

LOAN AGREEMENT

between

CITY OF PHOENIX, ARIZONA

and

DNT ASSET TRUST, as the Lender

Dated as of August 12, 2015

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THIS LOAN AGREEMENT, dated as of August 12, 2015, is between the CITY OF PHOENIX, a municipal corporation organized and existing under the Constitution and laws of the State of Arizona (the “City”), and DNT ASSET TRUST, a Delaware trust (together with its successors and assigns) (the “Lender”).

In consideration of the premises and of the mutual covenants herein contained, and intending to be legally bound hereby, the parties hereto hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. The following capitalized terms have the meanings indicated below unless the context shall clearly indicate otherwise.

“Accelerated Principal Payment Amount” means an amount equal to the unpaid principal amount of the Loan outstanding on the first date on which an Event of Default occurs divided by thirty (30); *provided, however*, if the Loan is prepaid in part after the first date on which an Event of Default occurs, the principal amount of such prepayment shall be applied to reduce remaining Accelerated Principal Payment Amounts in reverse chronological order.

“Accelerated Principal Payment Date” means each of the thirty Payment Dates next following the first date on which an Event of Default occurs.

“Applicable Initial Period Rate” means, for any day, the rate per annum set forth in the grid below opposite the level that corresponds to (i) the level that contains both Ratings in the event the Ratings fall within a single level on such day, or (ii) the lower level in the event the Ratings from the Rating Agencies fall within different levels on such day (it being understood that level 1 is the highest level and level 7 is the lowest level):

LEVEL	MOODY’S RATING	S&P RATING	FITCH RATING	APPLICABLE INITIAL PERIOD RATE
Level 1	Aa3 or above	AA- or above	AA- or above	Initial Interest Rate
Level 2	A1	A+	A+	Initial Interest Rate + 0.20%
Level 3	A2	A	A	Initial Interest Rate + 0.50%
Level 4:	A3	A-	A-	Initial Interest Rate + 0.70%
Level 5:	Baa1	BBB+	BBB+	Initial Interest Rate + 0.90%
Level 6:	Baa2	BBB	BBB	Initial Interest Rate + 1.10%
Level 7:	Baa3 or below	BBB- or below	BBB- or below	Initial Interest Rate + 1.50%

Notwithstanding the foregoing, (i) in the event that any Rating is suspended or withdrawn by any Rating Agency or becomes unavailable for any reason, the Applicable Initial Period Rate shall be increased without notice to the City by 1.00% per annum over the then-existing Applicable Initial Period Rate or (ii) if at any time an Event of Default shall have occurred and be continuing, the Applicable Initial Period Rate shall be increased without notice to the City to the Default Rate. Any change in the Applicable Initial Period Rate resulting from a change in any Rating shall be and become effective as of and on the date of the announcement of the change in

such Rating. References to Ratings 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, the Rating from the 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. The City acknowledges that as of the Effective Date the Applicable Initial Period Rate is that specified above for Level 1.

“Affiliate” means, with respect to any Person, any Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

“Agreement” means this Loan Agreement, as amended, modified or supplemented from time to time.

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

“Authorized Officer” means the Chief Financial Officer or the City Treasurer.

“Base Rate” means, for any day, the highest of (a) the Prime Rate in effect for such day plus one and one-half percent (1.5%), (b) the Federal Funds Rate in effect for such day plus two percent (2.0%) and (c) nine and two tenths percent (9.2%) per annum. Each change in the Base Rate due to a change in the Prime Rate or the Federal Funds Rate shall take effect at the time of such change in the Prime Rate or the Federal Funds Rate, as the case may be. Each determination of the Base Rate by the Lender will be conclusive and binding on the City, absent manifest error.

“Beneficial Owner” has the meanings set forth in Section 2.12(a) hereof.

“Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Bonds” means, collectively, the Senior Revenue Bonds Series 2005A (the “Series 2005A Bonds”), the Subordinate Revenue Bonds Series 2005B (the “Series 2005B Bonds”) and the Subordinate Revenue Bonds Taxable Series 2005C (the “Series 2005C Bonds”), each issued by the Downtown Phoenix Hotel Corporation

“Breakage Fee” has the meaning given that term in Section 2.10 hereof.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed.

“Change of Law” means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c)

compliance by the Lender (or by the lending office of the Lender or by the Lender's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines 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, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"City" has the meaning given that term in the preamble to this Agreement.

"City Council" means the City Council of the City, or any succeeding governing or legislative body of the City.

"Closing Costs" means those costs incurred by the City in connection with the execution and delivery of this Agreement.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Debt" of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) 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, (d) all obligations of such Person as lessee under capital leases, (e) all debt of others secured by a lien on any asset of such Person, whether or not such debt is assumed by such Person, (f) all Guarantees by such Person of debt of other Persons, (g) all obligations of such Person under any Swap Contract and (h) all obligations of such Person to reimburse or repay any bank or other Person in respect of amounts paid or advanced under a letter of credit, credit agreement, liquidity facility or other instrument.

"Default" means any condition or event which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Default Rate" means, for any day, the Base Rate in effect for such day plus three percent (3%).

"Defeasance Agent" means U.S. Bank National Association, in its capacity as defeasance or escrow agent in connection with the defeasance of the Series 2005A Bonds and Series 2005B Bonds.

"Dollars" and "\$" means the lawful currency of the United States of America.

"Effective Date" means the date on which the conditions specified in Section 5.01 hereof are satisfied (or waived in accordance with Section 7.01 hereof).

“Environmental Laws” means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean up or other remediation thereof.

“Event of Default” has the meaning given that term in Section 6.01 hereof.

“Event of Taxability” means (a) 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 City, or the failure to take any action by the City, or the making by the City of any misrepresentation herein or in any certificate required to be given in connection with this Agreement or the making of the Loan) which has the effect of causing interest paid or payable on the Loan (or the Note evidencing the Loan) to become includable, in whole or in part, in the gross income of the recipient thereof or any former recipient thereof for federal income tax purposes or (b) 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 on the Loan (or the Note evidencing the Loan) to become includable, in whole or in part, in the gross income of the recipient thereof or any former recipient thereof for federal income tax purposes.

“Excess Interest” has the meaning given that term in Section 2.11 hereof.

“Excise Tax Fund” means the fund of that name established on the books and records of the City and into which Excise Taxes shall be deposited.

“Excise Taxes” means all excise taxes now or hereafter validly imposed by the City and the proceeds of all excise taxes imposed by other entities and contributed, allocated or paid over to the City and not earmarked by the contributor for a contrary or inconsistent purpose (including, without limitation, excise, transaction, franchise, privilege and business taxes, state-shared sales and income taxes and receipts from licenses and permits) which the City now collects, which it may collect in the future, or which are allocated or apportioned to the City by the State or any political subdivision thereof, or by any other governmental unit or agency, except the City’s share of any excise and franchise taxes which by state law, rule or regulation must be expended for other purposes, such as the motor vehicle fuel tax.

