agreement. At any time after this Agreement is signed, you or we may change an address by giving notice to the other of the change.

17. MISCELLANEOUS. This Agreement contains our entire agreement and supersedes any conflicting provision of any equipment purchase order or any other agreement. Once this agreement is signed by you, the agreement constitutes an OFFER to you, and will not be binding until ACCEPTED by us, as evidenced by the signature of the Corporate Office. Any change in the terms and conditions of this Agreement must be in writing and signed by one of our Officers. You agree, however, that we are authorized, without notice to you, to supply missing information or correct obvious errors in this Agreement. If a court finds any provision of this Agreement to be unenforceable, the remaining terms of the Agreement shall remain in effect.

18. JURISDICTION. You and any Guarantor agree that this Agreement will be deemed fully executed and performed in the State of Tennessee and will be governed by Tennessee law. YOU AND ANY GUARANTOR EXPRESSLY AGREE TO: (A) BE SUBJECT TO THE PERSONAL JURISDICTION OF THE STATE OF TENNESSEE; (B) ACCEPT VENUE IN ANY FEDERAL OR STATE COURT IN TENNESSEE; AND (C) WAIVE ANY RIGHT TO A TRIAL BY JURY.

19. INTERPRETATION. As a convenience to you and to further expedite this transaction for you, you agree that a photocopy, electronic image or facsimile of this Agreement which includes a photocopy, electronic image or facsimile of the signatures of both parties shall be as valid, authentic and legally binding as the original version for all purposes and shall be admissible in court as final and conclusive evidence of this transaction and of the execution of this document.

20. Customer will be enrolled in the RJ Young online customer portal (ePASS). This online portal allows authorized users designated by customer to order supplies, place service calls, pay invoices, view bills and view account information online.

Additional Equipment					Order # GBOY00	3 of 4
Billing Location				Install Location		
Customer Name Martin Methodist College				Customer Name Martin Methodist College		
				Department	County Gile	
Street Address 433 W Madison Street				Street Address 433 W Madison Street		
City Pulaski	State TN	Zip+4 38478	City Pulaski		State TN	Zip+4 38478
Contact Name Hector Lora	Phone # (931) 424-7344	Fax # (931) 363-9818	Meter Contact Hector Lora	Phone # (931) 424-7344	Fax # (931) 363-9818	
Email Hlora@martinmethodist.edu				Email Hlora@martinmethodist.edu		
Qty.	Manufacturer	Equip. ID	Model	Serial Number	Unit Price	Amount
1	Ricoh		C2503	E215M560032		
1	RICOH		C2503	E215M360712		
1	Ricoh		c3003	E155M410202		
1	Ricoh		C3003	E155M410425		
1	Ricoh		c2503	E215M560007		
1	Ricoh		C4503	E175M311903		
1	Ricoh		c3003	E155M510649		
1	Ricoh		c2503	E215M560276		
1	Ricoh		c2503	E215M560283		
1	Ricoh		c305	w795p301085		
1	Ricoh		c305	W795P300637		
1	Ricoh		c305	W795P301148		
1	Ricoh		c305	W795P402210		
1	Ricoh		c305	W795P401819		
1	Ricoh		c2503	E215M660473		
1	Ricoh		C3003	E155M410422		
1	Production		c6503			
1	Production		Finisher SR4120			
1	Production		Punch Unit PU3060NA			
1	Production		PostScript3 Unit Type M26			
1	Ricoh		IM C6000			
1	Ricoh		Fax Option Type M37			
1	Ricoh		Finisher SR 3260			
Trade-In/Buyout (Items to be picked up)					Total This Page	

Signature: <u><i>Robby Shelton</i></u> Print Name: <u>Robby Shelton</u> Title: <u>Exec V.P. & COO</u>	Sales Rep: <u><i>[Signature]</i></u> Date: <u>7-31-19</u> Sales Manager: <u><i>Melissa Rauh</i></u> Date: <u>7-31-19</u>
---	---

Additional Equipment					Order # GBOY00 4 of 4		
Billing Location				Install Location			
Customer Name Martin Methodist College				Customer Name Martin Methodist College			
			Department		County Gile		
Street Address 433 W Madison Street				Street Address 433 W Madison Street			
City Pulaski		State TN	Zip+4 38478	City Pulaski		State TN	Zip+4 38478
Contact Name Hector Lora		Phone # (931) 424-7344	Fax # (931) 363- 9818	Meter Contact Hector Lora		Phone # (931) 424-7344	Fax # (931) 363- 9818
Email Hlora@martinmethodist.edu				Email Hlora@martinmethodist.edu			
Qty.	Manufacturer	Equip. ID	Model	Serial Number	Unit Price	Amount	
1	Ricoh		Punch Unit PU3080NA				
1	Ricoh		Bridge Unit BU3090				
1	Ricoh		PaperFeed Unit PB3280				
1	ACDI		Papercut				
1	ACDI		Prorated Support				
1			Prorated Support				
1			Renewal				
1			2 PC licenses				
1			Professional Services				
1	Canon		IMAGEPROGRAF IPF840	AAPG0146			
Trade-In/Buyout (Items to be picked up)					Total This Page		

Signature: <u><i>Robby Shelton</i></u>		Sales Rep: <u><i>Evefa</i></u>		Date: <u>7-31-19</u>	
Print Name: <u>Robby Shelton</u>		Sales Manager: <u><i>Alexander</i></u>		Date: <u>7-31-19</u>	
Title: <u>Exec V.P. & COO</u>		Date: <u>7-31-19</u>			

**RESOLUTION AUTHORIZING AND PROVIDING WITH RESPECT TO
AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT**

WHEREAS, the Tennessee State School Bond Authority (the “Authority”) previously entered into a Revolving Credit Agreement with U.S. Bank National Association (“U.S. Bank”) and Wells Fargo Bank, National Association (“Wells Fargo” and, together with U.S. Bank, the “Banks”) as several (not joint) lenders thereunder, and U.S. Bank as administrative agent for both Banks, dated as of March 20, 2014, as amended, including as most recently amended on March 3, 2021 to extend the expiration date thereof from March 18, 2021 to June 15, 2021 (the “Prior Revolving Credit Agreement”); and

WHEREAS, in contemplation of the earlier March 18, 2021 expiration, the Authority solicited proposals, in a competitive bidding process, from a number of financial institutions for the extension, amendment or replacement of the Prior Revolving Credit Agreement or substitution of alternative short-term financing options for the Prior Revolving Credit Agreement; and

WHEREAS, the Authority received responses from 17 financial institutions, including a proposal from the Banks, that were evaluated by the Division of State Government Finance, with the assistance of the Authority’s financial advisor, PFM Financial Advisors LLC; and

WHEREAS, it was determined that a revolving credit/line of credit short-term borrowing option provides the best overall program administration for the Authority with the least amount of risk, and that the Banks’ proposal to amend, amend and restate or otherwise replace the Prior Revolving Credit Agreement upon the terms set forth in the Banks’ Term Sheet dated January 12, 2021, presented to this meeting and previously distributed to the members of the Authority (the “Term Sheet”), is the most favorable to the Authority; and

WHEREAS, the Authority now desires to amend and restate the Prior Revolving Credit Agreement with an amended and restated revolving credit agreement, and confirm and ratify the Prior Authorizing Resolution (as hereinafter defined) and related agreements,

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TENNESSEE STATE SCHOOL BOND AUTHORITY:

SECTION 1. Certain Definitions. As used herein:

(a) “Prior Authorizing Resolution” means the Resolution Authorizing and Providing with Respect to Revolving Credit Agreement, Loans and Promissory Notes, and Termination of Commercial Paper Program, adopted by the Authority on March 13, 2014, as heretofore amended.

(b) “Second Program Bond Resolution” means the Higher Educational Facilities Second Program General Bond Resolution adopted by the Authority on April 27, 1998, as amended.

(c) The following term shall have the respective meanings given to them in the Second Program Bond Resolution: Project Costs.

(d) The following terms shall have the respective meanings given to them in the Revolving Credit Agreement (as such term is defined in Section 2(a)):

- (i) Advances;
- (ii) Authorized Representative;
- (iii) Notes;
- (iv) Obligations;
- (v) Reimbursement Obligations;
- (vi) Revolving Loans;
- (vii) Taxable Loans;
- (viii) Tax-Exempt Loans; and
- (ix) Term Loans.

SECTION 2. Amended and Restated Revolving Credit Agreement; Promissory Notes; Authorized Representatives. (a) *Revolving Credit Agreement.* The Authority hereby authorizes the execution by the Secretary of the Authority (or any other officer or member of the Authority designated by him), and delivery to the other parties of, and the performance of the Authority's obligations under, an amended and restated revolving credit agreement among the Authority, U.S. Bank and Wells Fargo as lenders thereunder, and U.S. Bank as administrative agent, substantially in the form of the "Amended and Restated Revolving Credit Agreement" presented to this meeting and previously distributed to the members of the Authority, with such changes and additions to and omissions from said form as the person executing such agreement, after consultation with counsel to the Authority, shall approve as necessary or appropriate (the "Revolving Credit Agreement"), such execution and delivery to be conclusive evidence of such approval and consultation.

(b) *Authorized Representatives.* The Chairman, Vice Chairman, Secretary and any Assistant Secretary of the Authority and the Secretary of State, State Treasurer and Commissioner of Finance and Administration of the State, or any of them, are hereby appointed as Authorized Representatives for purposes of the Revolving Credit Agreement.

SECTION 3. Borrowings Under Revolving Credit Agreement. (a) *Borrowings Authorized.* Any Authorized Representative is hereby authorized to make borrowings under and pursuant to the Revolving Credit Agreement from time to time, by requesting Advances and Revolving Loans thereunder and converting Revolving Loans into Term Loans and otherwise as provided in the Revolving Credit Agreement, in such amounts and at such times as shall be determined to be necessary or appropriate by such Authorized Representative, the request for and conversion of such borrowings to be conclusive evidence of such determinations.

(b) *Purpose of Borrowings.* Borrowings may be made under and pursuant to the Revolving Credit Agreement only (i) to pay Project Costs, including but not limited to funded interest, (ii) in the case of Tax-Exempt Loans, to prepay the principal of Taxable Loans, and *vice versa*, and (iii) to pay or provide for the payment or prepayment in full of any

outstanding revolving loans or notes issued and outstanding under the Prior Revolving Credit Agreement as of the Effective Date.

(c) *Compliance with Term Limits.* The Revolving Credit Agreement includes provisions whereby each Advance or Revolving Loan and, if the same is converted to a Term Loan, such Term Loan shall mature not later than six (6) years after the date such Advance or Revolving Loan is made, in satisfaction of the requirements of Section TCA 49-3-1207(b)(1). Any failure by the Authority to pay the principal of and interest on any outstanding Advance, Revolving Loan or Term Loan within the six (6) year time frame referenced in the immediately preceding sentence shall not relieve the Authority's obligation to make such payments.

(d) *Coordination with Prior Authorizing Resolution.* The provisions of the Prior Authorizing Resolution in all respects material to the issuance and payment of, and security for, the Notes shall remain in full force and effect and are hereby ratified and confirmed, provided that references in any such provisions to a "Revolving Credit Agreement" shall be deemed to refer to the Prior Revolving Credit Agreement as amended and restated by the Revolving Credit Agreement authorized by this Resolution.

SECTION 4. Further Authority. All officers and members of the Authority, and other officers and employees of the State, including the Division of State Government Finance, Tennessee Comptroller of the Treasury, are hereby authorized to carry out or cause to be carried out the obligations of the Authority under the Revolving Credit Agreement, subject to Section 2 of this Resolution, and otherwise to carry out the transactions contemplated by this Resolution. The Authorized Representatives and all other officers, employees and agents of the Authority, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Authority all such agreements, certificates, documents and instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Revolving Credit Agreement and the Notes.

SECTION 5. Ratification. All action taken prior to the adoption of this Resolution by the officers and members of the Authority, and other officers and employees of the State, including the Division of State Government Finance, Tennessee Comptroller of the Treasury, relating to the transactions contemplated by this Resolution are hereby ratified and confirmed.

SECTION 6. Amendments. This Resolution may be amended from time to time by further resolutions of the Authority, including but not limited to amendments to modify the designations of persons authorized to act for the Authority pursuant to Sections 2(b) and 3(a).

SECTION 7. Effective Date. This Resolution shall be in full force and effect immediately upon its adoption.

Adopted this 24th day of May, 2021.

AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

dated as of June 2, 2021

by and among

TENNESSEE STATE SCHOOL BOND AUTHORITY,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Bank

and

U.S. BANK NATIONAL ASSOCIATION,
as Administrative Agent and as a Bank

TABLE OF CONTENTS

SECTION	HEADING	PAGE
ARTICLE I	DEFINITIONS	2
Section 1.1.	Definitions.....	2
Section 1.2.	Accounting Terms and Determinations	20
Section 1.3.	Interpretation.....	20
Section 1.4.	Times of Day.....	21
Section 1.5.	Relation to Other Documents; Acknowledgment of Different Provisions of Related Documents; Incorporation by Reference.....	21
Section 1.6.	LIBOR Notification	21
ARTICLE II	FACILITIES; APPLICATION AND ISSUANCE OF THE LOANS; PAYMENTS	22
Section 2.1.	Commitments.....	22
Section 2.2.	Application.....	22
Section 2.3.	Making of Advances; Use of Proceeds.....	22
Section 2.4.	Conditions Precedent to Amendment and Restatement.....	23
Section 2.5.	Interest Rate Determinations.....	26
Section 2.6.	Fees	27
Section 2.7.	Reduction and Termination.....	30
Section 2.8.	Obligations of Banks.....	30
Section 2.9.	Break Funding Reimbursements.....	31
Section 2.10.	Payments	31
Section 2.11.	Extension of the Commitment Expiration Date.....	32
Section 2.12.	Taxable Benchmark Replacement	32
Section 2.13.	Tax-Exempt LIBOR Replacement.....	33
ARTICLE III	REVOLVING LOANS.....	36
Section 3.1.	Making of Revolving Loans	36
Section 3.2.	Revolving Loans Evidenced by Notes.....	36
Section 3.3.	Interest on Revolving Loans	37
Section 3.4.	Repayment of Revolving Loans.....	37
Section 3.5.	Prepayment of Revolving Loans.....	37
ARTICLE IV	THE TERM LOAN.....	37
Section 4.1.	Term Loan.....	37
Section 4.2.	Conditions Precedent to Term Loan	37
Section 4.3.	Term Loans Evidenced by Notes.....	38
Section 4.4.	Interest on Term Loan.....	39
Section 4.5.	Repayment of Term Loan	39
Section 4.6.	Prepayment of Term Loan	39

ARTICLE V	LIABILITY, INDEMNITY AND PAYMENT	39
Section 5.1.	Indemnification by the Authority.....	39
Section 5.2.	Increased Costs	40
Section 5.3.	Taxes	43
Section 5.4.	Calculation of Interest and Fees; Maximum Interest Rate; Default Rate	45
Section 5.5.	Liability of the Bank	46
Section 5.6.	Obligations Unconditional.....	46
Section 5.7.	Survival.....	47
ARTICLE VI	REPRESENTATIONS AND WARRANTIES.....	47
Section 6.1.	Representations and Warranties.....	47
Section 6.2.	Survival of Representations and Warranties.....	52
ARTICLE VII	AFFIRMATIVE COVENANTS OF THE AUTHORITY	52
Section 7.1.	Affirmative Covenants of the Authority	52
ARTICLE VIII	NEGATIVE COVENANTS OF THE AUTHORITY	56
Section 8.1.	Negative Covenants of the Authority	56
ARTICLE IX	DEFAULTS AND REMEDIES.....	58
Section 9.1.	Events of Default	58
Section 9.2.	Rights and Remedies upon Default.....	60
Section 9.3.	Rights and Remedies Cumulative; Non-Waiver; etc.....	61
Section 9.4.	Crediting of Payments and Proceed.....	61
Section 9.5.	Administrative Agent May File Proofs of Claim.....	62
Section 9.6.	Statutory Remedies	63
ARTICLE X	THE ADMINISTRATIVE AGENT	63
Section 10.1.	Appointment and Authority	63
Section 10.2.	Rights as a Bank.....	63
Section 10.3.	Exculpatory Provisions	63
Section 10.4.	Reliance by the Administrative Agent.....	64
Section 10.5.	Delegation of Duties	64
Section 10.6.	Resignation of Administrative Agent	65
Section 10.7.	Non-Reliance on Administrative Agent and Other Banks.....	65
Section 10.8.	No Other Duties, etc	66
Section 10.9.	Erroneous Payments.....	66
Section 10.8.	Certain ERISA Matters.....	67
ARTICLE XI	MISCELLANEOUS	68
Section 11.1.	Evidence of Debt.....	68
Section 11.2.	Amendments and Waivers	68

Section 11.3.	Addresses for Notices	69
Section 11.4.	Survival of This Agreement.....	72
Section 11.5.	Severability	72
Section 11.6.	Governing Law; Waiver of Jury Trial; Jurisdiction and Venue	73
Section 11.7.	Successors and Assigns.....	73
Section 11.8.	Setoffs	75
Section 11.9.	Headings	75
Section 11.10.	Counterparts.....	75
Section 11.11.	Government Regulations	76
Section 11.12.	Limitation on Remedies.....	76
Section 11.13.	No Advisory or Fiduciary Responsibility.....	76
Section 11.14.	EMMA Postings.....	77
Section 11.15.	Acknowledgement Regarding Any Supported QFCs	77
Section 11.16.	Amendment and Restatement	78
EXHIBIT A-1	— Form of Tax-Exempt Note	
EXHIBIT A-2	— Form of Taxable Note	
EXHIBIT B	— Form of Request for Advance	
EXHIBIT C	— Form of Notice of Termination or Reduction	

AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

THIS AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT, dated as of June 2, 2021 (this “*Agreement*”), is entered into by and among the TENNESSEE STATE SCHOOL BOND AUTHORITY, a corporate governmental agency and instrumentality of the State of Tennessee (the “*Authority*”), WELLS FARGO BANK, NATIONAL ASSOCIATION and its successors and permitted assigns (“*Wells Fargo*”) and U.S. BANK NATIONAL ASSOCIATION and its successors and permitted assigns (“*U.S. Bank*” and together with Wells Fargo, the “*Banks*”) and as administrative agent for the Banks (the “*Administrative Agent*”).

RECITALS

WHEREAS, the Authority, Wells Fargo and U.S. Bank (in its capacity as Bank and as Administrative Agent) previously entered into that certain Revolving Credit Agreement dated as of March 20, 2014 (as amended and otherwise modified prior to the date hereof, the “*Existing Credit Agreement*”), pursuant to which the Banks provided lines of credit to the Authority to provide a source of funds for the purposes set forth in the Act and the Resolution;

WHEREAS, the Authority has requested that the Banks extend the Commitment Expiration Date under the Existing Credit Agreement and make certain other amendments thereto, and, for the sake of clarity and convenience, the Banks have agreed to such extension and amendments through an amendment and restatement of the Existing Credit Agreement in its entirety in the form of this Agreement which shall be effective from and after the hereinafter defined Amendment and Restatement Date; and

WHEREAS, all obligations of the Authority to repay the Banks for extensions of credit made by the Banks under the lines of credit and to pay all other amounts payable to the Banks arising under or pursuant to this Agreement or the promissory notes to be issued to the Banks hereunder are created under and will be evidenced by this Agreement and such notes and will be secured by a pledge of and lien on the Pledged Collateral (as defined herein), all in accordance with the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing Recitals and other consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce the Banks to extend to the Authority the lines of credit, the Authority, the Administrative Agent and the Banks hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. In addition to the terms defined in the recitals and elsewhere in this Agreement and the Trust Agreement, the following terms shall have the following meanings:

“*Act*” means the Tennessee State School Board Authority Act, as amended, Sections 49-3-1201 *et seq.*, Tennessee Code Annotated.

“*Administrative Agent*” means U.S. Bank National Association, in its capacity as Administrative Agent hereunder, and any successor thereto appointed pursuant to Section 10.6 hereof.

“*Administrative Agent’s Office*” means the office of the Administrative Agent specified in or determined in accordance with the provisions of Section 11.3 hereof.

“*Advance*” means each Revolving Loan requested by the Authority and made by the Banks on a several but not joint basis under the Commitment and pursuant to the terms hereof for the purposes permitted under the Act, the Resolution and this Agreement.

“*Advance Date*” means the date on which an Advance is made by the Banks through the Administrative Agent to the Authority.

“*Affiliate*” means, as to any Person, a corporation, partnership, association, agency, authority, instrumentality, joint venture, business trust or similar entity organized under the laws of any state that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person.

“*Agreement*” means this Amended and Restated Revolving Credit Agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“*Amendment and Restatement Date*” means June 2, 2021, subject to the satisfaction or waiver by the Banks of all of the conditions precedent set forth in Section 2.4(a) hereof.

“*Amortization End Date*” means the earliest to occur of (A) the third (3rd) anniversary of the Conversion Date and (B) the date on which any long-term Bonded Debt or other Debt that is senior to or on a parity with the Loans and the Notes is issued by the Authority to repay such Term Loans and (C) with respect to an Advance or a Revolving Loan that has been converted to a Term Loan, the sixth (6th) anniversary of the date on which the related Advance was made.

“*Amortization Payment*” has the meaning set forth in Section 4.5 hereof.

“*Amortization Payment Date*” means (a) the Initial Amortization Payment Date and the corresponding date in every third month occurring thereafter which occurs prior to the Amortization End Date and (b) the Amortization End Date.

“Amortization Period” has the meaning set forth in Section 4.5 hereof.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Authority from time to time concerning or relating to bribery or corruption.

“Anti-Terrorism Laws” has the meaning set forth in Section 6.1(r) hereof.

“Applicable Factor” means 80%.

“Applicable Law” means (i) all applicable common law and principles of equity and (ii) all applicable provisions of all (A) constitutions, statutes, rules, regulations and orders of all governmental and non-governmental bodies, (B) Governmental Approvals and (C) orders, decisions, judgments and decrees of all courts (whether at law or in equity) and arbitrators.

“Approving Opinion” means, with respect to any action or matter that may affect a Tax-Exempt Loan, an opinion delivered by Bond Counsel to the effect that such action (i) is permitted by this Agreement and the other Related Documents and (ii) will not adversely affect the exclusion of interest on any Tax-Exempt Loan from gross income of the Banks or any Participant for purposes of federal income taxation.

“Authority” means Tennessee State School Bond Authority, a corporate governmental agency and instrumentality of the State and its permitted successors and assigns.

“Authority Rating” means the long-term unenhanced ratings (without regard to any bond insurance policy or credit enhancement) assigned by each of Moody’s, S&P and Fitch to the Authority’s Second Program Bonds.

“Authorized Representative” means any of the Chairman, Vice Chairman, Secretary and any Assistant Secretary of the Authority, or any other authorized representative or authorized spokesperson conveying an official position of the Authority or such person at the time and from time to time authorized to act on behalf of the Authority by written certificate furnished to the Administrative Agent.

“Available Revenues” means Annual Financing Charges and Legislative Appropriations and other moneys and securities credited to the General Fund under and pursuant to the Second Program Bond Resolution, in each case to the extent not required (i) to make deposits into the Debt Service Fund or Debt Service Reserve Fund under and pursuant to the Second Program Bond Resolution and (ii) to pay expenses necessary to protect the interests of the Holders of Second Program Bonds and charges, expenses, liabilities and advances of Fiduciaries as provided in the Second Program Bond Resolution. Each defined term used in this definition shall have the meaning set forth in the Resolution and the Second Program Bond Resolution, as applicable, without giving any effect for purposes of this definition to any amendments or other modifications thereto unless amended or modified with the consent of the Banks in accordance with Section 8.1(a) hereof.

“Bank” means, individually, U.S. Bank or Wells Fargo.

“*Bank Affiliate*” means either Bank and any Affiliate of either Bank.