“Excluded Excise Tax Obligations” means obligations or liabilities of the City secured by, and payable from, Excise Taxes, the outstanding principal amount of which does not exceed \$15,000,000 individually or \$60,000,000 in the aggregate, it being understood that serial bonds issued, or term loans incurred, at the same time shall be considered a single obligation (and not separate and distinct obligations) for purposes of determining whether such serial bonds or term loans should be treated as Excluded Excise Tax Obligations.

“Federal Funds Rate” means for any day the rate of interest per annum as determined by the Lender at which overnight Federal Funds are offered to the Lender for such day by major banks in the interbank market, with any change in such rate to become effective as to the City on the date of any change in such rate. Each determination of the Federal Funds Rate by the Lender shall be deemed conclusive and binding on the City absent manifest error.

“Fiscal Year” means each twelve month period commencing on July 1 of a calendar year and ending on June 30 of the next succeeding calendar year.

“Fitch” means Fitch Ratings Inc., its successors and assigns.

“GAAP” means generally accepted accounting principles in the United States as in effect from time to time, as modified by changes permitted or required by the Governmental Accounting Standards Board or any similar accounting authority, applied by the City on a basis consistent with the City’s most recent financial statements furnished to the Lender pursuant to Section 4.02(a) hereof.

“Governmental Authority” means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, tribunal, agency, bureau, court or entity (including the Federal Deposit Insurance Corporation or the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind any of the parties to this Agreement at law.

“Guarantees” means, for any Person, all guarantees, endorsements (other than for collection or deposit in the ordinary course of business) and other contingent obligations of such Person to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor of another Person against loss.

“Hotel” means the approximately 1,000-room, full-service, first-class, downtown hotel located at the corner of 3rd Street and Van Buren Street in the City approximately one block north of the Phoenix Convention Center.

“Initial Interest Rate” means 2.790% per annum.

“Initial Period” means the period commencing on and including the Effective Date and ending on and including the day immediately preceding the Mandatory Prepayment Date.

“Interest Payment Date” means, (i) prior to the Mandatory Prepayment Date, the first Payment Date following the Effective Date and each Payment Date thereafter to an including the Mandatory Prepayment Date, (ii) following the Mandatory Prepayment Date, the first Business Day of each calendar month, and (iii) each date on which the principal of the Loan is repaid or prepaid in whole or in part.

“Junior Obligations” means the obligations of the City payable from, and secured by Excise Taxes on a basis that is expressly subordinate to the Senior Obligations, but superior to the Loan and the Parity Obligations. As of the date hereof, there are no outstanding Junior Obligations.

“Law” means any law (including common law), constitution, statute, treaty, convention, regulation, rule, ordinance, order, injunction, writ, decree or award of any Governmental Authority or court with applicable jurisdiction.

“Lender” has the meaning given that term in the preamble to this Agreement.

“Loan” has the meaning given that term in Section 2.01 hereof.

“Loan Documents” means this Agreement, the Note and the Tax Certificate.

“Loan Payment Date” means an Accelerated Principal Payment Date, an Interest Payment Date and a Scheduled Principal Payment Date.

“Make Whole Fee” has the meaning given that term in Section 2.06(c) hereof.

“Mandatory Prepayment Date” means July 1, 2025.

“Material Adverse Change” means any event, circumstance, change or effect that, individually or in the aggregate, is materially adverse to (a) the ability of the City to perform any of its obligations (including, without limitation, payment obligations) under this Agreement or the Note, (b) the pledge of Excise Taxes contained in this Agreement or (c) the validity or enforceability of this Agreement or the Note or the rights of or benefits available to the Lender under this Agreement or the Note.

“Maturity Date” means July 1, 2045.

“Maximum Rate” means the lower of (a) fifteen percent (15%) and (b) maximum rate of interest, if any, payable by the City under applicable Law in respect of debt obligations of the City.

“Moody’s” means Moody’s Investors Service, Inc., its successors and assigns.

“Note” has the meaning given that term in Section 2.02.

“Obligations” means all indebtedness, obligations and liabilities of the City to the Lender from time to time arising under or in connection with or evidenced or secured by this Agreement or any other Loan Document to which the City is a party, and all extensions, renewals or refinancings thereof, whether such indebtedness, obligations or liabilities are direct or indirect, otherwise secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising.

“Other Available Moneys” means moneys legally available to the City to be applied to the payment of the Obligations hereunder which moneys are not funds from Excise Taxes collected and which are neither pledged hereby nor required to be applied by the City for the repayment of the Obligations.

“Other Taxes” has the meaning given that term in Section 2.08(a).

“Par Call Date” means the July 1, 2018.

“Parity Obligations” means, collectively, the City’s payment obligations secured by Excise Taxes in respect of (i) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Bonds, Series 2006A (Solid Waste Improvements), dated as of June 1, 2006, (ii) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Bonds, Taxable Series 2006C, dated as of June 1, 2006, (iii) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Bonds, Series 2007A, dated as of June 1, 2007, (iv) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Refunding Bonds, Series 2007B, dated as of June 1, 2007, (v) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Refunding Bonds, Series 2007C (Taxable), dated as of June 1, 2007; (vi) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Refunding Bonds, Series 2011 (Taxable), dated as of June 7, 2011; (vii) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Refunding Bonds, Series 2012A, dated as of June 21, 2012; (viii) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Refunding Bonds, Series 2012B (Taxable), dated as of June 21, 2012; (ix) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Refunding Bonds, Series 2015A, dated as of May 12, 2015; (x) the City of Phoenix Civic Improvement Corporation’s Subordinated Excise Tax Revenue Refunding Bonds, Series 2015B (Taxable), dated as of May 12, 2015; and (xi) the obligations of the City issued or incurred after the Effective Date that are payable from, and secured by, Excise Taxes and permitted to be issued or incurred pursuant to Section 4.15(c) hereof.

“Participants” has the meaning given that term in Section 7.02(a).

“Payment Date” means January 1 and July 1 of each calendar year.

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

“Prime Rate” means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, National Association as its prime rate; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective. Each determination of the Prime Rate by JPMorgan Chase Bank, National Association shall be deemed conclusive and binding on the City absent manifest error.

“Qualified Counterparty” means a counterparty to a Swap Contract (i) which is a bank, insurance company, indemnity company, financial institution or any similar or related company with a credit rating in one of the two highest rating categories of the Rating Agencies, (ii) the obligations of such counterparty are guaranteed by an entity described in clause (i), or (iii) the obligations of which are fully secured by obligations issued by, or the timely payment of principal and interest which are unconditionally guaranteed by, the United States of America (A) valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at all times at least equal to 105% of the principal amount of the investment, together with the interest accrued and unpaid thereon, (B) held by a depository acceptable to the trustee

for the Obligations or applicable lender, (C) subject to a perfected first lien on behalf of the trustee for the Obligations or applicable lender, and (D) free and clear from all third-party liens.

“Rating” means, with respect to a Rating Agency, the lowest rating assigned by such Rating Agency to the long-term unenhanced Debt of the City secured by a pledge of Excise Taxes on parity with the pledge of Excise Taxes made by the City in this Agreement.

“Rating Agency” means any of Moody’s, S&P or Fitch and “Rating Agencies” means any two of Moody’s, S&P and Fitch designated by the City in writing to the Lender, with such designation to become effective on the Business Day following the Business Day on which the Lender receives such designation notice. As of the Effective Date, the Rating Agencies designated by the City are Moody’s and S&P.

“S&P” means Standard & Poor’s Ratings Services, a division of Standard & Poor’s Financial Services LLC business, its successors and assigns.

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

“Scheduled Annual Principal Payment Amount” means the amounts corresponding to the Scheduled Principal Payment Dates set forth on Exhibit B, as modified by prepayments to be credited towards specific payment amounts and dates as indicated on a revised principal payment schedule delivered to the Lender on the day of any prepayment.

“Scheduled Principal Payment Date” means each July 1 commencing July 1, 2021 to and including the Mandatory Prepayment Date and thereafter each Payment Date to and including the Maturity Date.

“Scheduled Semiannual Principal Payment Amount” means fifty percent (50%) of the Scheduled Annual Principal Payment Amount.

“Segregated Parity Obligation Fund” has the meaning given that term in Section 2.14 hereof.

“Senior Obligations” means, collectively, the City’s payment obligations secured by Excise Taxes in respect of (i) the City of Phoenix Civic Improvement Corporation’s Senior Lien Excise Tax Revenue Refunding Bonds, Series 2007, dated as of June 1, 2007; (ii) the City of Phoenix Civic Improvement Corporation’s Senior Lien Excise Tax Revenue Bonds, Series 2011A, dated as of June 7, 2011; (iii) the City of Phoenix Civic Improvement Corporation’s Senior Lien Excise Tax Revenue Bonds, Series 2011B (Taxable), dated as of June 7, 2011; (iv) the City of Phoenix Civic Improvement Corporation’s Senior Lien Excise Tax Revenue Refunding Bonds, Series 2011C, dated as of June 7, 2011; (v) the City of Phoenix Civic Improvement Corporation’s Senior Lien Excise Tax Revenue Refunding Bonds, Series 2011D (Taxable), dated as of June 7, 2011; (vi) the City of Phoenix Civic Improvement Corporation’s Senior Lien Excise Tax Revenue Refunding Bonds, Series 2012, dated as of June 21, 2012; and (vii) the obligations of the City issued or incurred after the Effective Date that are payable from,

and secured by, Excise Taxes and permitted to be issued or incurred pursuant to Section 4.15(a) hereof.

“Series 2005A Bonds”, “Series 2005B Bonds” and “Series 2005C Bonds” each has the meaning set forth in the defined term “Bonds”.

“State” means the State of Arizona.

“Swap Contract” means (a) any and all rate swap transactions, 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.

“Taxable Date” means the date as of which interest on the Loan is first includible in gross income of the recipient thereof (or any assignee or participant thereof) as a result of an Event of Taxability as such a date is established pursuant to a Tax Event.

“Taxable Period” has the meaning set forth in Section 2.16(a) hereof.

“Taxable Rate” means, with respect to a Taxable Period, the product of (i) the average interest rate on the Loan during such period and (ii) 1.53846.

“Taxes” has the meaning given that term in Section 2.12(a) hereof.

“Tax Certificate” means the Tax Certificate of the City and the Downtown Phoenix Hotel Corporation of even date herewith, as amended or supplemented from time to time in accordance with the terms hereof and thereof.

“Tax Event” shall be deemed to have occurred on the first to occur of the following: (a) the date of entry of any decree or judgment by a court of competent jurisdiction (whether or not such decree or judgment is appealable or deemed to be final under applicable procedural law, or by operation of law) that interest on the Loan is includable in the gross income of the recipient thereof for federal income tax purposes, or (b) the date of the issuance by the Internal Revenue Service of a Letter 4413 Notice of Proposed Adverse Determination to the effect that all or any portion of the interest on the Loan is not excluded from gross income for federal income tax purposes, or (c) delivery to the City and the Lender of a written legal opinion (which opinion shall not be a reasoned opinion and shall be subject to only customary assumptions and

exclusions) of nationally recognized bond counsel reasonably acceptable to the City and the Lender to the effect that an Event of Taxability has occurred, or (d) on that date when the City shall receive notice from the Lender (or any assignee or participant thereof) 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 such Person the interest on the Loan due to the occurrence of an Event of Taxability, or (e) on that date when the City files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred, or (f) on the date when the City 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 City, or upon any review or audit of the City or upon any other ground whatsoever, an Event of Taxability shall have occurred; *provided, however*, no Tax Event shall occur under subparagraph (d) or (f) hereunder unless the City has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Tax Event shall occur until such contest, if made, has been finally determined; *provided further, however*, that upon demand from the Lender (or any assignee or participant thereof), the City shall promptly reimburse, but solely from payments made by the City, the Lender (or any assignee or participant thereof) for any payments, including any taxes, interest, penalties or other charges, the Lender (or any assignee or participant thereof) shall be obligated to make as a result of the Tax Event.

“Trustee” means U.S. Bank National Association in its capacity as trustee for the holders of the Bonds.

“Written” or “in writing” means any form of written communication or a communication by means of telecopier device.

Section 1.02 Interpretation. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. The word “law” shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply), and all judgments, orders and decrees, of all Governmental Authorities. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person’s successors and assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (d) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any

particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (f) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

Section 1.03 Accounting Matters. All accounting terms used herein without definition shall be interpreted in accordance with GAAP, and except as otherwise expressly provided herein all accounting determinations required to be made pursuant to this Agreement shall be made in accordance with GAAP.

ARTICLE II

THE LOAN

Section 2.01 Loan. Subject to the terms and conditions set forth herein, the Lender agrees to make a single loan to the City on the Effective Date in an aggregate principal amount equal to three hundred five million nine hundred forty thousand Dollars (\$305,940,000) (the “Loan”). Once repaid or prepaid the Loan may not be reborrowed. The City hereby directs the Lender to wire transfer \$303,775,252.49 of the proceeds of the Loan to the Defeasance Agent in order to the defease the Series 2005A Bonds and Series 2005B Bonds and \$498,047.51 of the proceeds of the Loan to the City to pay a portion of the Closing Costs. The City hereby directs the Lender to wire transfer the portion of the proceeds of the Loan constituting a portion of the Closing Costs to counsel for the Lender in the amount of \$50,000.00 and to Piper Jaffray & Co., as placement agent to the City, in the amount of \$1,616,700.00.