“*Bank Agreement*” means any credit agreement, bond purchase agreement, direct purchase agreement, liquidity agreement or other agreement or instrument (or any amendment, supplemental or modification thereto) entered into by the Authority with any Person, directly or indirectly, or otherwise consented to by the Authority, under which any Person or Persons undertakes to make loans or extend credit or liquidity to the Authority in connection with, or purchase on a private placement basis, any Debt secured by or payable from the Pledged Collateral.

“*Bankruptcy Code*” means the federal Bankruptcy Code of 1978, as it may be amended from time to time (Title 11 of the United States Code), and any successor statute thereto.

“*Banks*” has the meaning set forth in the introductory paragraph hereto.

“*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 (1.0%), (ii) the Federal Funds Rate in effect at such time *plus* two percent (2.0%), and (iii) seven percent (7.0%).

“*Basel III*” means “Basel III - A Global Regulatory Framework for More Resilient Banks and Banking Systems, December 2010” and “Basel III - International Framework for Liquidity Risk Measurement Standards and Monitoring, December 2010” promulgated by the Basel Committee on Banking Supervision, as the same may be amended and supplemented from time to time.

“*BHC Act Affiliate*” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. § 1841(k)) of such party.

“*Bond Counsel*” means Hawkins Delafield & Wood LLP or such other counsel of recognized national standing in the field of law relating to municipal bonds and the exemption from federal income taxation of interest thereon, appointed and paid by the Authority.

“*Bonded Debt*” means, as of any date, the Second Program Bonds and any other Debt of the Authority that is secured by a pledge of the Pledged Collateral on a parity with the Second Program Bonds.

“*Change in Law*” means the occurrence, after the Original Effective Date, of any of the following: (a) the adoption or taking effect of any Law, including, without limitation, any Risk-Based Capital Guidelines, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, ruling, guideline, regulation or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, ruling, guidelines, regulations or directives thereunder or issued in connection therewith and (ii) all requests, rules, rulings, guidelines, regulations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any

successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III or any successor Basel accord, shall in each case be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“*Code*” means the Internal Revenue Code of 1986, as amended, and, where appropriate any statutory predecessor or any successor thereto.

“*Commitment*” means (a) as to either Bank, the obligation of such Bank pursuant to Section 2.1 hereof to make Advances under the terms hereof for the account of the Authority in an aggregate principal amount at any time outstanding not to exceed the amount set forth opposite such Bank’s name on the signature pages hereto, as such amount may be modified at any time or from time to time pursuant to the terms hereof and (b) as to all Banks, the aggregate commitment of all Banks to make Advances, as such amount may be modified at any time or from time to time pursuant to the terms hereof. The aggregate Commitment of all the Banks on the Amendment and Restatement Date is \$300,000,000.

“*Commitment Expiration Date*” means May 31, 2024, unless extended as provided herein.

“*Commitment Fee*” has the meaning set forth in Section 2.6(a) hereof.

“*Commitment Fee Rate*” has the meaning set forth in Section 2.6(a) hereof.

“*Commitment Percentage*” means, as to either Bank at any time, the ratio of (a) the amount of the Commitment of such Bank to (b) the aggregate Commitment of both of the Banks.

“*Computation Date*” means, with respect to each Advance, (i) for the period from and including the date such Advance is made to but excluding the next succeeding Rate Reset Date (each a “*First Reset Date*”), the second New York Banking Day preceding the first day of calendar month in which such Advance is made and (ii) from and including the First Reset Date and so long as such Advance remains unpaid, the second New York Banking Day preceding each Rate Reset Date.

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

“*Conversion Date*” means the date on which a Revolving Loan is converted to a Term Loan pursuant to Article IV hereof.

“*Covered Entity*” means any of the following:

(a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“*Debt*” of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iv) all obligations of such Person as lessee under capital leases, (v) all Debt of others secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person (excluding, however, economic development revenue bonds issued by such Person and other nonrecourse indebtedness of such Person), (vi) all Debt of others guaranteed by such Person and (vii) all obligations of such Person under any Swap Contract, in each case, whether such Person is liable contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such Person otherwise assures a creditor against loss.

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

“*Default*” means any event or condition which, with notice, the passage of time or any combination of the foregoing, would constitute an Event of Default.

“*Default Rate*” means, for any day, a fluctuating rate per annum equal to the sum of the Base Rate in effect on such day *plus* three percent (3.00%).

“*Default Right*” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. § 252.81, 47.2 or 382.1, as applicable.

“*Determination of Taxability*” means and shall be deemed to have occurred on the earliest of:

(i) the date when the Authority files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) the date that is one (1) year after the date on which the Administrative Agent notifies the Authority that it has received a written opinion by a nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability has occurred unless, on or prior to that date, such firm of attorneys shall have withdrawn its opinion that an Event of

Taxability has occurred, or, the Authority shall deliver to the Administrative Agent a ruling or determination letter issued to or on behalf of the Authority by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability has not occurred;

(iii) the date when the Authority shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that based upon filings of the Authority (or a statutory notice of deficiency, or a document of substantially similar import), or upon any review or audit of the Authority, or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) the date when the Authority shall receive notice from the Administrative Agent or either Bank that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of either Bank or any Participant the interest on any Tax-Exempt Loan due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) above unless the Authority has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined after taking into account any permitted appeals; *provided further, however*, that upon demand from the Administrative Agent, the Authority shall promptly reimburse the Administrative Agent on behalf of either Bank for any payments, including any taxes, interest, penalties or other charges, such Bank shall be obligated to make as a result of the Determination of Taxability.

“Dollar” and “\$” mean lawful money of the United States.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to Sections of ERISA shall be construed also to refer to any successor Sections.

“Erroneous Payment” has the meaning set forth in Section 10.9 hereof.

“Event of Default” with respect to this Agreement has the meaning set forth in Section 10.1 hereof and, with respect to any other Related Document, has the meaning assigned therein.

“Event of Taxability” means (i) a change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Authority, or the failure to take any action by the Authority, or the making by the Authority of any misrepresentation herein or in any certificate required to be

given in connection with this Agreement) which has the effect of causing interest paid or payable on any Tax-Exempt Loan to become includable, in whole or in part, in the gross income of either Bank or any Participant for federal income tax purposes or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on any Tax-Exempt Loan to become includable, in whole or in part, in the gross income of either Bank or any Participant for federal income tax purposes.

“*Excess Interest Amount*” has the meaning set forth in Section 5.4(b) hereof.

“*Excluded Taxes*” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by overall net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of either Bank, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) Taxes attributable to such Recipient’s failure (other than as a result of a Change in Law) to comply with Section 5.3(g) hereof, (c) any U.S. federal withholding Taxes imposed under FATCA and (d) any taxes imposed as a result of a Bank’s failure to apply for and receive any legally available exemption from tax or withholding.

“*Executive Order*” has the meaning set forth in Section 6.1(r) hereof.

“*FATCA*” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof.

“*Federal Funds Rate*” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the New York Banking Day next succeeding such day; *provided* that: (a) if such day is not a New York Banking Day, then the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding New York Banking Day as so published on the next succeeding New York Banking Day; and (b) if no such rate is so published on such next succeeding New York Banking Day, then the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of one-hundredth of one percent) (1/100 of 1%) charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

“*Fiscal Year*” means the period commencing on July 1 of each given calendar year and ending on June 30 of the immediately succeeding calendar year, or such similar period as the Authority may designate as its fiscal year.

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

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

“*Generally Accepted Accounting Principles*” or “*GAAP*” means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the Authority.

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

“*Governmental Authority*” means the government of the United States or any state or political subdivision thereof or any other nation or political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other Person with authority to bind a party at law.

“*Indemnitee*” has the meaning set forth in Section 5.1(a) hereof.

“*Indemnified Taxes*” means (a) Taxes other than Excluded Taxes and (b) to the extent not otherwise described in (a), Other Taxes.

“*Initial Amortization Payment Date*” means the Conversion Date.

“*Interest Payment Date*” means (a) with respect to any Tax-Exempt Revolving Loan or Taxable Revolving Loan, the fifteenth (15) day of each calendar month (and if such day is not a New York Banking Day, the next succeeding New York Banking Day) and on the Revolving Loan Maturity Date and (b) as to any Term Loan, the fifteenth (15) day of each calendar month (and if such day is not a New York Banking Day, the next succeeding New York Banking Day), and on the Amortization End Date.

“*Interest Period*” means, with respect to any Revolving Loan, the period from and including the date such Revolving Loan is made to but excluding the next succeeding Rate Reset Date, and thereafter shall mean the period from and including such Rate Reset Date to but excluding the next succeeding Rate Reset Date.

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

“LIBOR” means the greater of (a) zero percent (0.00%) and (b) the one-month LIBOR rate quoted by the Administrative Agent from Reuters Screen LIBOR01 Page which shall be that one-month LIBOR rate in effect two (2) New York Banking Days prior to each Rate Reset Date, adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation, such rate rounded up to the nearest one-sixteenth percent and such rate to be reset monthly on each Rate Reset Date. LIBOR shall be subject to replacement as provided by Sections 2.12 and 2.13 hereof. If the circumstances under Section 2.12 or 2.13 have not occurred and for any reason such LIBOR is temporarily unavailable and/or the Administrative Agent is temporarily unable to determine the LIBOR for any period, the Administrative Agent may, at its discretion, either: (a) select a replacement index based on the arithmetic mean of the quotations, if any, of the interbank offered rate by first class banks in London or New York for deposits with comparable maturities or (b) deem LIBOR to be a rate per annum equal to the Administrative Agent’s Federal Funds Rate as of the Rate Reset Date for which LIBOR is unavailable or cannot be determined; *provided* that the Administrative Agent shall give prompt written notice to the Authority and the Banks setting forth such change in interest rate, the nature of the circumstances giving rise to such change, and the method of calculating such change if based on a replacement index; *provided, further*, that the replacement index or Administrative Agent’s Federal Funds Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. The Administrative Agent’s internal records of applicable interest rates (including without limitation (i) the Administrative Agent’s designation of any temporary successor interest rate index if the rate index described above shall become temporarily unavailable and the circumstances under Section 2.12 or 2.13 have not occurred and (ii) any replacement rate determined pursuant to Section 2.12 or 2.13) shall be determinative in the absence of manifest error.

“Lien” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, a Person shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

“Loan” and “Loans” means individually, each Revolving Loan and each Term Loan under this Agreement, and collectively the Revolving Loans and the Term Loans under this Agreement.

“Margin Rate Factor” means (A) for the period commencing on the Original Effective Date to but excluding April 30, 2018, the Margin Rate Factor shall be determined in accordance with the Existing Credit Agreement, (B) for the period commencing on April 30, 2018, to but excluding the Amendment and Restatement Date, the greater of (i) 1.0, or (ii) the product of (a) one minus the Maximum Federal Corporate Tax Rate multiplied by (b) the quotient of (1) one divided by (2) one minus the Maximum Federal Corporate Tax Rate in effect on April 30, 2018, and (C) for the period commencing on the Amendment and Restatement Date and at all times thereafter, the product of (a) one minus the higher of (1) 0.25 or (2) the then current Maximum Federal Corporate Tax Rate multiplied by (b) the quotient of (1) one divided by (2) one minus 0.25 (for the avoidance of doubt, the Maximum Federal Corporate Tax Rate on the Amendment and Restatement Date is 21%). The effective date of any change in the Margin Rate Factor shall

be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change. As of the Amendment and Restatement Date, the Margin Rate Factor is 1.0.

“Material Adverse Effect” means: (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Authority; (b) a material impairment of the ability of the Authority to perform its obligations under this Agreement, the Notes, the Tax Certificate or the Resolution; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Authority of any of this Agreement, the Notes, the Tax Certificate or the Resolution.

“Maximum Federal Corporate Tax Rate” means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Banks, the maximum statutory rate of federal income taxation which could apply to the Banks), expressed as a decimal. As of the Amendment and Restatement Date, the Maximum Federal Corporate Tax Rate is 21%.

“Maximum Rate” means the maximum non-usurious interest rate payable by the Authority under applicable law.

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

“1933 Act” means the Securities Act of 1933, as amended.

“New York Banking Day” means any day (other than a Saturday or Sunday) on which commercial banks are open for business in New York, New York.

“Noteholder” or *“Holder”* means the holder or owner of a Note.

“Notes” means the Tax-Exempt Notes and the Taxable Notes, each evidencing the Loans.

“OFAC” has the meaning set forth in Section 6.1(r) hereof.

“Obligations” means all Reimbursement Obligations, all fees, expenses and charges payable or reimbursable hereunder to the Administrative Agent or either Bank (including, without limitation, any amounts to reimburse the Administrative Agent or such Bank for any advances or expenditures by it under any of such documents) and all other payment obligations of the Authority to the Administrative Agent or either Bank arising under or in relation to this Agreement or the other Related Documents, in each, case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

“Original Effective Date” means March 20, 2014.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Related Document, or sold or assigned an interest in any Loan or the Related Documents).

“Other Taxes” means all present or future stamp, court, documentary, excise, property, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Related Document.

“Participant” means any entity to which either Bank has granted a participation in the obligations of such Bank hereunder and of the Authority hereunder and under the Notes.

“Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001), as amended.

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

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

“Pledged Collateral” means the Available Revenues.

“Prime Rate” means, at any time, the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in such prime rate occurs. The parties hereto acknowledge that the rate announced publicly by the Administrative Agent as its prime rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.

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

“*QFC*” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. § 5390(c)(8)(D).

“*Rate Reset Date*” means each date on which the interest rate borne by any Loan shall be reset hereunder, and with respect to any Loan, shall mean the first calendar day of each calendar month.

“*Rating Agency*” means any of Moody’s, S&P and/or Fitch, as context may require.

“*Rating Documentation*” has the meaning set forth in Section 2.4(a)(vii) hereof.

“*Recipient*” means the Administrative Agent or either Bank, any Participant or any Noteholder.

“*Reduction Fee*” means an amount equal to the product of (A) the Commitment Fee Rate in effect on the date of the permanent reduction of the Commitment pursuant to the terms hereof, (B) the difference between (x) the aggregate Commitment prior to such reduction plus the aggregate principal amount of the Loans outstanding prior to such reduction and (y) the aggregate Commitment after the reduction and the aggregate principal amount of the Loans outstanding after the reduction and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such reduction to and including the first anniversary of the Amendment and Restatement Date, and the denominator of which is 360.

“*Reimbursement Obligations*” means the obligations of the Authority under this Agreement to repay all Loans, together with interest thereon, pursuant to and in accordance with this Agreement.

“*Related Documents*” means this Agreement, the Notes, the Tax Certificate, the Resolution and any documents related thereto or executed in connection therewith, and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing.

“*Related Parties*” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person’s Affiliates.

“*Request for Advance*” means any request for an Advance made by the Authority to the Administrative Agent, in the form of Exhibit B hereto, executed and delivered on behalf of the Authority by the manual or facsimile signatures of any Authorized Representative.

“*Resolution*” means the Resolution Authorizing and Providing with Respect to Revolving Credit Agreement adopted by the Authority on May 24, 2021, and, to the extent provided by said resolution, the Resolution Authorizing and Providing with Respect to Revolving Credit Agreement, Loans and Promissory Notes, and Termination of Commercial Paper Program adopted by the Authority on March 13, 2014, collectively, as the same may from

time to time be amended, restated, supplemented, or otherwise modified in accordance with the terms thereof and hereof.

“*Revolving Loan*” has the meaning set forth in Section 3.1 hereof.

“*Revolving Loan Maturity Date*” means, with respect to any Revolving Loan, the Commitment Expiration Date or any earlier Termination Date.

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

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

“*Sanctioned Country*” means, at any time, any country or territory which is itself the subject or target of any comprehensive Sanctions.

“*Sanctioned Person*” means, at any time, (a) any Person or group listed in any Sanctions related list of designated Persons maintained by Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, (b) any Person or group operating, organized or resident in a Sanctioned Country, (c) any agency, political subdivision or instrumentality of the government of a Sanctioned Country, or (d) any Person 50% or more owned, directly or indirectly, by any of the above.

“*Sanctions*” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom.

“*Second Program Bond*” has the meaning set forth in the Resolution.

“*Second Program Bond Resolution*” means the Higher Educational Facilities Second Program General Bond Resolution adopted by the Authority on April 27, 1998, as the same may from time to time be amended, restated, supplemented, or otherwise modified in accordance with the terms thereof.

“*State*” means the State of Tennessee.

“*Swap Contract*” means (a) any and all rate swap transactions, total return swaps, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions,

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

“*Swap Obligation*” means, with respect to any Person, any and all obligations, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any and all Swap Contracts and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Swap Contract.

“*Tax Certificate*” means that certain Arbitrage and Use of Proceeds Certificate dated June 2, 2021, by the Authority, relating to the Tax-Exempt Revolving Loans and the Tax-Exempt Term Loans, as the same may be amended, supplemented, modified or restated from time to time.

“*Taxable Applicable Spread*” means the rate per annum associated with the Authority Rating, as specified in the applicable pricing matrix below:¹

¹ NTD. Can take out bifurcation if there are no draws outstanding at close.

(i) For the period commencing on the Original Effective Date to but not including March 20, 2017, the Taxable Applicable Spread shall be determined in accordance with the Existing Credit Agreement.

(ii) For the period commencing on March 20, 2017, to but excluding the Amendment and Restatement Date, the Taxable Applicable Spread for such period shall be determined in accordance with the pricing matrix set forth below:

	Authority Rating			Applicable Spread
	Moody's	S&P	Fitch	basis points (%)
Level I	Aa2 or above	AA or above	AA or above	53.0 bps (0.53%)
Level II	Aa3	AA-	AA-	63.0 bps (0.63%)
Level III	A1	A+	A+	83.0 bps (0.83%)
Level IV	A2	A	A	113.0 bps (1.113%)
Level V	A3	A-	A-	153.0 bps (1.53%)

(iii) For the period commencing on the Amendment and Restatement Date, and at all times thereafter, the Taxable Applicable Spread for such period shall be determined in accordance with the pricing matrix set forth below:

	Authority Rating			Applicable Spread
	Moody's	S&P	Fitch	basis points (%)
Level I	Aa2 or above	AA or above	AA or above	53.0 bps (0.53%)
Level II	Aa3	AA-	AA-	60.0 bps (0.60%)
Level III	A1	A+	A+	80.0 bps (0.80%)
Level IV	A2	A	A	110.0 bps (1.110%)
Level V	A3	A-	A-	150.0 bps (1.50%)

The following paragraph applies to each of the pricing grids set forth in clauses (i) and (ii) above. In the event Authority Ratings are assigned by all three Rating Agencies, and only two of such Authority Ratings are equivalent, the two equivalent Authority Ratings shall be used for purposes of determining the Taxable Applicable Spread. In the event Authority Ratings are assigned by all three Rating Agencies, and no two such Authority Ratings are equivalent, the middle Authority Rating shall be used for purposes of determining the Taxable Applicable Spread. In the event Authority Ratings are assigned by only two Rating Agencies, and such Authority Ratings are not equivalent, the lower Rating shall be used for purposes of determining the Taxable Applicable Spread (for the avoidance of doubt, Level V is the lowest Level, and

Level I is the highest Level for purposes of the above pricing grids). Any change in the Taxable Applicable Spread resulting from a change in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in the Authority Rating. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a “global” rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. In the event that any Authority Rating is suspended, withdrawn, or otherwise unavailable from any Rating Agency, or if any Authority Rating is reduced below “A3,” “A-” or “A-” by any of Moody’s, S&P or Fitch, respectively, or upon the occurrence of and during the continuance of an Event of Default, in each such case, the Loans outstanding shall automatically bear interest at the Default Rate, without notice to the Authority.

“*Taxable Date*” means the date on which interest on any Tax-Exempt Loan is first includable in gross income of any holder thereof (including either Bank) as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

“*Taxable LIBOR Rate*” means a fluctuating rate per annum, determined as of each applicable Computation Date, equal to the sum of (i) the Taxable Applicable Spread *plus* (ii) LIBOR, as in effect on such Computation Date, rounded upward to the fifth decimal place.

“*Taxable Loan*” and “*Taxable Loans*” means individually and collectively, Taxable Revolving Loans and Taxable Term Loans.

“*Taxable Note*” has the meaning set forth in Section 3.2(b) hereof.

“*Taxable Period*” has the meaning set forth in Section 5.2 hereof.

“*Taxable Rate*” means, with respect to a Taxable Period, the product of (i) the average interest rate on the Tax-Exempt Loans during such period and (ii) $1/(1-\text{Maximum Federal Corporate Tax Rate})$.

“*Taxable Revolving Loan*” means any Revolving Loan bearing interest at the Taxable LIBOR Rate.

“*Taxable Term Loan*” means a Taxable Revolving Loan that is converted to a Term Loan pursuant to the terms of Section 4.1 hereof.

“*Taxes*” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

“*Tax-Exempt Applicable Spread*” means, the rate per annum associated with the Authority Rating, as specified in the applicable pricing matrix below:

(i) For the period commencing on the Original Effective Date to but not including April 30, 2018, the Tax-Exempt Applicable Spread shall be determined in accordance with the Existing Credit Agreement.

(ii) For the period commencing on April 30, 2018, to but excluding the Amendment and Restatement Date, the Tax-Exempt Applicable Spread for such period shall be determined in accordance with the pricing matrix set forth below:

	Authority Rating			Applicable Spread
	Moody’s	S&P	Fitch	basis points (%)
Level I	Aa2 or above	AA or above	AA or above	42 bps (0.42%)
Level II	Aa3	AA-	AA-	53 bps (0.53%)
Level III	A1	A+	A+	73 bps (0.73%)
Level IV	A2	A	A	1.03 bps (1.03%)
Level V	A3	A-	A-	1.43 bps (1.43%)

(iii) For the period commencing on the Amendment and Restatement Date, and at all times thereafter, the Tax-Exempt Applicable Spread for such period shall be determined in accordance with the pricing matrix set forth below:

	Authority Rating			Applicable Spread
	Moody’s	S&P	Fitch	basis points (%)
Level I	Aa2 or above	AA or above	AA or above	42 bps (0.42%)
Level II	Aa3	AA-	AA-	50 bps (0.50%)
Level III	A1	A+	A+	70 bps (0.70%)
Level IV	A2	A	A	1.00 bps (1.00%)
Level V	A3	A-	A-	1.40 bps (1.40%)

In the event Authority Ratings are assigned by all three Rating Agencies, and only two of such Authority Ratings are equivalent, the two equivalent Authority Ratings shall be used for purposes of determining the Tax-Exempt Applicable Spread. In the event Authority Ratings are assigned by all three Rating Agencies, and no two such Authority Ratings are equivalent, the middle Authority Rating shall be used for purposes of determining the Tax-Exempt Applicable Spread. In the event Authority Ratings are assigned by only two Rating Agencies, and such

Authority Ratings are not equivalent, the lower Rating shall be used for purposes of determining the Tax-Exempt Applicable Spread. For the avoidance of doubt, Level V is the lowest Level, and Level I is the highest Level for purposes of the above pricing grids. Any change in the Tax-Exempt Applicable Spread resulting from a change in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in the Authority Rating. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a “*global*” rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. In the event that any Authority Rating is suspended, withdrawn, or otherwise unavailable from any Rating Agency, or if any Authority Rating is reduced below “A3,” “A-” or “A-” by any of Moody’s, S&P or Fitch, respectively, or upon the occurrence of and during the continuance of an Event of Default, in each such case, the Loans outstanding shall automatically bear interest at the Default Rate, without notice to the Authority.

“*Tax-Exempt Loan*” and “*Tax-Exempt Loans*” means individually and collectively, Tax-Exempt Revolving Loans and Tax-Exempt Term Loans.

“*Tax-Exempt Note*” has the meaning set forth in Section 3.2(a) hereof.