Section 2.02 Note. The Loan shall be evidenced by a promissory note of the City made in favor of the Lender in substantially the form set forth in Exhibit A hereto (as amended or supplemented from time to time, the “Note”) to be issued on the Effective Date, payable to the Lender in a principal amount equal to three hundred five million nine hundred forty thousand Dollars (\$305,940,000), dated the Effective Date, maturing on the Maturity Date and otherwise duly completed. The Loan made by the Lender and all repayments and prepayments made on account of principal thereof shall be recorded by the Lender on the schedule (or a continuation thereof) attached to the Note, it being understood, however, that failure by the Lender to make any such endorsement shall not affect the obligations of the City hereunder or under the Note in respect of unpaid principal and interest on the Loan.

Section 2.03 Interest. Interest shall accrue on the Loan from and including the date the Loan is made by the Lender to and including the day on which the Loan is repaid or prepaid in full. Interest shall be calculated on the basis of a year consisting of 360 days and (i) during the Initial Period twelve (12) thirty (30) day months and (ii) after the Initial Period the actual number of days elapsed. Interest shall be paid on each Interest Payment Date and, following the Maturity Date, upon demand. During the Initial Period, subject to Section 2.12, interest shall accrue at the Applicable Initial Period Rate. For the period commencing on and including the Mandatory Prepayment Date and ending on and including the one hundred eightieth (180th) day thereafter, subject to Section 2.12, interest shall accrue at a rate per annum equal to nine and two tenths percent (9.2%). For the period commencing on and including the one hundred eighty first (181st)

day after the Mandatory Prepayment Date and ending on the Maturity Date, subject to Section 2.12, interest shall accrue at a rate per annum equal to the Base Rate. Unless repaid in full on the Maturity Date, interest shall accrue thereafter at the Default Rate. Notwithstanding the foregoing, (i) if any principal of or interest on the Loan or any fee or other amount payable by the City hereunder is not paid when due, whether at stated maturity or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to the Default Rate and (ii) from and after any Taxable Date, the interest rate on the Loan shall be established at a rate equal to the Taxable Rate.

Section 2.04 Repayment of Loan.

(a) So long as no Event of Default has occurred, unless the Loan has been prepaid in full prior to such date, the City shall pay to the Lender on (i) each Scheduled Principal Payment Date prior to and including the Mandatory Prepayment Date an amount equal to the Scheduled Annual Principal Payment Amount, (ii) each Scheduled Principal Payment Date after the Mandatory Prepayment Date an amount equal to the Scheduled Semiannual Principal Payment Amount and (iii) the Maturity Date the unpaid principal amount of the Loan.

(b) If an Event of Default occurs, unless the Loan has been prepaid in full prior to such date, the City shall pay to the Lender on each Accelerated Principal Payment Date an amount equal to the Accelerated Principal Payment Amount; *provided, however*, that, if for any reason the unpaid principal amount of the Loan on the last Accelerated Principal Payment Date exceeds the Accelerated Principal Payment Amount, the City shall pay to the Lender the unpaid principal amount of the Loan on such last Accelerated Principal Payment Date.

Section 2.05 Evidence of Debt. The Lender shall maintain in accordance with its usual practice an account evidencing the indebtedness of the City to the Lender resulting from the Loan, including the amounts of principal and interest payable and paid to the Lender from time to time hereunder. The entries made in the account maintained pursuant to the preceding sentence shall be prima facie evidence of the existence and amounts of the obligations recorded therein; *provided* that the failure of the Lender to maintain such account or any error therein shall not in any manner affect the obligation of the City to repay the Loan in accordance with the terms of this Agreement.

Section 2.06 Prepayment; Make Whole Fee.

(a) The City shall have the right at any time and from time to time to prepay the Loan, in whole or in part, subject to prior notice in accordance with paragraph (b) of this Section and, if such prepayment occurs prior to the Par Call Date, upon payment of a Make Whole Fee, if applicable, on or prior to the date of prepayment.

(b) The City shall notify the Lender by telephone (confirmed by telecopy or electronic mail) of any prepayment to be made hereunder not later than 11:00 a.m., New York City time, one Business Day before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of the Loan to be prepaid. Each partial prepayment of the Loan shall be in an amount not less than \$100,000 and increments of \$10,000 in excess thereof. Prepayments shall be accompanied by accrued interest.

(c) If the Loan is prepaid, in whole or in part, prior to the Par Call Date, the City shall pay to the Lender a Make Whole Fee unless the Loan is prepaid from (i) the proceeds of debt of the City or a Person that is controlled by the City that is not (A) enhanced by a bank or other financial institution or an Affiliate of a bank or other financial institution (whether credit or liquidity), (B) purchased by a bank or other financial institution or an Affiliate of a bank or other financial institution or (C) derived from a loan made to the City or any Person controlled by the City by a bank or other financial institution or an Affiliate of a bank or other financial institution, (ii) the proceeds of the sale of the Hotel to a Person or Persons not controlled by the City, including from the proceeds of acquisition financing, financial sponsor capital, public market capital or any combination thereof, (iii) the proceeds of a mortgage loan to refinance the Hotel, (iv) Excise Taxes or (v) cash generated from the operation of the Hotel and not needed to maintain or operate the Hotel. As used herein, “Make Whole Fee” means an amount equal to the product of (1) the unpaid principal amount of the Loan (or portion thereof) being prepaid, (2) the Applicable Initial Period Rate (expressed as a decimal) on the date of prepayment, (3) the number of days included in the period from and including the prepayment date to and including the Par Call Date, and (4) a fraction, the numerator of which is one (1) and the denominator of which is three hundred sixty (360). Notwithstanding anything to the contrary contained in this Section 2.06(c), the City shall not be required to pay a Make Whole Fee in the event the Lender delivers a notice, demand or request to the City pursuant to Section 2.09(a) or 2.09(b).

Section 2.07 Payments; Electronic Transmissions. All payments to the Lender hereunder and under the Note shall be paid on the dates due, in immediately available funds, to the account specified by the Lender in writing (which shall include invoices) to the City from time to time. Amounts paid to the Lender hereunder and under the Note shall not be refundable under any circumstances. The Lender is authorized to accept and process any amendments, instructions, consents, waivers and all other documents which are sent to the Lender by electronic transmission, including SWIFT, electronic mail, telecopy, courier, mail or other computer generated telecommunications, and such electronic communication has the same legal effect as if written and shall be binding upon and enforceable against the City. The Lender may, but shall not be obligated to, require authentication of such electronic transmission or that the Lender receives original documents prior to acting on such electronic transmission.

Section 2.08 Net of Taxes, Etc.