“*Tax-Exempt Rate*” means a fluctuating rate per annum, determined as of each applicable Computation Date, equal to the product of (1) the sum of (a) the Tax-Exempt Applicable Spread plus (b) the product of (i) LIBOR, as in effect on such Computation Date, multiplied by (ii) the Applicable Factor and (2) the Margin Rate Factor, rounded upward to the fifth decimal place.

“*Tax-Exempt Revolving Loan*” means any Revolving Loan bearing interest at the Tax-Exempt Rate.

“*Tax-Exempt Term Loan*” means a Tax-Exempt Revolving Loan that is converted to a Term Loan pursuant to the terms of Section 4.1 hereof.

“*Termination Date*” means the earliest of (i) the Commitment Expiration Date, as such date may be extended pursuant to Section 2.11 hereof, (ii) the date on which the Commitment is otherwise terminated or reduced to zero in accordance with Section 2.7 hereof and (iii) the date the Commitment terminates by its terms in accordance with Section 9.2 hereof.

“*Termination Fee*” means an amount equal to the product of (A) the Commitment Fee Rate in effect on the date of termination of the Commitment pursuant to Section 2.7(b) hereof, (B) the sum of the Commitment immediately prior to such termination plus the aggregate amount of all Loans outstanding at such time and (C) a fraction, the numerator of which is equal to the number of days from and including the date of termination to and including the first anniversary of the Amendment and Restatement Date, and the denominator of which is 360.

“*Term Loan*” means both a Tax-Exempt Term Loan and a Taxable Term Loan.

“*Term Loan Rate*” means, for each day of determination, a fluctuating rate per annum, with respect to any Term Loan equal to (i) for the period from and including the Conversion Date to and including the 180th day immediately following the Conversion Date, the Base Rate from time to time in effect and (ii) from and after the 181st day immediately following the Conversion Date and thereafter, the sum of the Base Rate from time to time in effect plus 1.00%; provided that from and after the occurrence of an Event of Default, the Term Loan Rate shall mean the Default Rate.

“*United States*” means the United States of America.

“*U.S. Bank*” has the meaning set forth in the introductory paragraph hereof.

“*U.S. Person*” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“*Wells Fargo*” has the meaning set forth in the introductory paragraph hereof.

Section 1.2. Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP. If, after the Original Effective Date, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Sections 6.1(j) hereof and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement including, without limitation, a recharacterization of operating leases to the effect that certain operating leases are to be treated as capital leases, either the Authority or the Administrative Agent, on behalf of the Banks, may by notice to the other party hereto, require that the Administrative Agent, the Banks, and the Authority negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the Authority shall be the same as if such change had not been made. No delay by the Authority, the Administrative Agent or the Banks, in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section 1.2, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles.

Section 1.3. Interpretation. The following rules shall apply to the construction of this Agreement unless the context requires otherwise: (i) the singular includes the plural, and the plural the singular; (ii) words importing any gender include the other gender; (iii) references to statutes are to be construed as including all statutory provisions consolidating and amending, and all regulations promulgated pursuant to, such statutes; (iv) references to “writing” include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible font; (v) the words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation”; (vi) references to the introductory paragraph, recitals, articles, sections (or clauses or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Agreement unless otherwise indicated; (vii) references to agreements and other

contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent that such amendments and other modifications are permitted or not prohibited by the terms of this Agreement; (viii) section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose; (ix) references to Persons include their respective permitted successors and assigns; and (x) in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each means “to but excluding.” All references to “funds” herein shall include all accounts and subaccounts therein unless the context clearly requires otherwise.

Section 1.4. Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York time (daylight or standard, as applicable).

Section 1.5. Relation to Other Documents; Acknowledgment of Different Provisions of Related Documents; Incorporation by Reference. (a) Nothing in this Agreement shall be deemed to amend, or relieve the Authority of its obligations under, any Related Document to which it is a party. Conversely, to the extent that the provisions of any Related Document allow the Authority to take certain actions, or not to take certain actions, with regard for example to permitted liens, transfers of assets, maintenance of financial ratios and similar matters, the Authority nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in subsection (c) of this Section 1.5, all references to other documents shall be deemed to include all amendments, modifications and supplements thereto to the extent such amendment, modification or supplement is made in accordance with the provisions of such document and this Agreement.

(c) All provisions of this Agreement making reference to specific Sections of any Related Document shall be deemed to incorporate such Sections into this Agreement by reference as though specifically set forth herein (with such changes and modifications as may be herein provided) and shall continue in full force and effect with respect to this Agreement notwithstanding payment of all amounts due under or secured by the Related Documents, the termination or defeasance thereof or any amendment thereto or any waiver given in connection therewith, so long as this Agreement is in effect and until all Obligations are paid in full. No amendment, modification, consent, waiver or termination with respect to any of such Sections shall be effective as to this Agreement until specifically agreed to in writing by the parties hereto with specific reference to this Agreement.

Section 1.6. LIBOR Notification. The interest rate on Loans is determined by reference to LIBOR, which is derived from the London interbank offered rate. Sections 2.12 and 2.13 hereof provide a mechanism for (a) determining an alternative rate of interest if the London interbank offered rate is no longer available or does not adequately and fairly reflect the cost of making or maintaining Loans, and (b) modifying this Agreement to give effect to such alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of LIBOR or with respect to any alternative or successor rate thereto, or replacement rate thereof,

including without limitation, whether any such alternative, successor or replacement reference rate, as it may or may not be adjusted pursuant to Sections 2.12 and 2.13 hereof, will have the same value as, or be economically equivalent to, LIBOR.

ARTICLE II

FACILITIES; APPLICATION AND ISSUANCE OF THE LOANS; PAYMENTS

Section 2.1. Commitments. Subject to the terms and conditions hereof, each Bank, by its acceptance hereof, severally agrees to make a loan or loans in U.S. Dollars to the Authority from time to time on a revolving basis up to the amount of its Commitment, subject to any reductions thereof pursuant to the terms hereof, before the Termination Date. The sum of the aggregate principal amount of Tax-Exempt Loans and Taxable Loans at any time outstanding shall not exceed the aggregate Commitments of the Banks in effect at such time, and the sum of the aggregate principal amount of Tax-Exempt Loans and Taxable Loans extended by either Bank at any time outstanding shall not at any time exceed such Bank's Commitment. Each Loan by either Bank shall be in a principal amount equal to such Bank's Commitment Percentage of the aggregate principal amount of Loans requested on such occasion. As provided in Section 2.3(c) hereof, the Authority may elect that any such Revolving Loan be either a Tax-Exempt Loan or a Taxable Loan. Revolving Loans may be repaid and the principal amount thereof reborrowed before the Termination Date, subject to the terms and conditions hereof. The Commitment shall terminate on the Commitment Termination Date.

Section 2.2. Application. The Authority hereby applies to each Bank for, and authorizes and instructs each Bank to issue for its account, its Commitment in the amount as set forth herein.

Section 2.3. Making of Advances; Use of Proceeds. (a) Subject to the terms and conditions of this Agreement, each Bank agrees to make Advances from time to time on any New York Banking Day, commencing on the Original Effective Date and ending on the Termination Date, in amounts not to exceed at any time outstanding its respective Commitment available hereunder; *provided*, that neither Bank shall be required to make more than three (3) Advances during any calendar month. Each Advance requested shall be in a minimum principal amount of \$3,000,000 or any integral multiples of \$500,000 in excess thereof. Each Advance shall be made solely for the purposes set forth in the Act and Resolution; *provided* that in no event shall any of the proceeds of a Tax-Exempt Loan be used to pay or prepay a Taxable Loan, unless the Authority receives an Approving Opinion of Bond Counsel, which shall also be addressed to each Bank or upon which the Administrative Agent and each Bank is entitled to rely. The aggregate amount of all Advances made on any Advance Date shall not exceed the applicable Commitment (calculated without giving effect to any Advances made on such date) at 11:00 am (New York time) available to be drawn on such date and neither Bank shall be obligated to make Advances in excess of its respective Commitment.

(b) *Reborrowing.* Within the limits of this Section 2.3, the Authority may borrow, repay pursuant to the terms hereof and reborrow under this Section 2.3, subject to the terms and conditions set forth herein.

(c) *Method of Borrowing.* (i) *Requests for Advances.* The Authority shall give the Administrative Agent irrevocable prior written notice substantially in the form of Exhibit B (a “*Request for Advance*”) not later than 11:00 a.m. three (3) New York Banking Days before each Advance, of its intention to borrow, specifying (A) the Advance Date, which shall be a New York Banking Day, (B) the amount of such borrowing, which shall be in an aggregate principal amount of \$3,000,000 or a whole multiple of \$500,000 in excess thereof, and (C) whether the requested Advance shall be a Tax-Exempt Loan or a Taxable Loan. A Request for Advance received after 11:00 a.m. shall be deemed received on the next New York Banking Day. The Administrative Agent shall promptly, and in any event not later than 1:00 p.m. on the date of receipt by the Administrative Agent of a Request for Advance, notify the Banks of each Request for Advance. Pursuant to Section 3.3 hereof, the Administrative Agent shall determine the initial Tax-Exempt Rate or Taxable Rate two (2) New York Banking Days prior to the related Advance Date.

(ii) *Disbursement of Advances.* Not later than 1:00 p.m. on the proposed Advance Date, each Bank will make available to the Administrative Agent, for the account of the Authority, at the office of the Administrative Agent in funds immediately available to the Administrative Agent, such Bank’s Commitment Percentage of the Advances be made on such Advance Date. The Authority hereby irrevocably authorizes the Administrative Agent to disburse the proceeds of each Advance requested pursuant to this Section in immediately available funds by crediting or wiring such proceeds to the deposit account of the Authority identified in the related Request for Advance or as may be otherwise agreed upon by the Authority and the Administrative Agent from time to time. Subject to Section 2.8 hereof, the Administrative Agent shall not be obligated to disburse the portion of the proceeds of any Advances requested pursuant to this Section to the extent that either Bank has not made available to the Administrative Agent its Commitment Percentage of such Advance.

Section 2.4. Conditions Precedent to Amendment and Restatement.

(a) *Conditions Precedent to Amendment and Restatement Date.* The obligations of the Banks to continue to make the Commitment available hereunder shall be subject to the fulfillment of each of the following conditions precedent on or before the Amendment and Restatement Date a manner satisfactory to each Bank:

(i) Each Bank shall have received the following documents, each dated and in form and substance as is satisfactory to each Bank:

(1) copies of the Resolution and any other resolution(s) of the Authority approving the execution and delivery of this Agreement certified by an Authorized Representative of the Authority as being true and complete and in full force and effect on the Amendment and Restatement Date;

(2) certified copies of all approvals, authorizations and consents of any trustee, or holder of any indebtedness or obligation of the Authority or any Governmental Authority necessary for the Authority to enter into each of the Related Documents and the transactions contemplated herein and therein;

(3) a certificate of an Authorized Representative of the Authority dated the Amendment and Restatement Date certifying as to the authority, incumbency and specimen signatures of the designated representatives of the Authority authorized to sign this Agreement and the Notes and any other documents to be delivered by it hereunder and who will be authorized to represent the Authority in connection with this Agreement, upon which the Administrative Agent and the Banks may rely until they receive a new such certificate; and

(4) an executed original or certified copy, as applicable, of each of the Related Documents.

(ii) Each Bank shall have received a written description of all actions, suits or proceedings pending or threatened against the Authority in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a material adverse effect on the Authority's ability to perform its obligation under this Agreement and the other Related Documents, if any, and such other statements, certificates, agreements, documents and information with respect thereto as each Bank may reasonably request. There shall not have occurred any change or any development involving a prospective change in the financial or operating condition of the Authority or its ability to pay the Obligations from that set forth in the audited annual financial statements of the Authority for the Fiscal Year ended June 30, 2020 provided to the Banks, that in the judgment of the Banks is material or adverse to either Bank. No law, regulation, ruling or other action of the United States, the State or the State of New York or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Authority, the Administrative Agent or either Bank from fulfilling its respective obligations under this Agreement and the other Related Documents.

(iii) Each Bank shall have received an opinion dated the Amendment and Restatement Date from counsel to the Authority, in form and substance satisfactory to the Banks and their counsel.

(iv) The following statements shall be true and correct on the Amendment and Restatement Date, and each Bank shall have received a certificate signed by an Authorized Representative, dated the Amendment and Restatement Date, certifying that:

(1) (A) the representations and warranties of the Authority contained in each of the Related Documents and each certificate, letter, other writing or instrument delivered by the Authority to the Administrative Agent or either Bank pursuant hereto or thereto are true and correct on and as of the Amendment and Restatement Date as though made on and as of such date; (B) no Default or Event

of Default has occurred and is continuing or would result from the Authority's execution and delivery of this Agreement or the Notes or the acceptance of the Commitment by the Authority; (C) the audited annual financial statements of the Authority for the Fiscal Year ended June 30, 2020, including the balance sheet as of such date of said period, all examined and reported on by the State of Tennessee Comptroller of the Treasury, Department of Audit, Division of State Audit, as heretofore delivered to each Bank correctly and fairly present the financial condition of the Authority as of said date and the results of the operations of the Authority for such period, have been prepared in accordance with GAAP consistently applied except as stated in the notes thereto; (D) since the release of the audited annual financial statements of the Authority for the Fiscal Year ended June 30, 2020, no material adverse change has occurred in the financial condition of the Authority prior to the Amendment and Restatement Date, and on and prior to the Amendment and Restatement Date no material transactions or obligations (not in the ordinary course of business) shall have been entered into by the Authority, other than as previously advised in writing to the Administrative Agent; (E) the acceptance of the Commitment by the Authority pursuant to this Agreement is an arm's length commercial transaction between the Authority, the Administrative Agent and each Bank; (F) the Authority has consulted with its own respective legal and financial advisors in connection with the acceptance of the Commitment by the Authority pursuant to this Agreement; (G) neither the Administrative Agent nor either Bank has acted as a fiduciary in favor of the Authority with respect to the Notes or the acceptance of the Commitment by the Authority; and (H) the underlying unenhanced long-term ratings assigned to the Second Program Bonds by Moody's, S&P and Fitch have not been reduced, withdrawn or suspended since the dated date of the Rating Documentation.

(v) Each Bank shall have received an opinion addressed to the Administrative Agent and each Bank and dated the Amendment and Restatement Date of Bond Counsel as to the due authorization, execution and delivery of this Agreement, the Resolution and the Notes, the legal and appropriate adoption of the Resolution and the validity and enforceability with respect to the Authority of this Agreement and the Notes, entering into this Agreement will not affect the exclusion of interest on the Tax-Exempt Loans from gross income for federal income tax purposes of the Banks, the pledge of Pledged Collateral securing the Notes and the Obligations constituting a valid pledge, and such other matters as either Bank may reasonably request, in form and substance satisfactory to the Banks and their counsel.

(vi) All necessary action on the part of the Authority shall have been taken as required for the assignment and pledge of a lien on the Pledged Collateral for the benefit of the Banks as described in Section 6.1(h) hereof.

(vii) On or prior to the Amendment and Restatement Date, the Administrative Agent shall have received reimbursement of the Administrative Agent's and each Bank's fees and expenses (including the reasonable legal fees and expenses of Chapman and

Cutler LLP in an amount not to exceed \$15,000 plus disbursements) and any other fees incurred in connection with the transaction contemplated by this Agreement due on the Amendment and Restatement Date.

(viii) Neither the Tax-Exempt Note nor the Taxable Note shall be (1) assigned a separate rating by any Rating Agency or (2) registered with The Depository Trust Company or any other securities depository. No offering document or official statement shall be prepared with respect to the Tax-Exempt Notes or the Taxable Notes.

(ix) Each Bank shall have received such other documents, certificates, opinions, approvals and filings with respect to this Agreement, the Notes and the other Related Documents as either Bank may reasonably request.

(b) *Conditions Precedent to Each Advance.* The obligation of each Bank to make an Advance on any date is subject to the conditions precedent that on the date of such Advance:

(i) The Administrative Agent shall have received a Request for Advance as provided in Section 2.3(c) hereof specifying whether such Advance will be a Tax-Exempt Loan or a Taxable Loan;

(ii) All representations and warranties of the Authority as set forth in Article VII hereof shall be true and correct as though made on the date of such Request for Advance and on the date of the proposed Advance, no Default or Event of Default shall have occurred and be continuing; and

(iii) The Commitment and the obligation of each Bank to make an Advance hereunder shall not have terminated pursuant to Section 9.2 hereof or pursuant to Section 2.7 hereof.

Unless the Authority shall have otherwise previously advised the Administrative Agent in writing, delivery to the Administrative Agent of a Request for Advance shall be deemed to constitute a representation and warranty by the Authority that on the date of such Request for Advance and on the date of the proposed Advance that all representations and warranties of the Authority as set forth in Article VII hereof is true and correct as though made on the date of such Request for Advance and on the date of the proposed Advance and no Default or Event of Default shall have occurred and be continuing on the date of such Request for Advance or on the date of the proposed Advance.

Section 2.5. Interest Rate Determinations. The Administrative Agent shall promptly notify the Authority and the Banks of the interest rate applicable to any Loan upon determination of such interest rate; *provided, however,* that the failure by the Administrative Agent to provide notice of the applicable interest rate shall not relieve the Authority of its obligation to make payment of amounts as and when due hereunder. At any time that a Term Loan is outstanding, the Administrative Agent shall notify the Authority and the Banks of any change in the Base Rate promptly following the establishment of such change; *provided, however,* that the failure by the Administrative Agent to provide notice of such change shall not relieve the Authority of its

obligation to make payment of amounts as and when due hereunder. Each determination by the Administrative Agent of an interest rate shall be conclusive and binding for all purposes, absent manifest error.

Section 2.6. Fees. (a) Commitment Fees. The Authority agrees to pay to the Administrative Agent, for the account of the Banks, a nonrefundable annual fee set forth in the pricing grids below (the “*Commitment Fee*”) multiplied by the daily unused Commitment of the Banks. Such Commitment Fee shall be distributed by the Administrative Agent to the Banks pro rata in accordance with such Banks’ respective Commitment Percentages. In the event of a change in the Authority Rating, the Commitment Fee shall be calculated based on the number of basis points set forth in the Level as described in the applicable pricing matrix below (the “*Commitment Fee Rate*”):

(i) For the period commencing on the Original Effective Date to but not including April 30, 2018, the Commitment Fee Rate shall be determined in accordance with the Existing Credit Agreement.

(ii) For the period commencing on April 30, 2018, to but not including the Amendment and Restatement Date, the Commitment Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:

	Authority Rating			Commitment Fee Rate
	Moody’s	S&P	Fitch	basis points (%)
Level I	Aa2 or above	AA or above	AA or above	23 bps (0.23%)
Level II	Aa3	AA-	AA-	33 bps (0.33%)
Level III	A1	A+	A+	53 bps (0.53%)
Level IV	A2	A	A	83 bps (0.83%)
Level V	A3 and below	A- and below	A- and below	123 bps (1.23%)

(iii) For the period commencing on the Amendment and Restatement Date, and at all times thereafter, the Commitment Fee Rate for such period shall be determined in accordance with the pricing matrix set forth below:

	Authority Rating			Commitment Fee Rate
	Moody's	S&P	Fitch	basis points (%)
Level I	Aa2 or above	AA or above	AA or above	23 bps (0.23%)
Level II	Aa3	AA-	AA-	30 bps (0.30%)
Level III	A1	A+	A+	50 bps (0.50%)
Level IV	A2	A	A	80 bps (0.80%)
Level V	A3 and below	A- and below	A- and below	120 bps (1.20%)

The following paragraph applies to each of the pricing grids set forth in clauses (i) and (ii) above. In the event Authority Ratings are assigned by all three Rating Agencies, and only two of such Authority Ratings are equivalent, the two equivalent Authority Ratings shall be used for purposes of determining the Commitment Fee Rate. In the event Authority Ratings are assigned by all three Rating Agencies, and no two such Authority Ratings are equivalent, the middle Authority Rating shall be used for purposes of determining the Commitment Fee Rate. In the event Authority Ratings are assigned by only two Rating Agencies, and such Authority Ratings are not equivalent, the lower Rating shall be used for purposes of determining the Commitment Fee Rate. For the avoidance of doubt, Level V is the lowest Level, and Level I is the highest Level for purposes of the above pricing grids. Any change in the Commitment Fee resulting from a change in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in the Authority Rating. The Commitment Fee shall be payable quarterly in arrears on the fifteenth (15) day of each January, April, July and October of each calendar year (and if such day is not a New York Banking Day, the next succeeding New York Banking Day) and on the Commitment Expiration Date, or such earlier date on which the Commitment may be terminated in accordance with the terms of this Agreement. The Commitment Fee shall be calculated on the basis of 360-day year and actual days elapsed. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a “global” rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. In the event that any Authority Rating is suspended, withdrawn, or otherwise unavailable from any Rating Agency, or if any Authority Rating is reduced below “A3,” “A-” or “A-” by any of Moody’s, S&P or Fitch, respectively, or upon the occurrence of and during the continuance of an Event of Default, in each such case the Commitment Fee Rate shall increase automatically to 1.0% above the Commitment Fee Rate otherwise in effect without notice to the Authority.

(b) *Termination or Reduction Fee.* The Authority shall pay to the Administrative Agent, for the account of the Banks, a Reduction Fee or Termination Fee, as applicable, in connection with each permanent reduction or termination of the Commitment pursuant to Section 2.7 hereof prior to the first anniversary of the Amendment and Restatement Date, in an amount equal to the Reduction Fee or Termination Fee, as applicable, payable on the date of such termination or each such reduction; *provided, however,* that no Termination Fee or Reduction Fee shall be due and payable to either Bank if a Bank has requested compensation from the Authority pursuant to Section 5.2 hereof.

(c) *Amendment, Consent or Waiver Fee.* Upon each amendment hereof, consent or waiver hereunder or under any Related Document, the Authority shall pay or cause to be paid to the Administrative Agent, for the account of the Banks, attorneys' fees and expenses, if any, incurred by the Banks in processing such amendment, consent or waiver and a fee in a minimum amount of \$2,500 for each Bank; *provided, however,* there shall be no amendment fee for amendments to the Agreement solely for the purposes of implementing a Successor Index but the Authority agrees to pay the reasonable fees and expenses of the Banks' legal counsel in connection with such amendments.

(d) *Draw Fee.* On the fifteenth (15th) day of each month (and if such day is not a New York Banking Day, the next succeeding New York Banking Day), the Authority shall pay to the Administrative Agent, for the account of the Banks, a draw fee in an amount equal to the product of (x) the number of Advances made during the immediately preceding calendar month and (y) \$300 per Bank; *provided, however,* that in the event that the Authority pays to either Bank a draw fee and such Bank fails to advance the related Loan hereunder, such Bank shall promptly refund to the Authority the draw fee actually paid to such Bank.

(e) *Costs, Expenses and Taxes.* The Authority will promptly pay on demand (i) the reasonable fees, costs and expenses of the Administrative Agent and either Bank incurred in connection with the preparation, negotiation, execution and delivery of this Agreement, the Notes and the other Related Documents, (ii) the reasonable fees and disbursements of Chapman and Cutler LLP, special counsel to the Administrative Agent and the Banks, incurred in connection with the preparation, execution, filing and administration and delivery of this Agreement and the other Related Documents (in an amount not to exceed \$15,000 plus disbursements), (iii) the fees and disbursements of counsel or other reasonably required consultants to the Administrative Agent and either Bank with respect to advising such Persons as to the rights and responsibilities under this Agreement and the other Related Documents after the occurrence of any Default or alleged Default hereunder, or an Event of Default hereunder, (iv) all costs and expenses, if any, in connection with any waiver or amendment of, or the giving of any approval or consent under, or any response thereto or the enforcement of this Agreement, the Related Documents and any other documents which may be delivered in connection herewith or therewith, including in each case the reasonable fees and disbursements of counsel to the Administrative Agent and the Banks or other reasonably required consultants and (v) any amounts advanced by or on behalf of the Administrative Agent and/or the Banks to the extent required to cure any Default, Event of Default or event of nonperformance hereunder or any Related Document, together with interest at the Default Rate. In addition, the Authority shall pay any and all stamp taxes, transfer taxes, documentary taxes, and other taxes and fees payable

or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement and the security contemplated by the Related Documents (other than taxes based on the net income of either Bank) and agrees to indemnify and hold each Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying, or omission to pay, such taxes and fees, including interest and penalties thereon. In addition, the Authority agrees to pay, after the occurrence of a Default, alleged Default or an Event of Default hereunder, all costs and expenses (including attorneys' fees and costs of settlement) incurred by the Administrative Agent or either Bank in enforcing any obligations or in collecting any payments due from the Authority hereunder by reason of such Default, alleged Default or Event of Default hereunder or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "workout" or of any collection, insolvency, bankruptcy proceedings or other enforcement proceedings resulting therefrom.