(a) Any and all payments to the Lender (or any assignee or participant) by the City hereunder shall be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, duties, deductions, charges, fees, assessments, withholdings or liabilities of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein, excluding, however, taxes imposed on or measured by the net income or capital of the Lender (or any assignee or participant) by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection between the Lender (or any such assignee or participant) and such jurisdiction or political subdivision (all such non-excluded taxes, levies, imposts, duties, deductions, charges, fees, assessments, withholdings and liabilities being hereinafter referred to as “Taxes”). If the City shall be required by law to withhold or deduct any Taxes so levied or imposed from or in respect of any sum payable hereunder or under the Note to the Lender (or any assignee or participant), (i) the sum payable shall be increased as may be necessary so that after making all

required deductions (including deductions applicable to additional sums payable under this Section 2.08), the Lender (or any such assignee or participant) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the City shall make such deductions and (iii) the City shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. In addition, the City agrees to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or under the Note or from the execution or delivery or otherwise with respect to this Agreement or any other Loan Document, excluding, however, taxes imposed on or measured by the net income or capital of the Lender (or any assignee or participant) by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection between the Lender (or any such assignee or participant) and such jurisdiction or political subdivision (hereinafter referred to as “Other Taxes”). The Lender (or any assignee or participant) shall provide to the City within a reasonable time a copy of any written notification it receives with respect to Other Taxes owing by the City to the Lender (or any assignee or participant) hereunder *provided* that the Lender’s failure to send such notice shall not relieve the City of its obligation to pay such amounts hereunder.

(b) The City shall, to the fullest extent permitted by law, pay the Lender (or any assignee or participant) for the full amount of Taxes and Other Taxes including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.08 paid by the Lender (or any assignee or participant) or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted; *provided* that the City shall not be obligated to pay the Lender (or any assignee or participant) for any penalties, interest or expenses relating to Taxes or Other Taxes arising from the Lender’s (or any assignee’s or participant’s) gross negligence or willful misconduct. The Lender (or any assignee or participant) agrees to give notice to the City of the assertion of any claim against the Lender (or any assignee or participant) relating to such Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided* that the Lender (or any assignee’s or participant’s) failure to notify the City promptly of such assertion shall not relieve the City of its obligation under this Section 2.08. Payments by the City pursuant to this Section shall be made within thirty (30) days from the date the Lender makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Lender (or any assignee or participant) agrees to repay to the City any refund (including that portion of any interest that was included as part of such refund) actually received by the Lender (or any assignee or participant) with respect to Taxes or Other Taxes paid by the City pursuant to this Section 2.08 received by the Lender (or any assignee or participant) for Taxes or Other Taxes that were paid by the City pursuant to this Section 2.08; *provided, however*, the City agrees to repay any refund (including that portion of any interest that was included as part of such refund) actually received by the Lender (or any assignee or participant) and paid to the City (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the extent the Lender (or any assignee or participant) is required for any reason to return such refund. The Lender (or any assignee or participant) also agrees to reasonably contest (at the direction of the City, with the cooperation of the City and at the sole cost and expense of the City) any such Taxes or Other Taxes which the City reasonably believes not to have been properly assessed, *provided* that such obligation to contest shall not result in any liability to the Lender (or any assignee or participant) or any parent company

thereof or adversely affect any tax position of the Lender (or any assignee or participant) or any parent company thereof. Notwithstanding anything to the contrary in this paragraph (b), in no event will the Lender (or any assignee or participant) be required to pay any amount to the City pursuant to this paragraph (b) the payment of which would place the Lender (or any assignee or participant) or any parent company thereof in a less favorable net after-Tax position than the Lender (or any assignee or participant) or any parent company thereof would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph will not be construed to require the Lender (or any assignee or participant) or any parent company thereof to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the City or any other Person.

(c) Within thirty (30) days after the date of any payment of Taxes or Other Taxes by the City, the City shall furnish to the Lender (or any assignee or participant), the original or a certified copy of a receipt evidencing payment thereof.

(d) The obligations of the City under this Section 2.08 shall survive the termination of this Agreement and the repayment of the Loan.

Section 2.09 Increased Costs.

(a) If any Change in Law shall:

(i) subject the Lender (or any assignee or participant) to any tax, charge, fee, deduction or withholding of any kind with respect to its loans, loan principal, commitments or other obligations, or its deposits, reserves other liabilities or capital attributable thereto (other than any tax measured by or based upon the overall net income of the Lender (or any assignee or participant));

(ii) impose, modify or deem applicable any reserve, 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, the Lender (or any assignee or participant); or

(iii) change the basis of taxation of payments due the Lender (or any assignee or participant) under this Agreement or any other Loan Document (other than a change in taxation of the overall net income of the Lender (or any assignee or participant));

and the result of any of the foregoing is to increase the cost to the Lender (or any assignee or participant) of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to reduce the amount of any sum received or receivable by the Lender (or any assignee or participant) hereunder or under the Note (whether of principal, interest or any other amount), then, upon the written request of the Lender, the City shall not later than 30 days after notice and demand pay to the Lender (or any assignee or participant) such amount or amounts as will compensate the Lender (or any assignee or participant) for such additional costs incurred or reduction suffered. A certificate setting forth in reasonable detail such additional costs incurred or reduction as a result of any event mentioned in this paragraph

shall be submitted by the Lender (or any assignee or participant) to the City and such certificate shall, in the absence of manifest error, be conclusive as to the amount thereof.

(b) In addition to the foregoing, if after the Effective Date the Lender (or any assignee or participant) shall have determined that any Change in Law affecting the Lender (or any assignee or participant) or any lending office of the Lender (or any assignee or participant) or such Lender's (or any assignee's or participant's) holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on the Lender's (or any assignee's or participant's) capital or on the capital of the Lender's (or any assignee's or participant's) holding company, if any, as a consequence of this Agreement, the Note or the Loan to a level below that which the Lender (or any assignee or participant) or the Lender's (or any assignee's or participant's) holding company could have achieved but for such Change in Law (taking into consideration the Lender's (or any assignee's or participant's) policies and the policies of the Lender's (or any assignee's or participant's) holding company with respect to capital adequacy), then, from time to time upon the written request of the Lender (or any assignee or participant), the City shall not later than thirty (30) days after notice and demand pay to the Lender (or any assignee or participant) such additional amount or amounts as will compensate the Lender (or any assignee or participant) or the Lender's (or any assignee's or participant's) holding company for any such reduction suffered. A certificate setting forth in reasonable detail such reduction in the rate of return on capital, or such capital increase, of the Lender (or any assignee or participant) or the Lender's (or any assignee's or participant's) holding company as a result of any event mentioned in this paragraph shall be submitted by the Lender (or any assignee or participant) to the City and such certificate shall, in the absence of manifest error, be conclusive as to the amount thereof.