(f) If the Authority shall fail to pay any amount payable under this Section 2.6 as and when due, each such unpaid amount shall bear interest for each day from and including the date it was due until paid in full at the applicable Default Rate. The obligations of the Authority under this Section 2.6 shall survive the termination of this Agreement.

Section 2.7. Reduction and Termination. (a) Subject to the provisions of Section 2.6(b) hereof, the Commitment shall be reduced from time to time as requested by the Authority within three (3) days of the Authority's written notice to the Administrative Agent requesting such reduction in the form of Exhibit C hereto; *provided*, that each such reduction amount shall be in an amount equal to \$5,000,000 or an integral multiple thereof. Any Reduction of the Commitment shall be applied to the Commitment of each Bank according to its Commitment Percentage.

(b) Subject to the provisions of Section 2.6(b) hereof, the Authority may at any time and at its sole option terminate the Commitment upon three (3) New York Banking Days' prior written notice to the Administrative Agent. As a condition to any such termination, the Authority shall pay or cause to be paid to the Administrative Agent, on behalf of the Banks, all Obligations owed to each Bank (other than Term Loans which shall be payable pursuant to the terms of Section 4.5 hereof).

(c) Each permanent reduction permitted pursuant to this Section shall be accompanied by a payment of principal sufficient to reduce the aggregate outstanding Revolving Loans after such reduction to the Commitment as so reduced. Any reduction of the Commitment to zero shall be accompanied by payment of all outstanding Revolving Loans (subject to the right to have the Revolving Loans converted to Term Loan in accordance with Article IV hereof) and shall result in the termination of the Commitment. Any reduction of the Commitment that requires the repayment of any Revolving Loan shall be accompanied by any amount required to be paid pursuant to Section 2.9 hereof.

Section 2.8. Obligations of Banks. (a) *Funding by Banks.* The Administrative Agent shall only make available to the Authority on an Advance Date such amounts as actually received by the Administrative Agent from the Banks for the purpose of making the related Advance. Notwithstanding the foregoing, in the event either Bank has not in fact made its share

of the applicable Advance available to the Administrative Agent and the Administrative Agent shall have nonetheless made such Advance available to the Authority, then the applicable Bank agrees to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Authority to but excluding the date of payment to the Administrative Agent, at the greater of the daily average Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Once such Bank pays its share of the applicable Advance to the Administrative Agent, then the amount so paid shall constitute such Bank's Loan included in such Advance.

(b) *Nature of Obligations of Banks Regarding Extensions of Credit.* The obligations of the Banks under this Agreement to make the Loans are several and are not joint or joint and several. The failure of either Bank to make available its Commitment Percentage of any Loan requested by the Authority shall not relieve it or the other Bank of its obligation, if any, hereunder to make its Commitment Percentage of such Loan available on the Advance Date, but neither Bank shall be responsible for the failure of the other Bank to make its Commitment Percentage of such Loan available on the Advance Date.

Section 2.9. Break Funding Reimbursements. In the event either Bank shall incur any loss, cost, or expense (including, without limitation, any loss, cost, or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by such Bank to make any Advance, Revolving Loan or Term Loan or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to such Bank) as a result of (i) any failure by the Authority to borrow any Advance or Revolving Loan on any Advance Date following a Request for Advance for any reason, including without limitation, any termination of the Commitment prior to the related Advance Date pursuant to the terms hereof or (ii) any optional payment or prepayment of any Advance or Revolving Loan on a date other than the first New York Banking Day of a calendar month (subject to the notice requirements set forth in Sections 3.5 and 4.6 hereof) for any reason, whether before or after default, then upon the demand of the Administrative Agent, the Authority shall pay to the Administrative Agent, on behalf of such Bank, a payment or prepayment premium, as applicable in such amount as will reimburse such Bank for such loss, cost, or expense. If the Administrative Agent requests such payment or prepayment premium, as applicable, it shall provide to the Authority a certificate setting forth the computation of the loss, cost, or expense giving rise to the request for such payment or prepayment premium, as applicable in reasonable detail and such certificate shall be conclusive if reasonably determined.

Section 2.10. Payments. Each payment by the Authority on account of the principal of or interest on the Notes or the Loans or of any fee, commission or other amounts (including the Reimbursement Obligation) payable to the Banks under this Agreement shall be made not later than 1:00 p.m. on the date specified for payment under this Agreement to the Administrative Agent at the Administrative Agent's Office for the account of the Banks entitled to such payment in Dollars, in immediately available funds and shall be made without any set off, counterclaim or deduction whatsoever. Any payment received after 1:00 p.m. shall be deemed to have been made on the next succeeding New York Banking Day for all purposes. Upon receipt by the Administrative Agent of each such payment, the Administrative Agent shall distribute to each

such Bank at its address for notices set forth herein its Commitment Percentage (or other applicable share as provided herein) of such payment and shall wire advice of the amount of such credit to each Bank. Each payment to the Administrative Agent of Administrative Agent's fees or expenses shall be made for the account of the Administrative Agent and any amount payable to either Bank under Sections 2.6(e), 2.9, 5.1, 5.2 or 5.3 hereof shall be paid to the Administrative Agent for the account of the applicable Bank. If any payment under this Agreement shall be specified to be made upon a day which is not a New York Banking Day, it shall be made on the next succeeding day which is a New York Banking Day and such extension of time shall in such case be included in computing any interest if payable along with such payment.

Section 2.11. Extension of the Commitment Expiration Date. No more than one hundred twenty (120) days and no later than sixty (60) days prior to the Commitment Expiration Date then in effect, the Authority may request the Banks in writing to extend the Commitment Expiration Date for purposes of this Agreement for a period to be agreed upon by the Authority and the Banks. The Banks shall have sixty (60) days to respond to any request by the Authority to extend the Commitment Expiration Date. Any decision by the Banks to extend the Commitment Expiration Date shall be in the Banks' sole discretion. If the Banks elect to extend the Commitment Expiration Date, the Banks will notify the Authority of such extension and the conditions of such extension (including conditions relating to legal documentation and pricing, such fees for renewal and Advances). If the Banks do not notify the Authority prior to sixtieth (60th) day following a request by the Authority to the Banks to extend the Commitment Expiration Date, the Banks shall be deemed to have not consented to such request. The Banks may, in their sole discretion, accept or reject any proposed extensions. Notwithstanding the foregoing and to the extent an Advance, Revolving Loan or Term Loan is outstanding on the date the Commitment Expiration Date is extended, in no event shall the Commitment Expiration Date be extended to a date that exceeds the eighth (8th) anniversary of the date any such Advance related to any outstanding Advance, Revolving Loan or Term Loan was originally made.

Section 2.12. Taxable Benchmark Replacement. With respect to Taxable Loans, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or any Bank notifies the Administrative Agent that such Bank has determined that (a)(i) the administrator, or any relevant agency or authority for such administrator, of LIBOR (or any substitute index which replaces LIBOR (LIBOR or such replacement, the "Benchmark")) has announced that such Benchmark will no longer be provided, (ii) any relevant regulator, administrator, agency or authority has announced that such Benchmark is no longer representative, or (iii) any similar circumstance exists such that such Benchmark has become unavailable or ceased to exist, or (b) similar loans are being documented with a replacement rate to such Benchmark, the Administrative Agent will (x) replace such Benchmark with a replacement rate or (y) if any such circumstance applies to fewer than all tenors of such Benchmark used for determining an interest period hereunder, discontinue the availability of the affected interest periods. In the case of LIBOR, such replacement rate will be Term SOFR, plus the adjustment described below; *provided* that if the Administrative Agent determines in its sole discretion that (i) Term SOFR is not available for the applicable advance at the time of such replacement or (ii) the administration of Term SOFR is not administratively feasible for the

Administrative Agent, then such replacement rate will be Daily Simple SOFR, plus the adjustment described below (such replacement rate as determined pursuant to this Section 2.12 herein referred to as the “*Successor Index*”). For purposes of this Agreement, (a) “*SOFR*” means the secured overnight financing rate which is published by the Board of Governors of the Federal Reserve System (the “*Board*”) and available at www.newyorkfed.org; (b) “*Term SOFR*” means a forward-looking term rate based on SOFR and recommended by the Board; and (c) “*Daily Simple SOFR*” means a daily rate based on SOFR and determined by the Administrative Agent in accordance with the conventions for such rate. In each case, the Administrative Agent will add an adjustment to Term SOFR or Daily Simple SOFR that is selected or recommended by the Board. In connection with the selection and implementation of any such replacement rate, the Administrative Agent may make any technical, administrative or operational changes that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such replacement rate. The Administrative Agent does not warrant or accept any responsibility for the administration or submission of, or any other matter related to, LIBOR or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation whether any such alternative, successor or replacement rate will have the same value as, or be economically equivalent to, LIBOR. Notwithstanding anything herein to the contrary, this Section 2.12 shall only apply to Taxable Loans.

Section 2.13. Tax-Exempt LIBOR Replacement. Notwithstanding anything herein to the contrary, this Section 2.13 shall only apply to Tax-Exempt Loans.

(a) “*LIBOR Termination*” means the Administrative Agent determines (which determination shall be conclusive absent manifest error), or any Bank notifies the Administrative Agent that such Bank has determined that (i) LIBOR is no longer available or reliable, (ii) LIBOR is not being quoted or published, (iii) any relevant regulator, administrator, agency or authority has announced that LIBOR will no longer be published or is no longer representative, (iv) any circumstance exists such that LIBOR has become impracticable, unrepresentative, unavailable or ceased to exist, (v) similar transactions are being documented with a replacement rate for LIBOR, (vi) other transactions, including, but not limited to any swap agreement relating to the Tax-Exempt Note, are being documented with a replacement rate for LIBOR, (vii) final regulations are expected to be enacted that would cause the replacement of the Tax-Exempt Rate as contemplated herein to no longer be clearly permitted without triggering a deemed exchange under Treasury Regulation §1.1001-3 or (viii) LIBOR no longer can reasonably be expected to measure contemporaneous variations in the costs of newly borrowed funds in United States Dollars.

(b) “*Treasury Regulation Safe Harbors*” means the requirements of Proposed Treasury Regulation §1.1001-6(b)(2)(ii) or successor provisions, satisfaction of which ensures that a replacement interest rate on the Tax-Exempt Note that is otherwise a “qualified rate” when substituted for the Tax-Exempt Rate results in a substantially equivalent fair market value of the Tax-Exempt Note, as required under Proposed Treasury Regulation §1.1001-6(b)(2)(i) or successor provision.

(c) Notwithstanding anything herein to the contrary, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or any Bank notifies

the Administrative Agent that such Bank has determined (which determination shall be conclusive in the absence of manifest error) that a LIBOR Termination has occurred, then:

(i) (A) subject to clause (B) below, the Administrative Agent may, in their discretion, replace the Tax-Exempt Rate with a substantially economically equivalent replacement rate (which may include a successor index and a spread adjustment and may be multiplied by a factor determined by the Administrative Agent), taking into consideration any selection or recommendation of a replacement rate by any relevant agency or authority and evolving or prevailing market conventions, which replacement rate is generally a rate, the variations of the value of which can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in U.S. Dollars and is a multiple of a “qualified floating rate” as defined in Treasury Regulation §1.1275-5 or successor provision plus a fixed spread (the “*Replacement Rate*”) and shall provide the Authority with written notice of such Replacement Rate (the “*Replacement Notice*”);

(B) The successor index of the Replacement Rate shall initially be the Successor Index (which may include a spread adjustment and may be multiplied by a factor determined by the Administrative Agent); *provided* that if the Replacement Rate based on the Successor Index would not (x) allow either condition set forth in Section 2.13(c)(ii) hereof to be satisfied and (y) be substantially economically equivalent to the Tax-Exempt Rate as required by Section 2.13(c)(iii) hereof, then the Administrative Agent shall select another successor index in accordance with the provisions of Section 2.13(c)(i)(A) hereof;

(ii) if the Administrative Agent receives either (A) written evidence satisfactory to the Banks that one or more of the Treasury Regulation Safe Harbors have been satisfied with respect to the replacement of the Tax-Exempt Rate with the Replacement Rate or (B) an opinion of Bond Counsel in form and substance satisfactory to the Banks that the replacement of the Tax-Exempt Rate with the Replacement Rate does not and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Note then in either case:

(I) the Replacement Rate shall replace the Tax-Exempt Rate on the Tax-Exempt Note under this Agreement and the Related Documents on the effective date for the Replacement Rate specified in the Replacement Notice (the “*Replacement Date*”), and the Replacement Rate shall be subject to further adjustments as described in Section 5.2(e) and Section 5.4(b) of this Agreement, and if the Replacement Rate determined pursuant to this Section 2.13(c) shall be less than zero, such Replacement Rate shall be deemed to be zero for the purposes of this Agreement and the Related Documents; and

(II) if necessary, as of the Replacement Date the Administrative Agent, the Banks and the Authority shall enter into an amendment to this Agreement and the Related Documents to replace the Tax-Exempt Rate with the Replacement Rate and make such other related changes to this Agreement and the Related Documents as the Banks may reasonably determine are applicable

and necessary (including technical, administrative or operational changes appropriate to reflect the adoption and implementation of the Replacement Rate).

(iii) For purposes of Section 2.13(c)(i) above, a Replacement Rate shall be deemed to be substantially economically equivalent to the Tax-Exempt Rate if either:

(I) The historic average of the Tax-Exempt Rate does not differ by more than 25 basis points from the historic average of the Replacement Rate, taking into account any spread or other adjustment to the rate. For this purpose, an historic average may be determined by any reasonable method that takes into account every instance of the relevant rate published during a continuous period beginning no earlier than 10 years before the substitution of the Replacement Rate for the Tax-Exempt Rate and ending no earlier than three months before the substitution of the Replacement Rate for the Tax-Exempt Rate. For purposes of this safe harbor, the historic average must be determined for both rates using the same method and historical data from the same timeframes and must be determined in good faith by the parties with the goal of making the fair market value of the debt instrument after the substitution substantially equivalent to the fair market value of the debt instrument or non-debt contract before the substitution; or

(II) if the Banks and the Authority are not related (within the meaning of Section 267(b) or Section 707(b)(1) of the Code) and the parties determine, based on bona fide, arm's length negotiations between the parties, that the fair market value of the Tax-Exempt Note before the substitution is substantially equivalent to the fair market value after the alteration or modification. If the Banks and the Authority are not related and both the Banks and the Authority agree to the Replacement Rate (including any multiplier and spread) then they will be deemed to have determined the Replacement Rate based on bona fide arm's length negotiations.

(d) If the Administrative Agent determines (which determination shall be conclusive absent manifest error), or any Bank notifies the Administrative Agent that such Bank has determined that a LIBOR Termination has occurred, until a Replacement Rate replaces the Tax-Exempt Rate in accordance with Section 2.3(c) hereof, the Tax-Exempt Note shall bear interest at a rate equal to the Federal Funds Rate multiplied by a factor and increased by a spread (the "*Fallback Rate*") each selected by the Administrative Agent in order to produce an interest rate on the Tax-Exempt Note that the Administrative Agent believes approximates the Tax-Exempt Rate. Such Fallback Rate shall be subject to the rate adjustments on the Tax-Exempt Note described in Section 5.2(e) and Section 5.4(b) of this Agreement, and if the Fallback Rate determined pursuant to this Section 2.13 shall be less than zero, such Fallback Rate shall be deemed to be zero for the purposes of this Agreement and the Related Documents. The Tax-Exempt Note shall automatically adjust to bear interest at the Taxable Rate (grossing up the Fallback Rate) unless the Administrative Agent receives on the date the Tax-Exempt Rate is substituted with the Fallback Rate either (A) written evidence satisfactory to the Banks that the

Fallback Rate is a qualified floating rate as defined in Treasury Regulation §1.1275-5 and one or more of the Treasury Regulation Safe Harbors have been satisfied with respect to the replacement of the Tax-Exempt Rate with the Fallback Rate or (B) an opinion of Bond Counsel in form and substance satisfactory to the Banks that the replacement of the Tax-Exempt Rate with the Fallback Rate does not and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Note.

(e) Any determination, decision or election that may be made by the Administrative Agent and/or Banks pursuant to this Section 2.13, 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, will be conclusive and binding absent manifest error and may be made in the Administrative Agent's and/or such Bank's sole discretion and without consent from the Authority, except, in each case, as expressly required pursuant to this Section 2.13.

ARTICLE III

REVOLVING LOANS

Section 3.1. Making of Revolving Loans. Each Advance shall constitute a loan made by a Bank to the Authority on the date of such Advance (individually, a "*Revolving Loan*" and collectively, the "*Revolving Loans*").

Section 3.2. Revolving Loans Evidenced by Notes. (a) The Tax-Exempt Revolving Loans are evidenced by a promissory note of the Authority to each Bank in substantially the form set forth in Exhibit A-1 hereto (as amended, supplemented, modified or restated from time to time, the "*Tax-Exempt Note*") issued on the Original Effective Date, payable to the respective Bank in a principal amount up to such Bank's Commitment on the Original Effective Date and otherwise duly completed. All Tax-Exempt Revolving Loans made by a Bank and all payments and prepayments made on account of principal thereof shall be recorded by such Bank on the schedule (or a continuation thereof) attached to its Tax-Exempt Note, it being understood, however, that failure by such Bank to make any such endorsement shall not affect the obligations of the Authority hereunder or under such Tax-Exempt Note in respect of unpaid principal and interest on any Tax-Exempt Revolving Loan. Each entry on a Tax-Exempt Note with respect to a Tax-Exempt Revolving Loan schedule shall reflect the applicable principal amount and the applicable Tax-Exempt Applicable Spread.

(b) The Taxable Revolving Loans are evidenced by a promissory note of the Authority to each Bank in substantially the form set forth in Exhibit A-2 hereto (as amended or supplemented from time to time, the "*Taxable Note*") issued on the Original Effective Date, payable to such Bank in a principal amount up to its Commitment on the Original Effective Date and otherwise duly completed. All Taxable Revolving Loans made by such Bank and all payments and prepayments made on account of principal thereof shall be recorded by such Bank on the schedule (or a continuation thereof) attached to its Taxable Note, it being understood, however, that failure by such Bank to make any such endorsement shall not affect the obligations of the Authority hereunder or under such Taxable Note in respect of unpaid principal and interest

on any Taxable Revolving Loan. Each entry on a Taxable Note with respect to a Taxable Revolving Loan schedule shall reflect the applicable principal amount and the then applicable Taxable Applicable Spread.

Section 3.3. Interest on Revolving Loans. Each Revolving Loan made or maintained by either Bank shall bear interest during each Interest Period it is outstanding (computed on the basis of a year of 360 days and actual days elapsed) on the unpaid principal amount thereof at a rate per annum equal to the Tax-Exempt Rate, with respect to Tax-Exempt Revolving Loans, or the Taxable LIBOR Rate, with respect to Taxable Revolving Loans, as applicable, for such Interest Period; *provided that*, the initial Tax-Exempt Rate or the initial Taxable LIBOR Rate, as applicable, for a particular Revolving Loan shall be determined by the Administrative Agent two New York Banking Days prior to the related Advance Date; *provided that*, thereafter the succeeding Tax-Exempt Rates or Taxable LIBOR Rates, as applicable, for any such Revolving Loan shall be determined by the Administrative Agent on the Computation Date to be effective on the Rate Reset Date immediately succeeding the Computation Date. Interest on each Revolving Loan shall be payable by the Authority to the Administrative Agent, on behalf of the Banks, on each Interest Payment Date and on the Revolving Loan Maturity Date.

Section 3.4. Repayment of Revolving Loans. The principal of each Revolving Loan shall be repaid by the Authority to the Administrative Agent, on behalf of the Banks, in full on the Revolving Loan Maturity Date; *provided*, that if the conditions to the making of the Term Loan set forth in Section 4.2 hereof are satisfied on the Revolving Loan Maturity Date, the principal of all Revolving Loans shall be paid from the proceeds of the applicable Term Loan.

Section 3.5. Prepayment of Revolving Loans. The Authority may prepay any Revolving Loan, in whole or in part, on any date, provided at least three (3) New York Banking Days' written notice is provided by the Authority to the Administrative Agent. Each such notice of optional prepayment shall be irrevocable and shall bind the Authority to make such prepayment in accordance with such notice. All prepayments of principal shall include accrued interest to the date of prepayment and all other amounts due pursuant to this Agreement, including, without limitation, Section 2.9 hereof.

ARTICLE IV

THE TERM LOAN

Section 4.1. Term Loan. The Authority shall have the option to convert (a) the unpaid principal amount of any Taxable Revolving Loan to a Taxable Term Loan and (b) the unpaid principal amount of any Tax-Exempt Revolving Loan to a Tax-Exempt Term Loan, in each case on the Revolving Loan Maturity Date, if the conditions set forth in Section 4.2 hereof are satisfied on the Revolving Loan Maturity Date.

Section 4.2. Conditions Precedent to Term Loan. The obligation of the Banks to convert the principal amount owed for all Revolving Loans to a Taxable Term Loan or a Tax-Exempt Term Loan, as applicable, shall be subject to the fulfillment of each of the following conditions

precedent on or before the Revolving Loan Maturity Date in a manner satisfactory to the Administrative Agent and each Bank:

(a) The following statements shall be true and correct on the Conversion Date, and the Administrative Agent shall have received a certificate incorporating by reference the definitions of the capitalized terms defined in this Agreement, signed by an Authorized Representative and dated the Conversion Date, stating that:

(i) the representations and warranties of the Authority contained herein and in each of the other Related Documents and each certificate, letter, other writing or instrument delivered by the Authority to the Administrative Agent or either Bank pursuant hereto or thereto are true and correct on and as of the Conversion Date as though made on and as of such date; and

(ii) no Default or Event of Default has occurred and is continuing as of such Conversion Date or would result from converting the Revolving Loans to a Term Loan as requested; and

(b) In the case of the conversion to a Tax-Exempt Term Loan, (A)(i) the Administrative Agent and each Bank shall be satisfied that the opinion of Bond Counsel delivered pursuant to Section 2.4(a)(v) hereof remains in full force and effect with respect to such Tax-Exempt Term Loan or (ii) the Banks shall have received an opinion from Bond Counsel dated the date of such Term Loan as to the exclusion of interest on the Tax-Exempt Term Loans from gross income for federal income tax purposes, in form and substance satisfactory to each Bank and (B) the Banks shall have received an opinion of Bond Counsel in form and substance satisfactory to each Bank that such conversion will not adversely affect the tax exempt status of the interest on the Tax-Exempt Loans.

Section 4.3. Term Loans Evidenced by Notes. (a) The principal amount of each Tax-Exempt Term Loan shall also be evidenced by the Tax-Exempt Note. Each Tax-Exempt Term Loan made by either Bank and all payments and prepayments on the account of the principal and interest of each Tax-Exempt Term Loan shall be recorded by such Bank on the schedule attached to the Tax-Exempt Note; *provided, however,* that the failure of such Bank to make any such endorsement or any error therein shall not affect the obligations of the Authority hereunder or under such Tax-Exempt Note in respect of unpaid principal and interest on each Tax-Exempt Term Loan.

(b) The principal amount of each Taxable Term Loan shall also be evidenced by a Taxable Note. Each Taxable Term Loan made by either Bank and all payments and prepayments on the account of the principal and interest of each Taxable Term Loan shall be recorded by such Bank on the schedule attached to such Taxable Note; *provided, however,* that the failure of such Bank to make any such endorsement or any error therein shall not affect the obligations of the Authority hereunder or under such Taxable Note in respect of unpaid principal and interest on each Taxable Term Loan.

Section 4.4. Interest on Term Loan. The Taxable Term Loan shall bear interest from the Conversion Date to the date such Taxable Term Loan is paid in full at a rate per annum equal to the Term Loan Rate as determined by the Administrative Agent pursuant to Section 2.5 hereof. The Tax-Exempt Term Loan shall bear interest from the Conversion Date to the date such Tax-Exempt Term Loan is paid in full at a rate per annum equal to the Term Loan Rate as determined by the Administrative Agent pursuant to Section 2.5 hereof. Interest on each Term Loan shall be paid to the Administrative Agent, for the account of the Banks, monthly in arrears on each Interest Payment Date. Interest on each Term Loan shall be calculated on the basis of a year of 360 days based on the actual number of days elapsed.

Section 4.5. Repayment of Term Loan. The principal of each Term Loan shall be paid in installments payable on each Amortization Payment Date (each such payment, an “*Amortization Payment*”), with the final installment in an amount equal to the entire then-outstanding principal amount of such Term Loan to be paid in full on the Amortization End Date (the period commencing on the Conversion Date and ending on the Amortization End Date is herein referred to as the “*Amortization Period*”). Each Amortization Payment shall be that amount of principal which will result in equal (as nearly as possible) Amortization Payments over the Amortization Period.

Section 4.6. Prepayment of Term Loan. The Authority may prepay each Term Loan, in whole or in part, on any New York Banking Day, without cost, penalty or premium, provided at least three (3) New York Banking Days’ written notice is provided by the Authority to the Administrative Agent. Each such notice of optional prepayment shall be irrevocable and shall bind the Authority to make such prepayment in accordance with such notice. All prepayments of principal shall include accrued interest to the date of prepayment and all other amounts due pursuant to this Agreement, including, without limitation, Section 2.9 hereof.

ARTICLE V

LIABILITY, INDEMNITY AND PAYMENT

Section 5.1. Indemnification by the Authority. (a) The Authority shall indemnify the Administrative Agent (and any sub-agent thereof), each Bank, and each Related Party of any of the foregoing Persons (each such Person being called an “*Indemnitee*”) against, and hold each Indemnitee harmless from, and shall pay or reimburse any such Indemnitee for, any and all losses, claims (including, without limitation, any environmental claims), damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless, each Indemnitee from, and shall pay or reimburse any such Indemnitee for, all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Authority), other than such Indemnitee and its Related Parties, arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Related Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any of

the Notes or any Loan or Advance or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of hazardous materials on or from any property owned or operated by the Authority, or any environmental claim related in any way to the Authority, (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Authority, and regardless of whether any Indemnitee is a party thereto, or (v) any claim, investigation, litigation or other proceeding (whether or not the Administrative Agent or either Bank is a party thereto) and the prosecution and defense thereof, arising out of or in any way connected with the Notes, the Loans, this Agreement, any other Related Document, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby, including without limitation, reasonable attorneys and consultant's fees, *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses that are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

(b) *Reimbursement by Banks.* To the extent that the Authority for any reason fails to indefeasibly pay any amount required under Section 2.6(e) hereof or clause (a) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), each Bank severally agrees to pay to the Administrative Agent (or any such sub-agent) such Bank's *pro rata* share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Bank's Commitment Percentage at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Bank).

(c) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by Applicable Law, the Authority shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, the Notes, any Loan or Advance or the use of the proceeds thereof. No Indemnitee above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby.

(d) *Payments.* All amounts due under this Section shall be payable promptly after demand therefor.

Section 5.2. Increased Costs. (a) If either Bank shall determine that any Change in Law now existing or hereafter adopted shall:

(i) impose, modify or deem applicable any reserve, liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended or participated in by, or other acquisitions of funds by, such Bank, any Participant or any Noteholder (or such Person's respective parent or holding company, if any);

(ii) subject any Recipient to any Tax (other than (A) Indemnified Taxes and (B) Excluded Taxes described in clause (b) through (d) of the definition of Excluded Taxes) of any kind whatsoever with respect to this Agreement, the Notes, the Advances, the Revolving Loans or the Term Loans or change the basis of taxation of payments to such Recipient in respect thereof;

(iii) impose upon such Bank, any Participant or any Noteholder (or such Person's respective parent or holding company, if any) any other condition, cost or expense with respect to this Agreement, the Commitment, the Notes, the Advances, the Revolving Loans, or the Term Loans;

and the result of any of the foregoing is to increase the cost to, reduce the income receivable by, or impose any expense (including loss of margin) upon such Bank, such Participant or such Noteholder (or such Person's respective parent or holding company, if any) with respect to this Agreement, the Notes, the Advances, the Revolving Loans or the Term Loans (or in the case of any capital adequacy or similar requirement, to have the effect of reducing the rate of return on such Bank's, any Participant's or any Noteholder's (or such Person's respective parent's or holding company's, if any) capital),

then the Administrative Agent shall from time to time notify, or cause to be notified, the Authority of the amount determined in good faith by such Bank, such Participant or such Noteholder, as applicable (which determination shall be conclusive absent manifest error) to be necessary to compensate such Bank, such Participant or such Noteholder, as applicable, for such increase, reduction or imposition.

(b) *Capital or Liquidity Requirements.* If either Bank, any Participant or any Noteholder determines that any Change in Law affecting such Bank, such Participant or such Noteholder, as applicable, or any of their parent or holding companies, if any, regarding capital or liquidity requirements, has or would have the effect of either (A) increasing the amount of capital or liquidity required or expected to be maintained by such Bank, such Participant or such Noteholder, as applicable, or any of their parent or holding companies, if any, to a level above that which such Bank, such Participant or such Noteholder, or their respective parent or holding companies would have maintained but for such Change in Law or (B) reducing the rate of return on capital or liquidity of such Bank, such Participant or such Noteholder, or any of their parent or holding companies, if any, as a consequence of this Agreement, or making, maintenance or funding of, any Loan hereunder, to a level below that which such Bank, such Participant or such Noteholder, or their respective parent or holding companies, if any, could have achieved but for such Change in Law (in each case, taking into consideration such Bank's, such Participant's or such Noteholder's policies and the policies of their parent or holding companies, if any, with respect to capital or liquidity adequacy, as applicable), then from time to time upon written request of such Bank as set forth in clause (c) of this Section, the Authority shall promptly pay to such Bank, such Participant or such Noteholder, as the case may be, such additional amount or amounts as will compensate such Bank, such Participant or such Noteholder, or their parent or holding companies, as applicable, for any adverse effects resulting from any such capital or liquidity increase or reduction suffered in rate of return, in each case, if attributable to this Agreement.

(c) *Certificates for Reimbursement.* A certificate of a Bank, any Participant or any Noteholder setting forth the amount or amounts necessary to compensate such Bank, such Participant or such Noteholder, or their parent or holding companies, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Authority, shall be conclusive absent manifest error. The Authority shall pay such Bank, such Participant or such Noteholder, as the case may be, the amount shown as due on any such certificate within forty-five (45) days after receipt thereof.

(d) *Delay in Requests.* Failure or delay on the part of the Administrative Agent, either Bank, such Participant or such Noteholder to demand compensation pursuant to this Section shall not constitute a waiver of such Bank's, such Participant's or such Noteholder's right to demand such compensation. Notwithstanding anything contained in paragraphs (a) or (b) of this Section, above, the Authority shall have no liability to the Banks for any increased costs, increased capital or reduction in return to the extent incurred by the Banks more than one hundred eighty (180) days prior to the date the above-described certificate is given to the Authority with respect thereto (the "*Cut-Off-Date*"), except where such increased costs apply to the applicable Bank retroactively to a date prior to the Cut-Off-Date.

(e) (i) In the event a Taxable Date occurs, the Authority hereby agrees to pay to each Bank, any Participant or the Noteholder on demand therefor (1) an amount equal to the difference between (A) the amount of interest that would have been paid to such Bank, such Participant or the Noteholder, as applicable, on any Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans during the period for which interest on such Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans, as applicable, is includable in the gross income of such Bank, such Participant or the Noteholder, as applicable, if such Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans had borne interest at the Taxable Rate, beginning on the Taxable Date (the "*Taxable Period*"), and (B) the amount of interest actually paid to such Bank, such Participant or the Noteholder, as applicable, during the Taxable Period, and (2) an amount equal to any interest, penalties or charges owed by such Bank, any Participant or a Noteholder, as applicable, as a result of interest on the Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans becoming includable in the gross income of such Bank, such Participant or such Noteholder, as applicable, together with any and all reasonable attorneys' fees, court costs, or other out-of-pocket costs incurred by such Bank, such Participant or such Noteholder, as applicable, in connection therewith.

(ii) Subject to the provisions of clauses (iii) and (iv) below, such Bank shall afford the Authority the opportunity, at the Authority's sole cost and expense, to contest (1) the validity of any amendment to the Code which causes the interest on such Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans to be includable in the gross income of such Bank, any Participant or the Noteholder or (2) any challenge to the validity of the tax exemption with respect to the interest on the Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals).

(iii) As a condition precedent to the exercise by the Authority of its right to contest set forth in clause (ii) above, the Authority shall, on demand, immediately

reimburse such Bank, such Participant or the Noteholder, as applicable, for any and all expenses (including reasonable attorneys' fees for services that may be required or desirable) that may be incurred by such Bank, such Participant or the Noteholder, as applicable, in connection with any such contest, and shall, on demand, immediately reimburse such Bank, such Participant or the Noteholder, as applicable, for any and all penalties or other charges payable by such Bank, such Participant or the Noteholder, as applicable, for failure to include such interest in its gross income; and

(iv) The obligations of the Authority under this Section 5.2 shall survive the termination of the Commitment and this Agreement.

Section 5.3. Taxes.

(a) *Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.* Any and all payments by or on account of any obligation of the Authority shall be made free and clear of and without reduction or withholding for any Taxes; provided that if the Authority shall be required by Applicable Law to deduct any Taxes from such payments, then (i) to the fullest extent permitted by Applicable Law, the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section), each Bank, such Participant or such Noteholder receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Authority shall make such deductions and (iii) the Authority shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.

(b) *Payment of Other Taxes by the Authority.* The Authority shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) *Indemnification by the Authority.* The Authority shall indemnify the Administrative Agent, each Bank, each Participant and each Noteholder, within thirty (30) days after demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Administrative Agent, such Bank, such Participant or such Noteholder and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate stating the amount of such payment or liability delivered to the Authority by the Administrative Agent or such Bank, as applicable, shall be conclusive absent manifest error. In addition, the Authority shall indemnify the Administrative Agent, such Bank, any Participant and the other Noteholder, within thirty (30) days after demand therefor, for any additional amounts that the Administrative Agent, such Bank, any Participant or any Noteholder is required to pay as a result of any failure of the Authority to pay any Taxes when due to the appropriate Governmental Authority or to deliver to the Administrative Agent, such Bank, any Participant and the other holders of a Note, as applicable, pursuant to clause (d), documentation evidencing the payment of Taxes.

(d) *Evidence of Payments.* As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Authority to a Governmental Authority, the Authority shall deliver to the Administrative Agent, the applicable Bank, such Participant or such holder of the Note, as applicable, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent, such Bank, such Participant or such holder of the Note, as applicable.

(e) *Treatment of Certain Refunds.* If the Administrative Agent, either Bank, any Participant or any Noteholder determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified pursuant to this Section (including additional amounts paid by the Authority pursuant to this Section), it shall pay to the Authority an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Bank, such Participant or such Noteholder, as applicable, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that the Authority, upon the request of such Bank, such Participant or such holder of the Note, as applicable, agrees to repay the amount paid over pursuant to this Section (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Bank, such Participant or such holder of the Note, as applicable, in the event the Bank, such Participant or such holder of the Note, as applicable, is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will such Bank, such Participant or such holder of the Note, as applicable, be required to pay any amount to the Authority pursuant to this paragraph (e) the payment of which would place such Bank, such Participant or such holder of the Note, as applicable, in a less favorable net after-Tax position than such Bank, such Participant or such holder of the Note, as applicable, would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to require such Bank, such Participant or such Noteholder, as applicable, to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Authority or any other Person.

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

(g) *Status of Banks; Tax Documentation.* (i) If either Bank, a Participant or a holder of the Note is entitled to an exemption from or reduction of withholding Taxes with respect to payments made hereunder or under any Related Document, such Bank, such Participant or such holder of the Note, as applicable, shall deliver to the Authority and the Administrative Agent at the time or times reasonably requested by the Authority or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Authority or as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, such Bank, such Participant or such holder of the Note if reasonably requested by the Authority, shall deliver such other documentation prescribed by applicable Law or reasonably

requested by the Authority as will enable the Authority to determine whether or not such Bank, such Participant or such holder of the Note is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.3(g)(ii) below) shall not be required if, in such Bank's, such Participant's or such Noteholder's reasonable judgment, such completion, execution or submission would subject such Bank, such Participant or such holder of the Note to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Bank, such Participant or such holder of the Note.

(ii) Without limiting the generality of the foregoing, if the Authority is resident for tax purposes in the United States, such Bank, such Participant or such holder of the Note shall deliver to the Authority (and from time to time thereafter upon the reasonable request of the Authority), executed originals of IRS Form W-9 certifying that such Bank, such Participant or such holder of the Note, as applicable, is exempt from U.S. federal backup withholding tax.

Section 5.4. Calculation of Interest and Fees; Maximum Interest Rate; Default Rate.

(a) Interest on Tax-Exempt Loans, Tax-Exempt Term Loans, Taxable Loans, Taxable Term Loans and fees payable hereunder shall be calculated on the basis of a year of 360 days based on the actual number of days elapsed.

(b) Any and all amounts remaining unpaid when due under this Agreement shall bear interest at the Default Rate until repaid and shall be payable upon demand. Any such amounts which constitute interest remaining unpaid when due shall be added to principal, and such interest shall, in turn, bear interest at the Default Rate until repaid and shall be payable upon demand. Upon the occurrence and during the continuance of an Event of Default, the Obligations shall bear interest at the Default Rate, which shall be payable by the Authority to the Administrative Agent upon demand therefor and be calculated on the basis of a 360-day year and actual days elapsed.

(c) In the event that the rate of interest payable hereunder shall exceed the Maximum Rate for any period for which interest is payable, then (i) interest at the Maximum Rate shall be due and payable with respect to such interest period and (ii) interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Rate (the "*Excess Interest Amount*"), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Rate, at which time the Authority shall pay to the Administrative Agent, with respect to amounts then payable to the Banks that are required to accrue interest hereunder, such portion of the deferred Excess Interest Amount as will cause the rate of interest then paid to the Administrative Agent, to equal the Maximum Rate, which payments of deferred Excess Interest Amount shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest Amount is fully paid to the Administrative Agent. Notwithstanding the foregoing, on the date on which no principal amount with respect to the Loans remains unpaid, the Authority shall pay to the Administrative Agent, on behalf of the Banks, a fee equal to any accrued and unpaid Excess Interest Amount.

(d) All amounts paid pursuant to this Agreement shall be non-refundable and shall be paid in immediately available funds.

Section 5.5. Liability of the Bank. None of the Administrative Agent, either Bank or any of their officers, directors, employees, representatives or agents shall be liable or responsible for (i) the use which may be made of any Advances, any Loans or this Agreement or for any acts, omissions, errors, interruptions, delays in transmission, dispatch or delivery of any message or advice, however transmitted, of the Administrative Agent or either Bank in connection with this Agreement, any Advances, any Loans or the Notes, (ii) any action, inaction or omission which may be taken by the Administrative Agent or either Bank in connection with this Agreement, any Advances, any Loans or the Notes, (iii) the validity, sufficiency or genuineness of documents, or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iv) payment by the Administrative Agent against presentation of documents which do not comply with the terms of this Agreement or a Request for Advance, including failure of any documents to bear any reference or adequate reference to this Agreement, or (v) any other circumstances whatsoever in making or failing to make payment under this Agreement or pursuant to a Request for Advance, except for acts or events described in the immediately preceding clauses (i) through (iv), to the extent, but only to the extent, of any direct, as opposed to special, indirect, consequential or punitive, damages (the right to receive special, indirect, consequential or punitive damages being hereby waived) suffered by it which the Authority proves were caused by (y) the Administrative Agent's willful misconduct or gross negligence in determining whether documents presented under this Agreement comply with the terms of this Agreement or (z) the Administrative Agent's failure to pay hereunder after the presentation to it of a Request for Advance strictly complying with the terms and conditions of this Agreement. The Authority further agrees that any action taken or omitted by the Administrative Agent or either Bank under or in connection with this Agreement or the related draft or documents, if done without willful misconduct or gross negligence, shall be effective against the Authority as to the rights, duties and obligations of the Administrative Agent and such Bank and shall not place the Administrative Agent or any such Bank under any liability to the Authority. In furtherance and not in limitation of the foregoing, the Administrative Agent may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

Section 5.6. Obligations Unconditional. The Authority's obligation to repay the Revolving Loans, the Term Loans and all of its other Obligations under this Agreement shall be absolute and unconditional under any and all circumstances, including without limitation: (a) any lack of validity or enforceability of this Agreement, the Notes or any of the other Related Documents; (b) any amendment or waiver of or any consent to departure from all or any of the Related Documents; (c) the existence of any claim, set-off, defense or other right which the Authority may have at any time against the Administrative Agent or either Bank or any other person or entity, whether in connection with this Agreement, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction; or (d) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; and irrespective of any setoff, counterclaim or defense to payment which the Authority may have against the Administrative Agent, either Bank, any Participant, or any other Person, including, without limitation, any defense based on the failure of any nonapplication or misapplication of

the proceeds of Advances hereunder, and irrespective of the legality, validity, regularity or enforceability of this Agreement, the Notes or any or all other Related Documents, and notwithstanding any amendment or waiver of (other than an amendment or waiver signed by the Administrative Agent and the Banks explicitly reciting the release or discharge of any such obligation), or any consent to, or departure from, this Agreement, the Notes or any or all other Related Documents or any exchange, release, or nonperfection of any collateral securing the obligations of the Authority hereunder; *provided, however*, that nothing contained in this Section 5.6 shall abrogate or otherwise affect the rights of the Authority pursuant to Section 5.5 hereof.

Section 5.7. Survival. All of the Authority's obligations under this Article V shall survive the termination of the Related Documents and payment of the obligations hereunder.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

Section 6.1. Representations and Warranties. In order to induce the Administrative Agent and each Bank to enter into this Agreement, the Authority makes the following representations and warranties to the Administrative Agent and each Bank:

(a) *Legal Existence.* The Authority (i) is a corporate governmental agency and instrumentality of the State, duly organized and validly existing under and pursuant to the Act and the laws of the State, and (ii) has the full legal right, power and authority to (A) own its properties and to carry on its business as now being and hereafter proposed to be conducted, (B) execute and deliver this Agreement and the Related Documents (including, without limitation, the Notes), (C) perform all its obligations and liabilities under this Agreement and the Related Documents, (D) receive Advances, Revolving Loans, Term Loans, and otherwise incur Debt in accordance with this Agreement and (E) pay, solely from the Pledged Collateral, the principal of and interest on the Loans, as evidenced by the Notes and all of its Obligations hereunder (including, without limitation, the obligation to repay all Advances, Revolving Loans and Term Loans to pay all interest thereon, and to pay all fees and other amounts payable hereunder).

(b) *Compliance with Law and Contract.* The execution, delivery and performance by the Authority of this Agreement and the Related Documents in accordance with their respective terms and conditions have been duly authorized by all necessary action on the part of the Authority, and do not and will not (i) violate the authorizing legislation of the Authority, as amended, or any court order by which the Authority is bound, (ii) conflict with, violate or contravene any provision of existing law (including, without limitation, the Act) or regulation, or any order or decree of any court, tribunal, governmental authority, bureau or agency, or (iii) conflict with, violate or cause a default, or with the passage of time or the giving of notice or both would cause a default, under any bond, note or other evidence of indebtedness or mortgage, indenture, contract or other agreement to which the Authority is a party or that is binding upon it or any of its properties; and no consent of any Person and no license, approval or

authorization of, or notice to or registration, filing or declaration with, any governmental authority, bureau or agency is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement or any of the Related Documents or for the Authority to receive Advances, Revolving Loans or Term Loans, to issue the Notes or otherwise incur indebtedness in accordance with this Agreement or, if required, the same has been obtained and is in full force and effect and true and complete copies thereof have been delivered to the Administrative Agent, on behalf of the Banks.

(c) *Authorization and Validity.* This Agreement constitutes a valid and binding agreement of the Authority enforceable in accordance with its terms. Each Note constitutes a valid and binding obligation of the Authority enforceable in accordance with its term. The State (including, for this purpose, the Authority) has not waived its sovereign immunity from suit or extended its consent to be sued with respect to this Agreement or the Notes except with respect to claims, suits or causes of action brought by the Administrative Agent or either Bank in accordance with TCA Section 49-3-1208. Accordingly, if TCA Section 49-3-1208 does not apply, monetary actions against the Authority for breach of contractual obligations relating to this Agreement and the Notes may be heard and determined under current law exclusively in the Tennessee Claims Commission, an administrative tribunal, where liability may be limited to actual damages and certain costs. The representations above are subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws heretofore or hereafter enacted affecting creditors' rights, and are subject to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforceability is considered in a proceeding in equity or at law.

(d) *Litigation.* There are no actions, suits or proceedings at law or in equity pending or, to the knowledge of the Authority, threatened against or affecting it or its properties before any court or arbitrator or any governmental or nongovernmental body, agency or official in which an adverse decision could materially and adversely affect the financial position or operations of the Authority or which in any manner questions the validity of this Agreement or any Related Document or the Authority's ability to carry out the transactions contemplated hereby and thereby or which in any manner draws into question the validity or enforceability of this Agreement, the Notes, the Act or any other Related Document.

(e) *Related Documents.* The representations and warranties of the Authority in all of the Related Documents are true and correct in all material respects and are incorporated herein by reference in this Agreement as if each and every such representation and warranty and definition were set forth herein in its entirety, and the representations and warranties made by the Authority in such Sections are hereby made for the benefit of the Banks. No amendment to or waiver of such representations and warranties or definitions made pursuant to the relevant Related Document or incorporated by reference shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Banks.

(f) *Regulation U.* The Authority is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and will not use the proceeds of any Advance made hereunder so as to violate Regulation U as it may be amended or interpreted from time to time by the Board of Governors of the Federal Reserve System. The Authority is not an “investment company” or a company “controlled” by an “investment company,” as such terms are defined in the Investment Company Act of 1940, as amended.

(g) *Accuracy and Completeness of Information.* All information furnished to the Administrative Agent and to either Bank by the Authority or its duly authorized agents on or prior to the Amendment and Restatement Date in connection with the transactions contemplated hereby were, at the time same were so furnished, true and correct in all material respects to the extent necessary to give the Administrative Agent and the Banks true, complete and accurate knowledge of the subject matter thereof. The Authority has disclosed to the Administrative Agent in writing any and all facts known to it which materially and adversely affect or may (to the extent the Authority can now reasonably foresee) materially and adversely affect the ability of the Authority to receive the Pledged Collateral or the ability of the Authority to perform its obligations under this Agreement, the Notes or any other Related Document.