(c) Notwithstanding anything in this Section to the contrary, if such costs are to be incurred on a continuing basis and the Lender (or any assignee or participant) shall so notify the City in writing as to the amount thereof, such costs shall be paid by the City monthly in arrears.

(d) The City's obligations under this Section shall survive the termination of this Agreement and payment of the Loan.

Section 2.10 Break Funding Payments. In the event of the prepayment of any principal of the Loan prior to the Par Call Date, then, in any such event and in addition to any Make Whole Fee that is payable in respect thereof, the City shall compensate the Lender for 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 the Lender to provide and maintain the Loan or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Lender) as a result of any prepayment of all or a portion of the Loan on any date prior to the Par Call Date for any reason, then upon the demand of the Lender, the City shall pay to the Lender a breakage fee (the "Breakage Fee") in such amount as will reimburse the Lender for such loss, cost or expense. If the Lender requests such Breakage Fee, it shall provide to the City a certificate setting forth the computation of the loss, cost or expense giving rise to the request for such Breakage Fee, which Breakage Fee will be determined by the Lender pursuant to the following methodology: (1) the Lender will calculate the amount of interest that the Lender would have earned but for the prepayment of the Loan for

each interest period (i.e., the period between successive Interest Payment Dates (or, if a prepayment is made on a day other than an Interest Payment Date, the first interest period shall consist of the period from the date of prepayment to the next succeeding Interest Payment Date)) for the period from the prepayment date to the Par Call Date (assuming amortization in accordance in Section 2.04), (2) the Lender will calculate the amount of interest it will earn for each such interest period reinvesting the amount of such prepayment at the then current U.S. dollar LIBOR swap rate for the period from the prepayment date to the Par Call Date (assuming amortization in accordance in Section 2.04), (3) the Lender will calculate the positive difference (if any) between clause (1) and clause (2) for each such interest period and will present value each such amount, and (4) the Lender will add up each such amount and such aggregate amount shall be the amount that is owed to the Lender as the Breakage Fee. A certificate of the Lender setting forth any Breakage Fee that the Lender is entitled to receive pursuant to this Section shall be delivered to the City and shall be conclusive absent manifest error. The City shall pay the Lender the Breakage Fee shown as due on any such certificate within thirty (30) days after receipt thereof.

Section 2.11 Maximum Rate. If any rate of interest set forth in Section 2.03 shall exceed the Maximum Rate for any period for which interest is payable, then (a) interest at the Maximum Rate shall be due and payable with respect to such interest period, and (b) an amount equal to the difference between (i) the rate of interest calculated in accordance with the terms of Section 2.03, and (ii) the Maximum Rate (the "Excess Interest"), 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, to the extent permitted by law, the City shall pay to the Lender, with respect to amounts then payable to the Lender that are required to accrue interest hereunder, such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Lender to equal the Maximum Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until the earlier of (i) the date of payment in full of all amounts due hereunder by the City to the Lender (other than Excess Interest which has not been recaptured) and this Agreement is no longer in effect, and (ii) the date on which all deferred Excess Interest is fully paid to the Lender. In consideration for the limitation of the rate of interest otherwise payable hereunder, to the extent permitted by applicable Law, the City shall pay to the Lender a fee in an amount equal to any remaining deferred Excess Interest on the date the Loan is repaid in full.

Section 2.12 Tax Event.

(a) In the event a Tax Event occurs, in addition to the amounts required to be paid with respect to the Loan by the City under this Agreement and the Note, the City hereby agrees to pay to the Lender and each of its successors, assigns and participants with respect to the Loan and the other Obligations of the City pursuant to this Agreement and the other Loan Documents (each, a "Beneficial Owner"), on demand therefor (A) an amount equal to the difference between (I) the amount of interest that would have been paid to such Beneficial Owner with respect to the Loan during the period for which interest on the Loan is includable in the gross income of such Beneficial Owner if the Loan had borne interest at the Taxable Rate, beginning on the Taxable Date (the "Taxable Period"), and (II) the amount of interest actually paid to the Beneficial Owner during the Taxable Period, and (B) an amount equal to any interest, penalties or charges owed by such Beneficial Owner as a result of interest on the Loan becoming

includable in the gross income of such beneficial owner, together with any and all attorneys' fees, court costs, or other out-of-pocket costs incurred by such Beneficial Owner in connection therewith.

(b) Subject to the provisions of clauses (c) and (d) below, such Beneficial Owner shall afford the City the opportunity, at the City's sole cost and expense, to contest (1) the validity of any amendment to the Code which causes the interest on the Loan to be includable in the gross income of such Beneficial Owner or (2) any challenge to the validity of the tax exemption with respect to the interest on the Loan, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals).

(c) The following shall constitute conditions precedent to the exercise by the City of its right to contest set forth in subsection (b) above, the City shall, on demand, immediately reimburse such Beneficial Owner for any and all expenses (including attorneys' fees for services that may be required or desirable, as determined by such Beneficial Owner in its sole discretion) that may be incurred by such Beneficial Owner in connection with any such contest, and shall, on demand, immediately reimburse such Beneficial Owner for any and all penalties or other charges payable by such beneficial owner for failure to include such interest in its gross income; and

(d) The obligations of the City under this Section 2.12 shall survive the termination of this Agreement and the payment in full of the Loans.

Section 2.13 Source of Payments. The obligations of the City to pay the Loan and the other Obligations due and owing to the Lender under this Agreement and under the Note are limited obligations of the City payable solely from Excise Taxes and the Loan and the other Obligations due and owing to the Lender under this Agreement and under the Note shall be payable from Excise Taxes and, solely to the extent the City so determines in its sole discretion, Other Available Moneys. The obligation of City to pay all Obligations does not represent or constitute a general obligation of the City. The Lender acknowledges that it has no claim hereunder to have payments made from Other Available Moneys. The use of Other Available Moneys to make payments hereunder and under the Note shall never constitute a pledge of such Other Available Moneys nor a claim on ad valorem taxes of the City.