(h) *Trust Estate.* (i) The Resolution validly creates the pledge that it purports to make of the Pledged Collateral in favor of the Banks securing the Reimbursement Obligations hereunder and under the Notes. All documents or instruments required to be filed or recorded in any public office, and all notifications required to be given to any Person, in order to provide notice of such pledge to present and future creditors and otherwise protect the pledge in favor of the holders of the Notes and the Banks, have been filed, recorded or given, as the case may be. The Pledged Collateral has not been, and will not be, pledged by the Authority to the payment of any obligation senior to the Loans, other than as expressly permitted in the Resolution.

(ii) All Obligations (other than Reimbursement Obligations) are general, unsecured obligations of the Authority payable from all legally available funds of the Authority.

(i) *Legislation.* No legislation has been enacted by the General Assembly of the State which in any way materially adversely affects or which prohibits (i) the issuance or delivery of the Notes, (ii) the adoption of the Resolution, (iii) the execution and delivery of this Agreement or any of the Related Documents to which the Authority is a party, (iv) the creation, organization or existence of the Authority or the titles to office of any officers thereof, or (v) the power of the Authority to carry out its obligations under the Resolution, this Agreement or any of the Related Documents to which the Authority is a party.

(j) *Accuracy of Financial Reports.* The most recent financial reports of the Authority at June 30, 2020, copies of which have been furnished to the Banks, fairly

present the financial position and results of operations of the Authority, as of the dates and for the periods set forth therein. Since June 30, 2020, there has been no material adverse change in the financial condition or operations of the Authority.

(k) *No Tax or Fee.* None of the execution or delivery of this Agreement, the extension of the line of credit provided herein or the making of any Advance will give rise to any tax or fee imposed by any State local or state agency or governmental body.

(l) *No Event of Default.* No Event of Default or Default has occurred and is continuing hereunder. No default by the Authority has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any Bonded Debt. No bankruptcy, insolvency or other similar proceedings pertaining to the Authority or any agency or instrumentality of the Authority are pending or presently contemplated. No “default” or “event of default” under, and as defined in, any of the other Related Documents has occurred and is continuing. The Authority is not presently in default under any material agreement to which it is a party which could reasonably be expected to have a Material Adverse Effect. The Authority is not in violation of any material term of the authorizing legislation applicable to the Authority or any material term of any bond indenture or agreement to which it is a party or by which any of its Property is bound which could reasonably be expected to result in a Material Adverse Effect.

(m) *Immunity and Tennessee Claims Commission.* The State (including, for this purpose, the Authority) has not waived its sovereign immunity from suit or extended its consent to be sued with respect to this Agreement or the Notes except with respect to claims, suits or causes of action brought by the Administrative Agent or either Bank in accordance with TCA Section 49-3-1208. Accordingly, if TCA Section 49-3-1208 does not apply, monetary actions against the State (including the Authority) for breach of contractual obligations relating to this Agreement and the Notes shall be heard and determined under current law exclusively in the Tennessee Claims Commission, an administrative tribunal, where liability may be limited to actual damages and certain costs and if any such action is brought in the Tennessee Claims Commission, the State and the Authority shall have no other claim of sovereign immunity with respect to such claim.

(n) *No Public Vote or Referendum.* There is no public vote or referendum pending, proposed or concluded, the results of which could reasonably be expected result in a Material Adverse Effect.

(o) *Usury.* None of the Related Documents provide for any payments that would violate any applicable law regarding permissible maximum rates of interest.

(p) *Tax-Exempt Status.* The Authority has not taken any action or omitted to take any action, and has no actual knowledge of any action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Tax-Exempt Loans from gross income for federal income tax purposes.

(q) *Employee Benefit Plan Compliance.* The Authority has no funding liability or obligation currently due and payable with respect to any employee benefit plan, pension plan or other post-employment benefits plan which could reasonably be expected to result in a Material Adverse Effect. The Authority and each employee benefit plan, pension plan or other post-employment benefits plan is in compliance in all material respects with the terms of any such plan and applicable law related thereto. Neither the Authority nor a member of the Controlled Group is subject to ERISA or maintains a Plan.

(r) *Anti-Terrorism Laws.* Neither the Authority nor any Affiliate thereof is in violation of any Laws relating to terrorism or money laundering (“*Anti-Terrorism Laws*”), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the “*Executive Order*”), and the Patriot Act;

(i) neither the Authority nor any Affiliate thereof is any of the following:

(A) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(B) a Person controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(C) a Person with which either Bank is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(D) a Person that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; or

(E) a Person that is named as a “specially designated national and blocked person” on the most current list published by the Office of Foreign Asset Control (“*OFAC*”) or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list; and

(ii) to the best of the Authority’s knowledge neither the Authority nor any Affiliate thereof (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (i) above, (B) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (C) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(s) *Swap Contracts.* The Authority is not party to any Swap Contract where any termination payment thereunder is secured by or payable from Available Revenues on a basis that is senior to or on a parity with the Loans and Notes.

(t) *Anti-Corruption Laws; Sanctions.* (i) The Authority and its officers and employees and, to the knowledge of the Authority, its directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of the Authority or, to the knowledge of the Authority, any of their respective directors, officers or employees is a Sanctioned Person. Neither the Advances, the Term Loan, the use of the proceeds of the Advances, the Term Loan or the other transactions contemplated hereby will violate Anti-Corruption Laws or applicable Sanctions.

(ii) Neither the making of any Advance or Term Loan nor the use of the proceeds thereof will violate the Patriot Act, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto or successor statute thereto.

Section 6.2. Survival of Representations and Warranties. All statements contained in any certificate, financial statement or other instrument delivered by or on behalf of the Authority pursuant to or in connection with this Agreement (including, but not limited to, any such statement made in or in connection with any amendment hereto) shall constitute representations and warranties made under this Agreement. All representations and warranties made under this Agreement shall be made and shall be true at and as of (a) the time of each Advance hereunder and (c) the Termination Date, except to the extent such representations and warranties relate solely to an earlier date.

ARTICLE VII

AFFIRMATIVE COVENANTS OF THE AUTHORITY

Section 7.1. Affirmative Covenants of the Authority. So long as the Commitment is outstanding and until all Obligations shall have been paid in full, the Authority hereby covenants and agrees that:

(a) *Compliance with Laws, Etc.* (i) The Authority shall comply with all applicable laws, rules, regulations and orders of any governmental authority, except that this Section 7.1(a) shall not apply to noncompliance that, singly or in the aggregate, could not reasonably be expected to result in a material adverse effect on (A) the financial condition or operations of the Authority or (B) the ability of the Authority to perform its obligations hereunder, including but not limited to the timely payment of the Loans or Obligations.

(ii) The Authority shall comply in all material respects with all Anti-Corruption Laws and applicable Sanctions.

(b) *Available Revenues.* The Authority shall at all times keep the Available Revenues and every part thereof free and clear of all pledges and security interests except the pledges granted in the Resolution or permitted under the Related Documents, and shall maintain the pledge of the Available Revenues securing the Reimbursement Obligations hereunder and under the Notes as a fully perfected pledge of all right, title and interest of the Authority in the Available Revenues.

(c) *Accuracy of Information.* All information furnished by the Authority to the Administrative Agent or either Bank, whether pursuant to this Agreement, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement, shall, at the time the same are so furnished, be true, complete and correct in all material respects to the extent necessary to give the Administrative Agent and either such Bank true and accurate knowledge of the subject matter thereof.

(d) *Additional Documents.* The Authority shall furnish to the Banks from time to time, at the Authority's expense, all further instruments and documents, duly executed and delivered by the Authority, and take all further action that may be reasonably necessary, or that either Bank may reasonably request, in order to (i) perfect and protect any security interest or other right or interest assigned, or purported to be assigned, to the Banks under or in connection with this Agreement, the Resolution or any other Related Document, or (ii) enable the Banks to exercise or enforce their respective rights or remedies under or in connection with this Agreement, the Resolution or any other Related Document.

(e) *Financial and Other Reports.* The Authority shall furnish the following reports to the Administrative Agent, on behalf of the Banks:

(i) As soon as available and in any event within 180 days after the end of each Fiscal Year of the Authority, the Administrative Agent shall have received audited financial statements of the Authority for such Fiscal Year;

(ii) As soon as available and in any event within 45 days after the end of each fiscal quarter of each Fiscal Year of the Authority, the Administrative Agent shall have received a report of the investments of the Authority with respect to the Higher Educational Facilities Program;

(iii) Simultaneously with the delivery of each set of financial statements and the report referred to in clause (i) and (ii) above, a certificate of Authorized Representative of the Authority, stating whether there exists on the date of such certificate any Default and, if any Default then exists, setting forth the details thereof and the action which the Authority is taking or proposes to take with respect thereto;

(iv) Promptly upon the Authority learning thereof, (A) copies of any communications received by the Authority from any taxing authority or Rating Agency with respect to the transactions contemplated hereby and (B) notice of any change in the long-term ratings assigned to the Second Program Bonds of which the Authority has actual knowledge; and

(v) From time to time such additional information regarding the financial position or business of the Authority as the Administrative Agent may reasonably request.

(f) *Defaults.* The Authority will promptly (and in no event later than 3 New York Banking Days after having knowledge thereof) notify the Administrative Agent of the occurrence of any Default or Event of Default specifying the details of such Default or Event of Default and the action that the Authority proposes to take with respect thereto.

(g) *Books, Records.* The Authority will permit, during normal business hours and from time to time, upon reasonable prior notice, the Administrative Agent, either Bank or any of their agents or representatives to examine and make copies of and abstracts from the records and books of account of the Authority, and to discuss the affairs, finances and accounts of the Authority with any representative or any other appropriate officer of the Authority or the Authority's auditors; *provided, however,* that upon the occurrence of any Event of Default or Default hereunder, all of the Administrative Agent's or either such Bank's reasonable costs associated with the inspection of property, books and records shall be for the account of the Authority.

(h) *Other Obligations.* The Authority will comply with and observe all other obligations and requirements set forth in the Resolution and each other Related Document to which it is a party (including, without limitation, all provisions therein for the benefit of the Banks) and in all statutes and regulations binding upon it relating to the Notes, this Agreement or any of the Related Documents, and shall take any and all actions necessary to ensure the timely payment of all of the Obligations hereunder and the principal of and interest on the Notes.

(i) *Activities of Authority.* The Authority will preserve, renew and maintain all licenses, approvals, authorizations, permits, rights, privileges and franchises it deems necessary or desirable in the normal conduct of its business.

(j) *Litigation; Material Change.* The Authority shall promptly notify the Administrative Agent of (i) the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, have a material adverse effect on (A) the financial condition or operations of the Authority, (B) the Available Revenues, (C) the Obligations, or (D) the enforceability or validity of any of the Related Documents, or (ii) any change in any material fact or circumstances represented or warranted in this Agreement or in any of the Related Documents.

(k) *Obligations under Related Documents.* The Authority shall take all actions as may be reasonably requested by the Administrative Agent to enforce the obligations under the Related Documents of each of the other parties thereto.

(l) *Other Agreements.* In the event that the Authority has entered into or shall, directly or indirectly, enter into another Bank Agreement which such Bank Agreement provides such Person with different or more restrictive covenants, different or additional events of default and/or greater rights and remedies than are provided to the Banks in this Agreement, the Authority shall provide the Administrative Agent with a copy of each such Bank Agreement and such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies shall automatically be deemed to be incorporated into this Agreement and the Banks shall have the benefits of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies as if specifically set forth herein but only for so long as the Authority shall remain bound by such additional or different provisions of such Bank Agreement. The Authority shall promptly enter into an amendment to this Agreement to include different or more restrictive covenants, different or additional events of default and/or greater rights and remedies; *provided* that the Banks shall have and maintain the benefit of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies even if the Authority fails to provide such amendment.

(m) *Underlying Rating.* The Authority shall at all times maintain a rating on its long-term unenhanced Bonded Debt from at least two Rating Agencies. The Authority covenants and agrees that it shall not at any time withdraw any long-term unenhanced rating on its Bonded Debt from any of Fitch, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement or reduce any amount or rate payable hereunder.

(n) *Disclosure to Participants, Purchaser Transferees and Non-Purchaser Transferees.* The Authority shall permit the Banks to disclose the financial information received by each such Bank pursuant to this Agreement to each Participant, Bank Transferee and Non-Bank Transferee pursuant to Section 11.7 hereof, subject to confidentiality restrictions and use restrictions customary for financial institutions.

(o) *Legislation.* The Authority shall promptly notify the Administrative Agent of the enactment of all State of Tennessee legislation that, in any material way, relates to or impacts upon this Agreement or the Notes or the ability of the Authority to perform its obligations in connection herewith or therewith.

(p) *Incorporation of Covenants.* The Authority agrees that it will perform and observe each and every covenant and agreement required to be performed or observed by it in the Resolution, and said covenants and agreements are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety (without giving effect to any expiration, amendment, supplement or termination of

or waiver of compliance with, the Resolution), and shall survive and be binding upon the Authority.

ARTICLE VIII

NEGATIVE COVENANTS OF THE AUTHORITY

Section 8.1. Negative Covenants of the Authority. So long as the Commitment is outstanding and available to the Authority and until all of the Obligations shall have been paid in full, the Authority hereby covenants and agrees that:

(a) *Amendments to Related Documents.* The Authority shall not enter into or consent to any amendments of or supplements to any Related Document or any waiver of the requirements thereof that (i) does or could reasonably be determined to adversely affect the legality, validity, or enforceability of the Resolution or any of the other Related Documents or any of the rights or remedies of the Banks thereunder, and (ii) does or could reasonably be determined have an adverse effect on the rights, powers, security, privileges, or obligations of the Banks under any Related Document.

(b) *Liens.* (a) The Authority shall not create or assume any Lien on any part of the Pledged Collateral now owned or hereafter acquired by it, except the Liens created by the Related Documents and the Second Program Bond Resolution;

(c) The Authority shall not incur or suffer to exist any Lien on or with respect to any of the Pledged Collateral other than any Lien contemplated by the Resolution or any such Lien that the Authority contests in good faith and by appropriate proceedings, which proceedings have the effect of preventing the forfeiture or sale of the property or asset subject to such Lien.

(d) *Merger; Disposition of Assets.* The Authority shall not consolidate or merge with or into any Person or sell, lease or otherwise transfer all or substantially all of its assets to any Person except as may be provided pursuant to Section 49-3-1204(d), Tennessee Code Annotated.

(e) *Total Outstanding.* At no time shall the Authority permit the aggregate principal amount of all Loans to exceed the Commitment.

(f) *Preservation of Corporate Existence, Etc.* The Authority shall take no action to terminate its existence as a body politic and corporate governmental agency and instrumentality of the State, or its rights and privileges in the State.

(g) *Exempt Status.* The Authority shall not take any action or omit to take any action that, if taken or omitted, would adversely affect the excludability of interest on the Tax-Exempt Loans from the gross income of the holders thereof for purposes of Federal income taxation.

(h) *Application of Proceeds.* The Authority will not take or omit to take any action, which action or omission will in any way result in the proceeds from the Loans being applied in a manner other than as provided in the Resolution and this Agreement.

(i) *Immunity from Jurisdiction.* With respect to any claim under this Agreement and the Notes appropriately brought in the Tennessee Claims Community, to the fullest extent permitted by Applicable Law, the Authority will not assert any immunity it may have as a public entity under the laws of the State from lawsuits with respect to the Loans, the other Obligations, this Agreement or any other Related Document.

(j) *Swap Contracts.* Without the prior written consent of the Banks, the Authority will not enter into any Swap Contract relating to Debt (i) wherein any termination payments thereunder are senior to or on parity with the payment of the Loans or the other Obligations or (ii) which requires the Authority to post cash collateral to secure its obligations thereunder.

(k) *ERISA.* The Authority shall not be, and shall not permit a member of the Controlled Group to be, subject to ERISA and shall not maintain, nor permit a member of the Controlled Group to maintain, a Plan. The Authority and each employee benefit plan shall remain in compliance in all material respects with the terms of any such plan and applicable law related thereto.

(l) *Federal Reserve Board Regulations.* The Authority shall not use any portion of the proceeds of the Advances for the purpose of carrying or purchasing any margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) and shall not incur any Debt which is to be reduced, retired or purchased by the Authority out of such proceeds.

(m) *Sanctions.* The Authority shall not knowingly, directly or indirectly, use, or allow to be used, and its directors, officers, employees and agents shall not use or allow to be used, proceeds of the Advances, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or (b)(i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions, or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Advances, whether as Administrative Agent, Bank, underwriter, advisor, investor, or otherwise).

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.1. Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of law) shall be an “Event of Default” hereunder:

(a) (i) The Authority shall fail to pay any principal of or interest on any Loan when the same becomes due and payable; or (ii) the Authority shall fail to pay any other fee or amount payable under this Agreement and, for this clause (ii) only, such failure shall continue for three (3) New York Banking Days; or

(b) Any representation, warranty, certification or statement made by the Authority in this Agreement or in any Related Document or in any certificate, financial statement or other document delivered pursuant to this Agreement or any Related Document shall (in any such case) have been incorrect or untrue in any materially adverse respect when made or deemed to have been made; or

(c) The Authority shall default in the due performance or observance of any term, covenant or agreement contained in Sections 7.1(a), (b), (f), (g), (m) or Article VIII hereof; or

(d) The Authority shall default in the due performance or observance of any term, covenant or agreement contained in this Agreement (other than those covered by any other Subsection of this Section 9.1) and such default, if capable of being remedied, shall remain unremedied for thirty (30) days after the earlier of (i) written notice thereof shall have been given to the Authority by the Administrative Agent or either Bank or (ii) the date on which the Authority becomes aware of such default; or

(e) Any pledge or security interest created by the Resolution or this Agreement to secure any amount due under this Agreement or the Notes shall fail to be fully enforceable with the priority required under this Agreement and the Resolution; or

(f) The Authority shall default in the due performance or observance of any term, covenant or agreement contained in any of the Related Documents and the same shall not have been cured within any applicable cure period; or

(g) (i) (A) The Authority shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any Debt (other than Bonded Debt) of the Authority in excess of \$5,000,000, or any interest or premium thereon, and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning such Debt; or (B) any other default under any indenture, contract or instrument providing for the creation of or concerning such Debt, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such

agreement or instrument, if the effect of such default or event is to permit or cause the acceleration of the maturity of such Debt; or (C) pursuant to the provisions of any such indenture, contract or instrument the maturity of any Debt of the Authority in a principal amount in excess of \$5,000,000 is permitted to be or shall have been accelerated or shall have been required to be prepaid prior to the stated maturity thereof, or (ii) (A) the Authority shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any Bonded Debt of the Authority, or any interest or premium thereon, and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning such Bonded Debt; or (B) any other default under any indenture, contract or instrument providing for the creation of or concerning such Bonded Debt, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to permit or cause the acceleration of the maturity of such Bonded Debt; or (C) pursuant to the provisions of any such indenture, contract or instrument the maturity of any Bonded Debt of the Authority is permitted to be or shall have been accelerated or shall have been required to be prepaid prior to the stated maturity thereof; or

(h) The Authority shall become insolvent or admit in writing its inability to pay its debts as they mature or shall declare a moratorium on the payment of its debts or apply for, consent to or acquiesce in the appointment of a trustee, custodian, liquidator or receiver for itself or any part of its property, or shall take any action to authorize or effect any of the foregoing; or in the absence of any such application, consent or acquiescence, a trustee, custodian, liquidator or receiver shall be appointed for it or for a substantial part of its property or revenues and shall not be discharged within a period of thirty (30) days; or the State or any other governmental authority having jurisdiction over the Authority imposes a debt moratorium, debt restructuring, or comparable restriction on repayment when due and payable of the principal of or interest on any Debt or Bonded Debt by the Authority; or all, or any substantial part, of the property of the Authority shall be condemned, seized, or otherwise appropriated, or either Bankruptcy, reorganization, debt arrangement or other proceeding under either Bankruptcy or insolvency law or any dissolution or liquidation proceeding shall be instituted by or against the Authority (or any action shall be taken to authorize or effect the institution by it of any of the foregoing) and if instituted against it, shall be consented to or acquiesced in by it, or shall not be dismissed within a period of thirty (30) days; or

(i) This Agreement or the Resolution or any material provision hereof or thereof at any time after its execution and delivery, or any Note shall cease to be a valid contractual obligation of the Authority or in full force and effect, in each case, as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the Authority to be null and void, or the validity of this Agreement, the Resolution or any Note or any material provisions thereof shall be contested (i) by the Authority or (ii) by any governmental agency or authority having jurisdiction over the Authority; or the Authority shall deny in writing that it has any or further liability or obligation under this Agreement, the Resolution or any Note or any material provision thereof; or

(j) The obligation of the Authority to pay the principal of and interest on the Loans or the Notes shall at any time cease to exist or be adjudged unenforceable, in each case, pursuant to a final administrative determination or judicial decision or the Authority shall assert that such obligation ceases to exist or is unenforceable; or

(k) Moody's, S&P or Fitch shall have downgraded the long-term rating assigned to any Bonded Debt of the Authority below "A3" (or its equivalent) by Moody's, "A-" (or its equivalent) by S&P or "A-" (or its equivalent) by Fitch or any of Moody's, S&P or Fitch shall have suspended or withdrawn its long-term unenhanced rating assigned to any Bonded Debt of the Authority for credit related reasons; or

(l) A final and non-appealable judgment or court order for the payment of money exceeding any applicable insurance coverage by more than \$5,000,000 shall be rendered against the Authority and shall attach to the Pledged Collateral, and such judgment or court order shall continue unsatisfied and in effect for a period of sixty (60) consecutive days without being vacated, discharged, satisfied, or stayed;

Section 9.2. Rights and Remedies upon Default. Upon the occurrence of an Event of Default hereunder, the Administrative Agent may, with the consent of all of the Banks, or at the direction of all of the Banks, the Administrative Agent shall, take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(i) by written notice to the Authority, declare the outstanding amount of the Obligations under this Agreement and the Notes to be immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived, and an action therefor shall immediately accrue; *provided, however,* in the event of an Event of Default under Section 9.1(h) hereof, the Obligations and the Notes shall immediately become due and payable without notice or demand;

(ii) by written notice to the Authority, reduce the Commitment to zero and thereafter the Banks will have no further obligation to make Advances, Revolving Loans or Term Loans hereunder and/or terminate the Commitment; provided that the Commitment shall immediately reduce to zero and terminate without notice upon the occurrence of an Event of Default under Section 9.1(h) hereof;

(iii) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the Authority under the Related Documents, whether for specific performance of any agreement or covenant of the Authority or in aid of the execution of any power granted to the Banks in the Related Documents;

(iv) cure any Default, Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however*, that the Banks shall have no obligation to effect such a cure; and

(vi) exercise, or cause to be exercised, any and all remedies as it or either Bank may have under the Related Documents and as otherwise available at law and at equity.

Section 9.3. Rights and Remedies Cumulative; Non-Waiver; etc. (a) The enumeration of the rights and remedies of the Administrative Agent and the Banks set forth in this Agreement is not intended to be exhaustive and the exercise by the Administrative Agent and the Banks of any right or remedy shall not preclude the exercise of any other rights or remedies, all of which shall be cumulative, and shall be in addition to any other right or remedy given hereunder or under the other Related Documents or that may now or hereafter exist at law or in equity or by suit or otherwise. No delay or failure to take action on the part of the Administrative Agent or either Bank in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Event of Default. No course of dealing between the Authority, the Administrative Agent and the Banks or their respective agents or employees shall be effective to change, modify or discharge any provision of this Agreement or any of the other Related Documents or to constitute a waiver of any Event of Default.

(b) Notwithstanding anything to the contrary contained herein or in any other Related Document, the authority to enforce rights and remedies hereunder and under the other Related Documents against the Authority shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 9.2 hereof for the benefit of both of the Banks; *provided* that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Related Documents or (b) either Bank from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to the Authority under any Debtor Relief Law; and *provided, further*, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Related Documents, then (i) the Banks shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 9.2 hereof and (ii) in addition to the matters set forth in clause (b) of the preceding proviso and subject to the terms hereof, either Bank may, with the consent of the all of the Banks, enforce any rights and remedies available to it and as authorized by all of the Banks.

Section 9.4. Crediting of Payments and Proceed. In the event that the Obligations have been accelerated pursuant to Section 9.2 hereof or the Administrative Agent or either Bank has exercised any remedy set forth in this Agreement or any other Related Document, all payments received by the Banks upon the Obligations and all net proceeds from the enforcement of the Obligations shall be applied:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts, including attorney fees, payable to the Administrative Agent and the Banks in its capacity as such, ratably among the Administrative Agent and the Banks in proportion to the respective amounts described in this clause First payable to them;

Second, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans, ratably among the Banks in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting unpaid principal of the Loans, ratably among the Banks in proportion to the respective amounts described in this clause Third held by them;

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Authority or as otherwise required by Applicable Law.

Section 9.5. Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to the Authority, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Authority) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Banks and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Banks and the Administrative Agent and their respective agents and counsel and all other amounts due the Banks and the Administrative Agent hereunder) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Bank to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Banks, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under the terms hereof.

Section 9.6 Statutory Remedies. The Administrative Agent and the Bank acknowledge and agree that, notwithstanding any provisions of this Agreement, their remedies hereunder may not be in contravention of TCA Section 49-3-1208.

ARTICLE X

THE ADMINISTRATIVE AGENT

Section 10.1. Appointment and Authority. Each of the Banks hereby irrevocably designates and appoints U.S. Bank National Association to act on its behalf as the Administrative Agent hereunder and under the other Related Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent and the Banks, and the Authority shall not have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Related Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 10.2. Rights as a Bank. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Bank as either of the Banks and may exercise the same as though it were not the Administrative Agent and the term “Bank” or “Banks” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Authority or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Banks.

Section 10.3. Exculpatory Provisions. (a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Related Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Related Documents that the Administrative Agent is required to exercise as directed in writing by the Banks, *provided* that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Related Document

or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law; and

(iii) shall not, except as expressly set forth herein and in the other Related Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Authority or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Banks or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Authority or a Bank.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Related Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Related Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Section 2.4 hereof or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 10.4. Reliance by the Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the making of an Advance, that by its terms must be fulfilled to the satisfaction of a Bank, the Administrative Agent may presume that such condition is satisfactory to such Bank unless the Administrative Agent shall have received notice to the contrary from such Bank prior to the making of such Loan or the making of such Advance. The Administrative Agent may consult with legal counsel (who may be counsel for the Authority), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 10.5. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Related Document by or through any one or more sub agents appointed by the Administrative Agent. The

Administrative Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub agent and to the Related Parties of the Administrative Agent and any such sub agent, and shall apply to their respective activities in connection with the syndication of the Commitment as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 10.6. Resignation of Administrative Agent. (a) The Administrative Agent may at any time give notice of its resignation to the Banks and the Authority. Upon receipt of any such notice of resignation, the Banks shall have the right, in consultation with the Authority, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Banks and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Banks) (the “*Resignation Closing Date*”), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Banks, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Closing Date.

(b) With effect from the Resignation Closing Date, (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Related Documents and (2) except for any indemnity payments owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Bank directly, until such time, if any, as the Banks appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor’s appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments owed to the retiring or removed Administrative Agent), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Related Documents. After the retiring or removed Administrative Agent’s resignation or removal hereunder and under the other Related Documents, the provisions of this Article and Sections 2.6(e) and 5.1 hereof shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

Section 10.7. Non-Reliance on Administrative Agent and Other Banks. Each Bank acknowledges that it has, independently and without reliance upon the Administrative Agent or the other Bank or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Bank also acknowledges that it will, independently and without reliance upon the Administrative Agent or the other Bank or any of their Related Parties and based on such

documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Related Document or any related agreement or any document furnished hereunder or thereunder.

Section 10.8. No Other Duties, etc. Anything herein to the contrary notwithstanding, the Administrative Agent shall promptly and, in any event within three (3) New York Banking Days, provide the Banks with copies of all notices, information, requests for consent and other information provided to the Administrative Agent by the Authority.

Section 10.9. Erroneous Payments. (a) If the Administrative Agent notifies a Bank or other holder of any interest in the Obligations pursuant Section 11.7 hereof (each, a “*Bank Party*”), or any Person who has received funds on behalf of a Bank Party (any such Bank Party or other recipient, a “*Payment Recipient*”), that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under Section 10.9(b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously received by, such Payment Recipient (whether or not such error is known to any Payment Recipient) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an “*Erroneous Payment*”) and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Payment Recipient shall promptly, but in no event later than one New York Banking Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting Section 10.9(a), if any Payment Recipient receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) that (x) is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) such Payment Recipient otherwise becomes aware was transmitted, or received, in error (in whole or in part):

(i) (A) in the case of immediately preceding clause (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) in the case of immediately preceding clause (z), an error has been made, in each case, with respect to such payment, prepayment or repayment; and

(ii) such Payment Recipient shall promptly (and, in all events, within one New York Banking Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 10.9(b).

(c) Each Bank Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Bank Party under any Related Document, or otherwise payable or distributable by the Administrative Agent to such Bank Party from any source, against any amount due to the Administrative Agent under Section 10.9(a) or under the indemnification provisions of this Agreement.

(d) An Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations, except to the extent such Erroneous Payment comprises funds received by the Administrative Agent from the Authority for the purpose of making such Erroneous Payment.

(e) To the extent permitted by applicable law, each Payment Recipient hereby agrees not to assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment, including without limitation any defense based on “discharge for value” or any similar doctrine, with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment.

(f) Each party’s agreements under this Section 10.9 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Bank, the termination of the Commitments, or the repayment, satisfaction or discharge of any or all Obligations.

Section 10.8. Certain ERISA Matters. (a) Each Bank (x) represents and warrants, as of the date such Person became a Bank party hereto, to, and (y) covenants, from the date such Person became a Bank party hereto to the date such Person ceases being a Bank party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Authority, that at least one of the following is and will be true:

(i) such Bank is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Bank’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Bank’s

entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement;

(iii) (A) such Bank is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Bank to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of subsections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Bank, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Bank’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Bank.

(b) In addition, unless either (i) clause (i) of Section 9.12(a) is true with respect to a Bank or (ii) a Bank has provided another representation, warranty and covenant in accordance with clause (iv) of Section 9.12(a), such Bank further (x) represents and warrants, as of the date such Person became a Bank party hereto, to, and (y) covenants, from the date such Person became a Bank party hereto to the date such Person ceases being a Bank party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Authority, that the Administrative Agent is not a fiduciary with respect to the assets of such Bank involved in such Bank’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Related Document or any documents related hereto or thereto).

ARTICLE XI

MISCELLANEOUS

Section 11.1. Evidence of Debt. The Administrative Agent and each Bank shall maintain in accordance with its usual practices an account or accounts evidencing the indebtedness resulting from each Advance, each Revolving Loan and each Term Loan made from time to time hereunder and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall be conclusive evidence (absent manifest error) of the existence and amounts of the obligations therein recorded.

Section 11.2. Amendments and Waivers. Except as set forth below or as specifically provided in any Related Document, any term, covenant, agreement or condition of this Agreement or any of the other Related Documents may be amended or waived by the Banks, and

any consent given by the Banks, if, but only if, such amendment, waiver or consent is in writing signed by all of the Banks and, in the case of an amendment, signed by the Authority:

Section 11.3. Addresses for Notices. Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be mailed by first-class mail, registered or certified, return receipt requested, or express mail, postage prepaid, or sent by email, telex, telegram, telecopy or other similar form of rapid transmission confirmed by mailing (by first-class mail, registered or certified, return receipt requested, or express mail, postage prepaid) written confirmation at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth below, or as to each party at such other address or numbers as shall be designated by such party in a written notice to the other parties.

The Authority:

Division of State Government Finance
Tennessee State School Bond Authority
Cordell Hull Building
425 Rep. John Lewis Pkwy. N., 4th Floor
Nashville, Tennessee 37243
Telephone: (615) 747-5369
Facsimile: (615) 741-5986
Attention: Sandi Thompson
Email: Sandi.Thompson@cot.tn.gov

and

Division of State Government Finance
Tennessee State School Bond Authority
Cordell Hull Building
425 Rep. John Lewis Pkwy. N., 4th Floor
Nashville, Tennessee 37243
Telephone: (615) 747-5373
Facsimile: (615) 741-5986
Attention: Jacqueline Felland
Email: Jacqueline.Felland@cot.tn.gov

The Administrative Agent: Wire Instructions:
U.S. Bank National Association
ABA Number: 091000022
Account Name: c/o Syndication Services
Account Number: 0006854-2160600
Reference: Tennessee State School Bond Authority

Notice Address:

U.S. Bank National Association
1420 Fifth Avenue
Seattle, WA 98101
Telephone: (206) 344-5417
Facsimile: (206) 587-7022
Attention: Pat Eells
Email: patricia.eells@usbank.com

With a copy to:

U.S. Bank, N.A.
425 Walnut Street, 11th Floor
Cincinnati, OH 45202
Telephone: (513) 632-3283
Facsimile: (513) 632-4362
Attention: Cameron M. Parker
Email Cameron.parker@usbank.com
and
ccsmilwaukeeoloaninstallation@usbank.com

To Wells Fargo:

Wire Instructions:

ABA #121000248

Name: Wells Fargo Bank

Account #00698314050720

Account Name: wires in Process

Address: Roanoke, VA

Originator to Beneficiary Info:

Cust Name: _____

OBGR: _____

OBN: _____

Notice Information:

Wells Fargo Bank, National Association

408 Franklin Street

Huntsville, AL 35801

Telephone: (256) 551-4126

Attention: Ellie Sternberg

Email: Ellie.stemberg@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association

2660 Eastchase Lane

First Floor, Suite 102

Montgomery, AL 36117-7024

Telephone: (334) 309-3872

Attention: Valerie Matthews

Email: Valerie.matthews@wellsfargo.com

To U.S. Bank:

Wire Instructions:

Bank Name: U.S. Bank National Association

Bank ABA: 042 000 013

Bank Account #: 25199562160600

Account Name: Government Banking WIP Account

REF: Tennessee State School Bond Authority

Notice Address:

U.S. Bank, N.A.

425 Walnut Street, 11th Floor

Cincinnati, OH 45202

Telephone: (513) 632-3283

Facsimile: (513) 632-4362

Attention: Cameron M. Parker

Email Cameron.parker@usbank.com

Section 11.4. Survival of This Agreement. All covenants, agreements, representations and warranties made in this Agreement shall survive the extension by the Banks of the Commitment and shall continue in full force and effect so long as the Commitment shall be unexpired or any sums drawn or due thereunder or any other obligations shall be outstanding and unpaid, regardless of any investigation made by any Person and so long as any amount payable hereunder remains unpaid. The agreement of the Authority to indemnify the Administrative Agent and each Bank and each Indemnitee under Section 5.1 hereof shall continue in full force and effect notwithstanding a termination of the Commitment or the fulfillment of all Obligations. The obligations of the Authority under Sections 5.2, 5.3 and 2.6(e) hereof shall also continue in full force and effect notwithstanding a termination of the Commitment or the fulfillment of all Obligations. Whenever in this Agreement the Administrative Agent or either Bank is referred to, such reference shall be deemed to include the successors and assigns of the Administrative Agent and such Bank and all covenants, promises and agreements by or on behalf of the Authority which are contained in this Agreement shall inure to the benefit of the successors and assigns of the Administrative Agent and such Bank. The rights and duties of the Authority may not be assigned or transferred without the prior written consent of the Administrative Agent and each Bank, and all obligations of the Authority hereunder shall continue in full force and effect notwithstanding any assignment by the Authority of any of its rights or obligations under any of the Related Documents or any entering into, or consent by the Authority to, any supplement or amendment to, or termination of, any of the Related Documents.

Section 11.5. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 11.6. Governing Law; Waiver of Jury Trial; Jurisdiction and Venue. (a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS (OTHER THAN NEW YORK GENERAL OBLIGATIONS LAWS 5-1401 AND 5-1402); *PROVIDED, HOWEVER* THAT THE OBLIGATIONS OF THE AUTHORITY HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE.

(b) TO THE EXTENT PERMITTED BY APPLICABLE LAWS, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE RELATED DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

(c) THE AUTHORITY IS NOT ENTITLED TO CLAIM THE DEFENSE OF SOVEREIGN IMMUNITY OR STATUTORY IMMUNITY IN ANY PROCEEDING APPROPRIATELY ASSERTED AGAINST IT IN THE TENNESSEE CLAIMS COMMISSION, AN ADMINISTRATIVE TRIBUNAL, WHERE LIABILITY MAY BE LIMITED TO ACTUAL DAMAGES AND CERTAIN COSTS, AND ARISING OUT OF ITS OBLIGATIONS AS SET FORTH IN THIS AGREEMENT. EACH OF THE PARTIES HERETO AGREES THAT ALL CLAIMS IN RESPECT OF ANY PROCEEDING SHALL BE HEARD AND DETERMINED BY THE TENNESSEE CLAIMS COMMISSION, AS PROVIDED BY LAW. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER MANNER AS AND TO THE EXTENT PROVIDED BY LAW. NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT EITHER BANK MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT AGAINST THE AUTHORITY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

Section 11.7. Successors and Assigns.

(a) *Successors and Assigns Generally.* This Agreement is a continuing obligation and shall be binding upon the Authority, its successors, transferees and assigns and shall inure to the benefit of the Banks and their respective permitted successors, transferees and assigns. The Authority may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Bank. Notwithstanding anything to the contrary set forth herein, so long as no Event of Default shall have occurred and be continuing hereunder, no Bank may assign its obligations to fund Advances and Loans pursuant to the terms of this Agreement without the prior written consent of the Authority (such consent not to be unreasonably withheld). Each Noteholder may, in its sole discretion and in accordance with applicable Law, from time to time assign, sell or transfer in whole or in part, this Agreement, its interest in the Note(s) and the other Related Documents in accordance with the provisions of paragraph (b) or (c) of this Section. Each Noteholder may at any time and from time to time enter into participation agreements in accordance with the provisions of paragraph (d) of this Section. Each Noteholder may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section.

(b) *Sales and Transfers by Noteholder to a Bank Transferee.* Without limitation of the foregoing generality, either Bank may at any time sell or otherwise transfer to one or more

transferees all or a portion of the Note(s) to a Person that is (i) a Bank Affiliate or (ii) a trust or other custodial arrangement established by such Bank or a Bank Affiliate, the owners of any beneficial interest in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the 1933 Act (each, a “*Bank Transferee*”). From and after the date of such sale or transfer, such Bank (and its successors) shall continue to have all of the rights of a Bank hereunder and under the other Related Documents as if no such transfer or sale had occurred; *provided, however*, that (A) no such sale or transfer referred to in clause (b)(i) or (b)(ii) hereof shall in any way affect the obligations of such Bank hereunder, (B) the Authority shall be required to deal only with such Bank with respect to any matters under this Agreement and (C) in the case of a sale or transfer referred to in clause (b)(i) or (b)(ii) hereof, only such Bank shall be entitled to enforce the provisions of this Agreement against the Authority.

(c) *Sales and Transfers by Noteholder to a Non-Bank Transferee.* Without limitation of the foregoing generality, a Noteholder may at any time sell or otherwise transfer all or a portion of the Note(s) to one or more transferees which are not Bank Transferees but each of which constitutes (i) a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act and (ii) a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any such case, having a combined capital and surplus, determined as of the date of any transfer pursuant to this clause (c), of not less than \$5,000,000,000 (each a “*Non-Bank Transferee*”), if written notice of such sale or transfer, including that such sale or transfer is to a Non-Bank Transferee, together with addresses and related information with respect to the Non-Bank Transferee, shall have been given to the Authority, the Administrative Agent and the Bank (if different than the Noteholder) by such selling Noteholder and Non-Bank Transferee.

From and after the date the Authority has received written notice, (A) the Non-Bank Transferee thereunder shall be a party hereto and shall have the rights and obligations of a Noteholder (other than its obligation to fund Advances and Loans, as more fully set forth in paragraph (a) of this Section 11.7) hereunder and under the other Related Documents, and this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to effect the addition of the Non-Bank Transferee, and any reference to the assigning Noteholder hereunder and under the other Related Documents shall thereafter refer to such transferring Noteholder and to the Non-Bank Transferee to the extent of their respective interests, and (B) if the transferring Noteholder no longer owns any Notes, then it shall relinquish its rights and be released from its obligations hereunder and under the Related Documents (other than its obligation to fund Advances and Loans, as more fully set forth in paragraph (a) of this Section 11.7).

(d) *Participations.* Each Bank shall have the right to grant participations in all or a portion of its interest in the Notes, this Agreement and the other Related Documents to one or more other banking institutions; *provided, however*, that (i) no such participation by any such participant shall in any way affect the obligations of such Bank hereunder and (ii) the Authority shall be required to deal only with such Bank, with respect to any matters under this Agreement, the Notes and the other Related Documents and no such participant shall be entitled to enforce any provision hereunder against the Authority.

(e) *Certain Pledges.* Each Bank may at any time pledge or grant a security interest in all or any portion of its rights under the Notes, this Agreement and the other Related Documents to secure obligations of such Bank, including any pledge or assignment to secure obligations to a Federal Reserve Bank or the United States Treasury or to any state or local governmental entity or with respect to public deposits, including, without limitation, as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any operating circular issued by such Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Bank from any of its obligations hereunder or substitute any such pledgee or assignee for such Bank as a party hereto.

Section 11.8. Setoffs. Upon the occurrence and during the continuance of any Event of Default hereunder, each Bank is hereby authorized at any time and from time to time without notice to the Authority (any such notice being expressly waived by the Authority), and, to the fullest extent permitted by Applicable Law, to setoff, to exercise any banker's lien or any right of attachment or garnishment and apply any and all balances, credits, deposits (general or special, time or demand, provisional or final), accounts or monies consisting of Pledged Collateral at any time held and other indebtedness at any time owing by either Bank to or for the account of the Authority against any and all of the obligations of the Authority now or hereafter existing under or in connection with this Agreement or the related Note, whether or not the respective Bank shall have made any demand hereunder or thereunder. The rights of the Banks under this Section are in addition to, in augmentation of, and do not derogate from or impair other rights and remedies (including, without limitation, other rights of setoff) which the Banks may have.

Section 11.9. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 11.10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, taken together, shall constitute but one and the same Agreement. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. No party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 11.11. Government Regulations. The Administrative Agent and the Banks hereby notify the Authority that pursuant to the requirements of the Patriot Act each is required to obtain, verify and record information that identifies the Authority, which information includes the name and address of the Authority and other information that will allow the Administrative Agent and the Banks to identify the Authority in accordance with the Patriot Act. The Authority hereby agrees that it shall promptly provide such information upon request by the Administrative Agent. The Authority shall, promptly following a request by any Bank, provide all documentation and other information that such Bank reasonably requests in order to comply with its ongoing obligations under applicable law or regulation, including, without limitation, “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

The Authority shall (a) ensure that no person who controls the Authority is or shall be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by OFAC, the Department of the Treasury or included in any Executive Orders, that prohibits or limits the Bank from making any advance or extension of credit to the Authority or from otherwise conducting business with the Authority and (b) ensure that the proceeds of Revolving Loans, Advances and Term Loans shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto.

Section 11.12. Limitation on Remedies. Any provisions of this Agreement in which the Authority purports to hold harmless, indemnify or limit its remedies in any manner shall be valid only to the extent permitted by Applicable Law. The Authority makes no representation as to what extent any such provision is permitted by Applicable Law.

Section 11.13. No Advisory or Fiduciary Responsibility. The Authority acknowledges and agrees that its dealing with the Administrative Agent and the Banks are solely in the nature of a debtor/creditor relationship and that in no event shall the Administrative Agent or any Bank be considered to be a partner or joint venturer of the Authority. Also, the Authority represents and warrants that it has independently evaluated the business transaction and has not relied upon, nor will it rely upon, the expertise, advice or other comments or statements of the Administrative Agent or any Bank (including agents of the Administrative Agent or any Bank), if any, in deciding to pursue such undertaking. As the Authority is experienced in business, in no event shall the Administrative Agent or any Bank owe any fiduciary or similar obligations to it in connection with the subject transaction. In connection with all aspects of the transactions contemplated by this Agreement and the Related Documents (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the Authority, on behalf of itself, and its Affiliates, acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (a) (i) the services regarding this Agreement and the Related Documents provided by the Administrative Agent and each Bank and any Affiliate of the Administrative Agent and each Bank are arm’s-length commercial transactions between the Authority and its Affiliates on the one hand, and the Administrative Agent and each Bank and their respective Affiliates, on the other hand, (ii) each of the Authority and its Affiliates has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Authority, on behalf of itself and its Affiliates, is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (b)(i) the Administrative Agent and each Bank and

their respective Affiliates each are and have been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, have not been, are not, and will not be acting as an advisor (including, without limitation, as a financial advisor, municipal advisor (as defined in Section 15B of the Securities and Exchange Act of 1934, as amended) or otherwise), agent or fiduciary, for the Authority or its Affiliates, or any other Person and (ii) neither the Administrative Agent nor any Bank nor their respective Affiliates have any obligation to the Authority or its Affiliates with respect to the transactions contemplated by this Agreement and the Related Documents except those obligations expressly set forth herein; and (c) the Administrative Agent and each Bank and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Authority and its Affiliates and neither the Administrative Agent nor any Bank nor their respective Affiliates has any obligation to disclose any of such interests to the Authority or its Affiliates.

Section 11.14. EMMA Postings. In the event the Authority files this Agreement with EMMA, the Authority shall redact this Agreement in accordance with the requirements of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the U.S. Securities and Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934, as amended. In addition, so long as permitted by Rule 15c2-12, the District shall cause all Confidential Information to be redacted. For purposes of this Section 37, “Confidential Information” means any sensitive or confidential information regarding the District, the Bank or any Affiliate of the Bank including, without limitation, address and account information, e-mail addresses, telephone numbers, facsimile numbers, names and signatures of officers, employees and signatories.

Section 11.15. Acknowledgement Regarding Any Supported QFCs. Only to the extent that the Related Documents provide support, through a guarantee or otherwise, for Swap Obligations or any other agreement or instrument that is a QFC (such support, “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that

may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Bank shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support. “*Defaulting Bank*” means any Bank that has failed to fund all or any portion of its Loans within two New York Banking Days after the date such Loans were required to be funded hereunder unless such Bank notifies the Administrative Agent and the Authority in writing that such failure is the result of such Bank’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied.

Section 11.16. Amendment and Restatement. Notwithstanding anything in this Agreement to the contrary, this Agreement shall become effective on the Amendment and Restatement Date and shall supersede, amend and restate all provisions of the Existing Credit Agreement as of such date. Until the Amendment and Restatement Date, the Existing Credit Agreement shall remain in full force and effect subject to the terms and conditions of the Existing Credit Agreement. From and after the Amendment and Restatement Date, all references made to the Existing Credit Agreement in any Related Document or any instrument or document shall, without more, be deemed to refer to this Agreement. This Agreement amends and restates the Existing Credit Agreement but is not intended to be or operate as a novation or an accord and satisfaction of the Existing Credit Agreement or the indebtedness, obligations and liabilities of the Authority evidenced or provided for thereunder. This Agreement does not extinguish the obligations for the payment of money outstanding under the Existing Credit Agreement or discharge or release the obligations or the liens or priority of any pledge or any other security therefor.

[The remainder of this page intentionally left blank]

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

TENNESSEE STATE SCHOOL BOND AUTHORITY

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as
Administrative Agent and Bank

By: _____
Name: _____
Title: _____

U.S. Bank Commitment - \$150,000,000

U.S. Bank Commitment Percentage - 50%

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Bank

By: _____
Name: _____
Title: _____

Wells Fargo Commitment - \$150,000,000

Wells Fargo Commitment Percentage - 50%

EXHIBIT A-1

[FORM OF TAX-EXEMPT NOTE]

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENT OF THE SECURITIES ACT. IN ADDITION, THIS NOTE MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO THE TERMS OF SECTION 11.7 OF THE HEREINAFTER DEFINED REVOLVING CREDIT AGREEMENT.