Section 2.14 Security; Priority. The City hereby pledges for the payment of all Obligations all Excise Taxes which pledge is effective and binding upon the City without filing or further action on the part of the City or any other Person. The City agrees and covenants to make said payments only from Excise Tax receipts and revenues, except to the extent that it chooses at its sole option to make such payments from Other Available Moneys. Excise Taxes, as received, shall promptly be transferred to, and deposited in, the Excise Tax Fund and segregated from all other funds of the City. From Excise Taxes, the City shall first make all payments due on the Senior Obligations, then make all payments (if any) due on the Junior Obligations and then the payment of all Obligations and Parity Obligations due. Thereafter, the City may use the remaining Excise Taxes for any other lawful purpose. On or before each Loan Payment Date (or any other date on which any payment is required to be made under this Agreement, the Note or under another agreement relating to Parity Obligations), the City shall transfer from the Excise Tax Fund to (i) the applicable fund created by the City for such purpose,

each of which funds shall be held separate and segregated from each other (each, a “Segregated Parity Obligation Fund”), or (ii) the applicable recipient if no such fund has been created for such purpose, such amounts as are required to be transferred or paid on such Loan Payment Date (or other date on which any payment is required to be made under any agreement of the City relating to Parity Obligations). In lieu of such transfer of Excise Taxes or payment from Excise Taxes described above, the City may, in its sole discretion and if appropriated, transfer and/or pay all or a portion of such amounts from Other Available Moneys. If amounts on deposit in the Excise Tax Fund are insufficient to pay all Obligations and Parity Obligations due on any payment date and the City either elects not to use Other Available Moneys to cure the shortfall or does not have sufficient Other Available Moneys on hand to cure the shortfall, the City shall pay the Obligations and Parity Obligations then due on a pro rata basis according to the amounts then due. The Lender acknowledges that it has no claim hereunder to Excise Taxes once Excise Taxes have been properly transferred from the Excise Tax Fund to a Segregated Parity Obligation Fund. The pledge set forth in this Section 2.14 is subordinate and junior to the City’s first priority pledge of Excise Taxes with respect to the Senior Obligations and second priority pledge of Excise Taxes with respect to the Junior Obligations.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE CITY

Section 3.01 Representations of the City. The City makes the following representations and warranties to the Lender as of the Effective Date (which representations and warranties shall survive the execution and delivery of this Agreement):

(a) the City is a municipal corporation duly organized and existing under the Constitution and Laws of the State and has the governmental power and authority to levy and collect Excise Taxes;

(b) the City has full legal right, power and authority to enter into, execute and deliver this Agreement and the other Loan Documents to which the City is a party and to pledge the Excise Taxes to the payment of the Loans and the other Obligations due and owing to the Lender hereunder and under the Notes; and the City has duly authorized and approved the execution and delivery of this Agreement and the other Loan Documents to which the City is a party and the performance by the City of its obligations under this Agreement and the other Loan Documents to which the City is a party including the pledge of Excise Taxes set forth herein;

(c) no further authorization or approval is required for the City’s execution and delivery of this Agreement and the Note; this Agreement and the Note have been duly executed and delivered by authorized officers of the City; and each of this Agreement and the Note constitutes the legal, valid and binding obligation of the City enforceable against the City in accordance with its terms, except as such enforcement may be limited by bankruptcy, reorganization, insolvency, moratorium or other laws relating to or affecting the enforcement of creditors’ rights generally, by general principles of equity and by principles of public or governmental policy limiting the enforceability of indemnification provisions; and no further authorization or approval is

required for the performance by the City of its obligations under this Agreement or the Note;

(d) the payment of the Loan and the other Obligations pursuant to this Agreement and the Note are secured by a valid pledge of Excise Taxes, which pledge is subordinate only to the payment of the Senior Obligations and Junior Obligations and is on parity with the payment of the Parity Obligations; no filing, registering, recording or publication of this Agreement or the Note or any other document or instrument or the taking of any other action is required to establish the validity of pledge of Excise Taxes hereunder or to perfect, protect or maintain the pledge of Excise Taxes created hereby; and the Excise Taxes have not been pledged by the City to support any obligations of the City other than the Senior Obligations, the Junior Obligations, the Parity Obligations and the Obligations;

(e) all approvals, consents and orders of, registration, declarations and filings (except, if any, under applicable state blue sky or securities laws) with, a federal, State or other governmental commission, board, regulatory body or instrumentality, having jurisdiction which would constitute a condition precedent to the performance by the City of its obligations under this Agreement and the other Loan Documents to which it is a party, have been obtained or made;

(f) all legislation necessary to fulfill the terms and conditions of, and to carry out the transactions contemplated by, this Agreement and the other Loan Documents is in full force and effect;

(g) the execution, delivery and performance of, and the carrying out of the transactions contemplated by this Agreement and the other Loan Documents to which the City is a party, do not and will not violate the City's charter or any existing Law or administrative regulation of the State or of any department, division, agency or instrumentality thereof or of the United States, or any court or administrative regulation, judgment, decree or order to which the City is subject, or conflict with in a material manner or constitute on the part of the City a breach of, or a default under, any provision of any material agreement, ordinance, resolution or other instrument to which the City is a party or is otherwise subject;

(h) except as disclosed prior to the execution of this Agreement in writing to the Lender, no action, suit or proceeding, at law or in equity, or before any court, public board or body is pending (or to the knowledge of the City, threatened) against the City or any officers of the City in their respective capacities as such (i) to restrain or enjoin the execution and delivery by the City of this Agreement or the other Loan Documents, or (ii) in any manner questioning the authority of the City to execute, deliver and perform this Agreement or the other Loan Documents or to apply the proceeds of the Loan to defease the Series 2005A Bonds and Series 2005B Bonds, to redeem the Series 2005C Bonds and to pay Closing Costs, or (iii) questioning the validity or enforceability of this Agreement or the other Loan Documents to which the City is a party, or (iv) questioning the right of the Downtown Phoenix Hotel Corporation to sell or otherwise dispose of the Hotel, or (v) questioning in any manner the City's pledge of Excise Taxes to the

repayment of the Loan and the other Obligations, or (vi) which could materially adversely affect the collection of Excise Taxes;

(i) the representations and warranties of the City set forth in the Tax Certificate as of the date thereof are true and correct in all material respects;

(j) subsequent to June 30, 2014, there has not been any Material Adverse Change;

(k) there is no amendment, or, to the best of the City's knowledge, proposed amendment certified for placement on a statewide ballot, to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any State law, or any legislation which has passed either house of the State legislature, or any published judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to result in a Material Adverse Change;

(l) in connection with the execution and delivery of this Agreement and the other Loan Documents, the City has complied in all respects with the Constitution and Laws of the State;

(m) the financial statements of the City for the Fiscal Year ended June 30, 2014 fairly present the financial position and results of operation of the City as of June 30, 2014 and for the Fiscal Year then ended, and the financial statements have been prepared in accordance with GAAP, except as otherwise noted in such financial statements;

(n) the City is not in default under any provision of (i) this Agreement or any other Loan Document to which it is a party, or (ii) any other material agreements or instruments relating to the Senior Obligations, the Junior Obligations and the Parity Obligations;

(o) the City is not a party to any agreement whereby the obligations of the City thereunder are payable from, and secured by, Excise Taxes and which grants any other Person the right to accelerate payment of the City's obligations thereunder;

(p) the City has not entered into any Swap Contract under which a termination payment would be required to be paid from Excise Taxes on basis senior to or on parity with the pledge of Excise Taxes securing the Obligations;

(q) except as disclosed by the City in writing to the Lender, the City has not received notice to the effect that the operations of the City are not in compliance with any of the requirements of applicable Federal, health and safety statutes and regulations or Environmental Laws, or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action would have a material adverse effect on the security for the Loan or the City's ability to pay or perform the Obligations;