UNITED STATES OF AMERICA

STATE OF TENNESSEE

**TENNESSEE STATE SCHOOL BOND AUTHORITY
HIGHER EDUCATIONAL FACILITIES TAX-EXEMPT
PROMISSORY NOTE**

Dated: _____, 2014

Maximum Principal Amount: One Hundred Fifty Million Dollars (\$150,000,000)

Registered Owner: [U.S. Bank National Association][Wells Fargo Bank, National Association] and its successors

KNOW ALL MEN BY THESE PRESENTS: That the Tennessee State School Bond Authority, a corporate governmental agency and instrumentality of the State of Tennessee (the “Authority”), hereby acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner set forth above, or registered assigns, so much of the Maximum Principal Amount stated above as shall have been loaned by the Registered Owner pursuant to the hereinafter defined Revolving Credit Agreement and not repaid or prepaid and which shall remain outstanding from time to time, and interest thereon, payable as provided herein and in such Revolving Credit Agreement. Terms used but not defined herein shall have the respective meanings given to them in such Revolving Credit Agreement.

This Note evidences Advances, Revolving Loans or Term Loans made by the Registered Owner to the Authority in the Maximum Principal Amount set forth above pursuant to the Revolving Credit Agreement dated as of March 20, 2014, as amended, supplemented, modified or restated from time to time (the “Revolving Credit Agreement”) among the Registered Owner and [Wells Fargo Bank, National Association][U.S. Bank National Association], as lenders, U.S. Bank National Association as Administrative Agent and the Authority. This Note shall mature

not later than the Revolving Loan Maturity Date or, if converted to a Term Loan, the Amortization End Date, subject to prepayment as provided in the Revolving Credit Agreement.

This Note shall bear interest on the outstanding principal amount hereof at the rate relating to the related Revolving Loan or Term Loan as provided in the Revolving Credit Agreement, and the principal of this Note shall be payable in the amounts and on the dates as provided in the Revolving Credit Agreement.

This Note is one of an issue of notes in an aggregate principal amount not to exceed \$150,000,000 issued and to be issued under the authority of and in full compliance with the Constitution and statutes of Tennessee, including Tennessee Code Annotated Sections 49-3-1201 *et seq.*, and a resolution duly adopted by the Authority on March 13, 2014 (the "Resolution"), which authorizes said Notes for the purposes authorized by the Resolution. This Note is a special obligation of the Authority, the principal of and interest on which shall be payable only from, and secured only by, the Pledged Collateral as provided in the Revolving Credit Agreement and the Resolution.

All sums becoming due on this Note for principal and interest shall be paid to the Administrative Agent for the account of the Bank as provided in the Revolving Credit Agreement, in lawful money of the United States, without the presentation or surrender of this Note or the making of any notation hereon, except as provided in the next paragraph and except that upon the written request of the Authority made concurrently with or reasonably promptly after prepayment in full of this Note, the Registered Owner of this Note shall surrender this Note for cancellation, reasonably promptly after any such request, to the Authority. Prior to any sale or other disposition of this Note, the Registered Owner of this Note shall endorse hereon the amount of principal paid hereon and the last date to which interest has been paid hereon.

All payments of principal of this Note (whether at maturity or upon prepayment), including the date and amount of each payment, shall be endorsed by the Registered Owner of this Note on the Schedule of Prepayments attached to this Note; provided, however, that any failure by the Registered Owner of this Note to endorse such information on such Schedule or any error therein shall not in any manner affect the obligation of the Authority to make payments of principal and interest in accordance with the terms of this Note.

This Note is subject to prepayment on the dates and in the amounts, in whole or in part, of the outstanding principal of the related Revolving Loan or Term Loan evidenced and secured by this Note as provided in Section 3.5 and Section 4.6, respectively, of the Revolving Credit Agreement.

This Note is issued in fully registered form and is non-negotiable. This Note is transferable as permitted by Section 11.7 of the Revolving Credit Agreement by the Registered Owner hereof only upon the books of registry maintained by the Authority at the principal office of the Office of State and Local Finance of the State, upon surrender of this Note for cancellation together with a written instrument of transfer satisfactory to the Authority duly executed by the Registered Owner or such owner's duly authorized attorney. Upon such cancellation and registration of transfer, a new Note for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and by the laws of the State of Tennessee to exist, or to be done precedent to and in the issuance of this Note, do exist, and have been properly done, have happened and been performed in regular and due form and time as required by law; and that provision has been made to pay the principal hereof and interest hereon as same falls due.

TENNESSEE STATE SCHOOL
BOND AUTHORITY

[SEAL]

By: _____
Authorized Representative

ATTEST:

Authorized Representative

SCHEDULE OF PREPAYMENTS

<u>Date of Payment</u>	<u>Amount of Payment</u>	<u>Notation Made By</u>	<u>Date of Payment</u>	<u>Amount of Payment</u>	<u>Notation Made By</u>

Assignment

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or
Taxpayer Identification Number of Transferee

(Please print or typewrite name and address, including zip code, of Transferee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to register the transfer of the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be
guaranteed by a member or participant
of a signature guarantee program

NOTICE: The signature above must
correspond with the name of the Owner as it
appears upon the front of this Note in every
particular, without alteration or enlargement or
change whatsoever.

EXHIBIT A-2

[FORM OF TAXABLE NOTE]

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENT OF THE SECURITIES ACT. IN ADDITION, THIS NOTE MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO THE TERMS OF SECTION 11.7 OF THE HEREINAFTER DEFINED REVOLVING CREDIT AGREEMENT.

UNITED STATES OF AMERICA

STATE OF TENNESSEE

**TENNESSEE STATE SCHOOL BOND AUTHORITY
HIGHER EDUCATIONAL FACILITIES TAXABLE
PROMISSORY NOTE**

Dated: _____, 2014

Maximum Principal Amount: One Hundred Fifty Million Dollars (\$150,000,000)

Registered Owner: [U.S. Bank National Association][Wells Fargo Bank, National Association] and its successors

KNOW ALL MEN BY THESE PRESENTS: That the Tennessee State School Bond Authority, a corporate governmental agency and instrumentality of the State of Tennessee (the “Authority”), hereby acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner set forth above, or registered assigns, so much of the Maximum Principal Amount stated above as shall have been loaned by the Registered Owner pursuant to the hereinafter defined Revolving Credit Agreement and not repaid or prepaid and which shall remain outstanding from time to time, and interest thereon, payable as provided herein and in such Revolving Credit Agreement. Terms used but not defined herein shall have the respective meanings given to them in such Revolving Credit Agreement.

This Note evidences Advances, Revolving Loans or Term Loans made by the Registered Owner to the Authority in the Maximum Principal Amount set forth above pursuant to the Revolving Credit Agreement dated as of March 20, 2014, as amended, supplemented, modified or restated from time to time (the “Revolving Credit Agreement”) among the Registered Owner and [Wells Fargo Bank, National Association][U.S. Bank National Association], as lenders, U.S. Bank National Association as Administrative Agent and the Authority. This Note shall mature

not later than the Revolving Loan Maturity Date or, if converted to a Term Loan, the Amortization End Date, subject to prepayment as provided in the Revolving Credit Agreement.

This Note shall bear interest on the outstanding principal amount hereof at the rate relating to the related Revolving Loan or Term Loan as provided in the Revolving Credit Agreement, and the principal of this Note shall be payable in the amounts and on the dates as provided in the Revolving Credit Agreement.

This Note is one of an issue of notes in an aggregate principal amount not to exceed \$150,000,000 issued and to be issued under the authority of and in full compliance with the Constitution and statutes of Tennessee, including Tennessee Code Annotated Sections 49-3-1201 *et seq.*, and a resolution duly adopted by the Authority on March 13, 2014 (the "Resolution"), which authorizes said Notes for the purposes authorized by the Resolution. This Note is a special obligation of the Authority, the principal of and interest on which shall be payable only from, and secured only by, the Pledged Collateral as provided in the Revolving Credit Agreement and the Resolution.

All sums becoming due on this Note for principal and interest shall be paid to the Administrative Agent for the account of the Bank as provided in the Revolving Credit Agreement, in lawful money of the United States, without the presentation or surrender of this Note or the making of any notation hereon, except as provided in the next paragraph and except that upon the written request of the Authority made concurrently with or reasonably promptly after prepayment in full of this Note, the Registered Owner of this Note shall surrender this Note for cancellation, reasonably promptly after any such request, to the Authority. Prior to any sale or other disposition of this Note, the Registered Owner of this Note shall endorse hereon the amount of principal paid hereon and the last date to which interest has been paid hereon.

All payments of principal of this Note (whether at maturity or upon prepayment), including the date and amount of each payment, shall be endorsed by the Registered Owner of this Note on the Schedule of Prepayments attached to this Note; provided, however, that any failure by the Registered Owner of this Note to endorse such information on such Schedule or any error therein shall not in any manner affect the obligation of the Authority to make payments of principal and interest in accordance with the terms of this Note.

This Note is subject to prepayment on the dates and in the amounts, in whole or in part, of the outstanding principal of the related Revolving Loan or Term Loan evidenced and secured by this Note as provided in Section 3.5 and Section 4.6, respectively, of the Revolving Credit Agreement.

This Note is issued in fully registered form and is non-negotiable. This Note is transferable as permitted by Section 11.7 of the Revolving Credit Agreement by the Registered Owner hereof only upon the books of registry maintained by the Authority at the principal office of the Office of State and Local Finance of the State, upon surrender of this Note for cancellation together with a written instrument of transfer satisfactory to the Authority duly executed by the Registered Owner or such owner's duly authorized attorney. Upon such cancellation and registration of transfer, a new Note for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and by the laws of the State of Tennessee to exist, or to be done precedent to and in the issuance of this Note, do exist, and have been properly done, have happened and been performed in regular and due form and time as required by law; and that provision has been made to pay the principal hereof and interest hereon as same falls due.

TENNESSEE STATE SCHOOL
BOND AUTHORITY

[SEAL]

By: _____
Authorized Representative

ATTEST:

Authorized Representative

SCHEDULE OF PREPAYMENTS

<u>Date of Payment</u>	<u>Amount of Payment</u>	<u>Notation Made By</u>	<u>Date of Payment</u>	<u>Amount of Payment</u>	<u>Notation Made By</u>

Assignment

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or
Taxpayer Identification Number of Transferee

(Please print or typewrite name and address, including zip code, of Transferee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to register the transfer of the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be
guaranteed by a member or participant
of a signature guarantee program

NOTICE: The signature above must
correspond with the name of the Owner as it
appears upon the front of this Note in every
particular, without alteration or enlargement or
change whatsoever.

EXHIBIT B

[FORM OF REQUEST FOR ADVANCE]

REQUEST FOR ADVANCE AND REVOLVING LOAN

U.S. Bank National Association
1420 Fifth Avenue
Seattle, WA 98101
Telephone: (206) 344-5417
Toll-Free Number: 1 (877) 53-3117
Facsimile: (206) 587-7022
Attention: Pat Eells
Email: patricia.eells@usbank.com
With a copy to each of:

Cameron.parker@usbank.com
ccsmilwaukeeinstalltion@usbank.com

Ladies and Gentlemen:

The undersigned, an Authorized Representative, refers to the Amended and Restated Revolving Credit Agreement, dated as of June 2, 2021 (together with any amendments or supplements thereto, the “*Agreement*”), by and between the Tennessee State School Bond Authority (the “*Authority*”), the Banks from time to time party thereto (the “*Banks*”) and U.S. Bank National Association, as Administrative Agent (the “*Administrative Agent*”) and a Bank (the terms defined therein being used herein as therein defined) and hereby requests, pursuant to Section 2.3 of the Agreement, that the Bank make an Advance under the Agreement, and in that connection sets forth below the following information relating to such Advance (the “*Proposed Advance*”):

1. The New York Banking Day of the Proposed Advance is _____, 20__ (the “*Advance Date*”), which is at least three New York Banking Days after the date hereof.
2. The principal amount of the Proposed Advance is \$_____, which is not greater than the Commitment as of the Advance Date set forth in 1 above.
3. The aggregate amount of the Proposed Advance shall be used solely for the payment of [**Project Costs**] or [**to prepay Taxable Loans with proceeds of Tax-Exempt Loans**] or [**to prepay Tax-Exempt Loans with proceeds of Taxable Loans**] or [**principal of Commercial Paper outstanding on the Original Effective Date**] or [**costs of issuance in connection with the Agreement**] or [**any other purpose permitted under the Act and the Resolution**].

4. The interest rate with respect to the Proposed Advance shall be **[the Tax-Exempt Rate] [the Taxable LIBOR Rate]**.

5. After giving effect to the Proposed Advance, the aggregate principal amount of all Loans outstanding under the Agreement will not exceed the Commitment. After giving effect to the Proposed Advance.

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the Advance Date, before and after giving effect thereto:

(a) the undersigned is an Authorized Representative;

(b) the representations and warranties of the Authority set forth in Article VII of the Agreement and in each other Related Document shall be true and correct in all material respects on the date hereof and on such Advance Date as though made on the date hereof and on the date of Advance Date; and

(c) no Default or Event of Default shall have occurred and be continuing on such Advance Date.

The Proposed Advance shall be made by the Administrative Agent by wire transfer of immediately available funds to the undersigned in accordance with the instructions set forth below:

[Insert wire instructions]

Very truly yours,

TENNESSEE STATE SCHOOL BOND AUTHORITY

By: _____
Name: _____
Title: _____

EXHIBIT C

[FORM OF NOTICE OF TERMINATION OR REDUCTION]

NOTICE OF TERMINATION OR REDUCTION

[Date]

U.S. Bank National Association
1420 Fifth Avenue
Seattle, WA 98101
Telephone: (206) 344-5417
Facsimile: (206) 587-7022
Attention: Pat Eells
Email: patricia.eells@usbank.com
With a copy to each of:

Cameron.parker@usbank.com
ccsmilwaukeeinstalltion@usbank.com

Ladies and Gentlemen:

Re: Amended and Restated Revolving Credit Agreement dated as of June 2, 2021

The Tennessee State School Bond Authority (the "*Authority*"), through its undersigned, an Authorized Representative, hereby certifies to U.S. Bank National Association (the "*Administrative Agent*"), with reference to the Amended and Restated Revolving Credit Agreement dated as of June 2, 2021 (together with any amendments or supplements thereto, the "*Agreement*") by and between the Authority, the Banks from time to time party thereto (the "*Banks*") and U.S. Bank National Association, as Administrative Agent and a Bank (the terms defined therein and not otherwise defined herein being used herein as therein defined):

[(1) The Authority hereby informs you that the Commitment is terminated in accordance with the Agreement.]

[(1) The Authority hereby informs you that the Commitment is reduced from [insert amount as of the date of this Notice] to [insert new amount], such reduction to be effective on _____.]

IN WITNESS WHEREOF, the Authority has executed and delivered this Notice this _____
day of _____, _____.

TENNESSEE STATE SCHOOL BOND AUTHORITY

By: _____
Name: _____
Title: _____



March 25, 2021

Ms. Sandi Thompson
Director
Comptroller of the Treasury
Division of State Government Finance
425 Rep. John Lewis Way, N
Nashville, TN 37243

pfm

530 Oak Court Drive
Suite 160
Memphis, TN 38117
901.682.8356

pfm.com

Dear Ms. Thompson

On December 15, 2020, the Tennessee State School Bond Authority (the “Authority”) with assistance from PFM Financial Advisors LLC, (“PFM”), as Financial Advisor, released a Request for Proposals (“RFP”) for a short-term financing vehicle (the “Financing”) to provide interim funding for its Higher Educational Facilities Program (the “Program”) with total financing needs estimated at \$300 million.

On January 12, 2021, the Authority received 17 proposals. Most proposals included two (2) Financing options including Extendable Municipal Commercial Paper Program (“EMCP”), Commercial Paper (“CP”), variable rate obligations, Revolving Credit Facility (“RCF”), Bond Anticipation Notes (“BAN”), Floating Rate Notes (“FRN”) and various hybrid proposals including one or more of products listed.

PFM, along with the Division of State Government Finance, reviewed all proposed options and recommend utilizing a RCF option. Please refer to our summary of all proposals stated February 1, 2021 for additional information. Of the RCF proposals, the Authority and PFM short-listed two (2) of the proposals. PFM, on behalf of the Authority, conducted a cost analysis of the two short-listed options (included as Appendix A):

1. RCF - US Bank/Wells Fargo (US Bank, as Agent) (1 Month LIBOR based index)
2. RCF – Truist (SOFR based index)

The cost analysis was based on the projected short-term financing needs of the Program average outstanding balance over the next three (3) years and included three (3) scenarios based on interest rate assumptions:

- Scenario 1: January 6, 2021 - January 12, 2021 Market Conditions (Initial Cost Analysis Date for February 1, 2021 summary)
- Scenario 2: 1 Year Average of Applicable Indices (1 Month LIBOR and SOFR)
- Scenario 3: 3 Year Average of Applicable Indices (note SOFR is not available prior to 2018)

In each of these scenarios, it was determined that the RCF proposal with US Bank/Wells Fargo was the most cost-effective option. While the RCF with US Bank/Wells Fargo has a higher unused fee (also referred to as a facility fee) than the Truist proposal, overall the US Bank/Wells Fargo proposal is more cost-effective and provides the Authority



with some diversity in financing parties.

	Scenario 1: Jan. 6 - Jan. 12 Market Conditions	Scenario 2: 1 YR Average of Applicable Index	Scenario 3: 3 YR Average of Applicable Index
US Bank/Wells Fargo	1,335,078	1,529,493	3,611,289
Truist w/o Commitment Fee	1,619,527	1,625,704	3,770,102
Truist w/ Commitment Fee	1,919,527	1,925,704	4,070,102
<i>Estimated and Subject to Change</i>			

Refer to Appendix A for additional details.

One of the goals of the RFP was to “Conform and adjust to the phasing out of LIBOR” which was expected at the end of 2021. In late 2020, the phasing out of 1 Month LIBOR was delayed until June 30, 2023. The financial markets are encouraged to use the additional time to convert financial and operating systems and contracts to seamlessly transition to a replacement index prior to June 2023. The replacement index is expected to be SOFR; however, the additional time may result in an alternative index or various “terms” of SOFR, similar to LIBOR (1-Month, 3-Month, etc.). The US Bank/Wells Fargo Financing is based on 1-Month LIBOR and the associated contract will need to include replacement index language. Given the additional delay in phasing out of LIBOR and the overall economic benefit of the US Bank/Wells Fargo proposal, the Authority is comfortable with proceeding with replacement language and the requirement to convert to an alternative index prior to Jun 2023.

PFM, based upon our knowledge of the Authority’s Program and the review of the proposals received and referred to above, recommends that the Authority proceed to negotiate terms and conditions of the RCF with US Bank and Wells Fargo for the Program.

Sincerely,

PFM Financial Advisors LLC

Lauren S. Lowe

Managing Director

Appendix A
TSSBA Short-Term Cost Analysis

Scenario 1: Based on Projected Estimated Outstanding Balances & Jan. 6 - Jan. 12 Market Conditions (Initial Cost Analysis Date)			
Tennessee State School Bond Authority Short Term Cost Analysis			
Available Balance (\$300 M)	\$300,000,000		
Average T/E Outstanding Balance	\$142,197,681		
Average TX Outstanding Balance	\$53,369,835		
Total Used	\$195,567,516		
US Bank and Wells Fargo @ \$300 M Revolving Credit Agreement - 3 years			
Option 1: Joint RCF - US Bank/Wells Fargo (US as Agent)			
Unused Fee	0.230%	\$	240,195
T/E Interest Rate (80% of LIBOR + Credit Spread of 0.42%)	0.523%	\$	743,432
TX Interest Rate (LIBOR + Credit Spread of 0.53%)	0.659%	\$	351,451
Estimated Total Cost per Year	0.445%	\$	1,335,078
Truist @ \$300 M Revolving Credit Agreement - 3 years			
Option 2: RCF - Truist			
Unused Fee	0.125%	\$	130,541
T/E Interest Rate 79% of (SOFR + Credit Spread of 0.81%)	0.710%	\$	1,009,421
TX Interest Rate (SOFR + 0.81%)	0.899%	\$	479,566
Estimated Total Cost per Year	0.540%	\$	1,619,527
Truist also proposed an upfront (commitment) fee of 0.10% but indicated it was negotia	0.100%	\$	300,000
Estimated Total Cost per Year, Including upfront fee		\$	1,919,527
<i>Estimated and Subject to Change</i>			

Appendix A
TSSBA Short-Term Cost Analysis

Scenario 2: Based on Projected Estimated Outstanding Balances & 1 YR Average of Applicable Index			
Tennessee State School Bond Authority Short Term Cost Analysis			
Available Balance (\$300 M)	\$300,000,000		
Average T/E Outstanding Balance	\$142,197,681		
Average TX Outstanding Balance	\$53,369,835		
Total Used	\$195,567,516		
US Bank and Wells Fargo @ \$300 M Revolving Credit Agreement - 3 years			
Option 1: Joint RCF - US Bank/Wells Fargo (US as Agent)			
Unused Fee	0.230%	\$	240,195
T/E Interest Rate (80% of LIBOR + Credit Spread of 0.42%)	0.616%	\$	875,764
TX Interest Rate (LIBOR + Credit Spread of 0.53%)	0.775%	\$	413,535
Estimated Total Cost per Year	0.510%	\$	1,529,493
Truist @ \$300 M Revolving Credit Agreement - 3 years			
Option 2: RCF - Truist			
Unused Fee	0.125%	\$	130,541
T/E Interest Rate 79% of (SOFR + Credit Spread of 0.81%)	0.713%	\$	1,013,608
TX Interest Rate (SOFR + 0.81%)	0.902%	\$	481,555
Estimated Total Cost per Year	0.542%	\$	1,625,704
Truist also proposed an upfront (commitment) fee of 0.10% but indicated it was negotia	0.100%	\$	300,000
Estimated Total Cost per Year, Including upfront fee		\$	1,925,704
<i>Estimated and Subject to Change</i>			

Appendix A
TSSBA Short-Term Cost Analysis

Scenario 3: Based on Projected Estimated Outstanding Balances & 3 YR Average of Applicable Index		
Tennessee State School Bond Authority Short Term Cost Analysis		
Available Balance (\$300 M)	\$300,000,000	
Average T/E Outstanding Balance	\$142,197,681	
Average TX Outstanding Balance	\$53,369,835	
Total Used	\$195,567,516	
US Bank and Wells Fargo @ \$300 M Revolving Credit Agreement - 3 years		
Option 1: Joint RCF - US Bank/Wells Fargo (US as Agent)		
Unused Fee	0.230%	\$ 240,195
T/E Interest Rate (80% of LIBOR + Credit Spread of 0.42%)	1.612%	\$ 2,292,769
TX Interest Rate (LIBOR + Credit Spread of 0.53%)	2.020%	\$ 1,078,325
Estimated Total Cost per Year	1.204%	\$ 3,611,289
Truist @ \$300 M Revolving Credit Agreement - 3 years		
Option 2: RCF - Truist		
Unused Fee	0.125%	\$ 130,541
T/E Interest Rate 79% of (SOFR + Credit Spread of 0.81%)	1.735%	\$ 2,467,348
TX Interest Rate (SOFR + 0.81%)	2.196%	\$ 1,172,213
Estimated Total Cost per Year	1.257%	\$ 3,770,102
Truist also proposed an upfront (commitment) fee of 0.10% but indicated it was negotia	0.100%	\$ 300,000
Estimated Total Cost per Year, Including upfront fee		\$ 4,070,102
<i>Estimated and Subject to Change</i>		