(r) the City will apply the proceeds of the Loan solely to defease the Series 2005A Bonds and Series 2005B Bonds, to redeem the Series 2005C Bonds and to pay a portion of the Closing Costs;

(s) the City is subject to suit with respect to its obligations under this Agreement and the Note and no sovereign immunity exists under any Law of the State with respect to the City's contractual obligations under this Agreement and the Note;

(t) the terms of this Agreement and the Note regarding the calculation and payment of interest and fees do not violate any applicable usury laws;

(u) the City has not taken any action or omitted to take any action, and knows of no action taken by any Governmental Authority, which action, if taken or omitted, would adversely affect the exclusion of interest on the Loan from gross income for purposes of federal or State income taxation;

(v) to its knowledge, the City, its officers and elected officials are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects; and the uses of the proceeds of the Loan will not violate Anti-Corruption Laws or applicable Sanctions;

(w) the City is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board);

(x) all certificates, financial statements, documents and other written information furnished to the Lender by or on behalf of the City on or prior to the Effective Date in connection with the transactions contemplated hereby were, as of their respective dates, complete and correct in all material respects to the extent necessary to give the Lender true and accurate knowledge of the subject matter thereof and did not contain any untrue statement of a material fact; and

(y) set forth in Schedule I is a list of each individual employed by the State, any political subdivision of the State (including the City) or any department or agency thereof who has been significantly involved in initiating, negotiating, securing, drafting or creating this Agreement and the other Loan Documents and/or the transactions contemplated herein and therein.

ARTICLE IV

COVENANTS OF THE CITY

Until the Loan and all other Obligations payable under this Agreement and the Note shall have been paid in full, unless the Lender shall otherwise consent in writing, the City covenants and agrees as follows:

Section 4.01 Notice of Default. Upon an Authorized Officer or the City's attorney's office becoming aware of the existence of any Default or any Event of Default, the City will give prompt notice in writing to the Lender of the occurrence of such event and of any other development, financial or otherwise, which could reasonably be expected to materially adversely affect the City's operations, properties or affairs or the ability of the City to perform its obligations under this Agreement and the Note, which notice shall state what action the City proposes to take in regard to such occurrence.

Section 4.02 Reporting Requirements. The City will furnish to the Lender each of the following:

(a) Annual Financial Statements. As soon as available, and in any event within two hundred seventy (270) days after the close of each Fiscal Year, the comprehensive annual financial report of the City for such Fiscal Year, including the summary of all Excise Taxes collected during such Fiscal Year, the balance sheet as of the end of such Fiscal Year and the related statements of revenues, expenses and changes in retained earnings and cash flows for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the preceding Fiscal Year, all in reasonable detail, together with a report of a nationally recognized independent certified public accountant which report shall include an opinion (containing no adverse qualifications) to the effect that such financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of the last date of such Fiscal Year, and the respective changes in financial position and, where applicable, cash flow thereof, and the respective budgetary comparison for the general fund and the transit special revenue fund, for the year then ended in accordance with GAAP.

(b) Certificate of Compliance. Simultaneously with the delivery of each set of financial statements referred to in Section 4.02(a), a certificate signed by an Authorized Officer stating that, to the best of his or her knowledge, the City has kept, observed, performed and fulfilled each and every covenant, provision and condition of the this Agreement on the City's part to be performed and is not in default in the performance or observance of any of the terms, covenants, provisions or conditions thereof, or if the City shall be in default, such certificate shall specify all such defaults, the nature and status thereof and any remedial steps taken or proposed to correct such default.

(c) Offering Circulars. As soon as practicable but in any event within thirty (30) days after the issuance or incurrence thereof, (i) copies of any prospectus, official statement, offering circular, placement memorandum, or similar or corresponding document, and any supplements thereto and updates and amendments thereof, that the City makes available in connection with the offering for sale of any securities secured by a pledge of Excise Taxes, or, in the case of any ordinance, indenture, contract or agreement by the City involving the creation of any Parity Obligations, Junior Obligations or Senior Obligations, but not involving the offering for sale of any securities related thereto, a copy of such ordinance, indenture, contract or agreement creating the related obligation, together with, in either case, (ii) a certificate of an Authorized Officer stating that to the best of his or her knowledge the covenants set forth in Section 4.15 hereof

were complied with at the time such securities were issued or such obligation was incurred and otherwise providing the Lender with such additional assurance of compliance with the covenants, terms and other provisions of this Agreement at the time such securities were issued or such obligation was incurred.

(d) Budget. As soon as available after adoption, a copy of the City's budget for each Fiscal Year or notice that such document is available without restriction on the City's website and providing the address.

(e) Continuing Disclosure Documents. On the same day as the filing thereof, all continuing disclosure documents filed by the City with respect to the Parity Obligations, Junior Obligations and Senior Obligations in compliance with Securities and Exchange Commission rules codified at 17 C.F.R. Section 240.15c2-12 or notice that such filing is available without restriction through the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system.

(f) Other Information. Such other information respecting the business, properties or the condition or operations, financial or otherwise of the City as the Lender may from time to time reasonably request.

Section 4.03 Books and Records; Inspection of Records. The City shall keep adequate records and books of account, in which complete entries will be made, reflecting all material financial transactions of the City. Upon the reasonable request of the Lender and during normal business hours, and following the occurrence of an Event of Default and the continuance thereof, at the expense of the City, the City will give the Lender, or any attorney-in-fact or counsel therefor, access to and permission to examine, copy or make excerpts from, any and all books, records and documents under control of the City relating to the financial condition of the City.

Section 4.04 Compliance with Law. The City will comply with and observe the obligations and requirements set forth in the Constitution of the State and in all statutes and regulations binding upon it relating to this Agreement or the other Loan Documents to which it is a party.

Section 4.05 Notices. The City shall furnish, or cause to be furnished, to the Lender, not less than sixty (60) days of becoming aware of such matter, notice of any litigation or administrative proceeding, which, except for matters relating to which the City Attorney is of the opinion are of no merit, could reasonably be expected to adversely affect the pledge of Excise Taxes set forth in this Agreement or the ability of the City to pay its obligations to the Lender under this Agreement or the Note.

Section 4.06 Existence. The City shall maintain its existence as a municipal corporation, shall not seek to merge or consolidate with any other Person and shall not dissolve.

Section 4.07 Maintenance of Approvals; Filings, Etc. The City at all times shall maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary under any applicable Law for its execution, delivery and performance of this Agreement and the Note.

Section 4.08 No Acceleration. The City shall not enter into any agreement after the Effective Date (including by means of amendment, modification, supplement or restatement of an existing agreement) that provides that the obligations of the City thereunder are payable from, and secured by, Excise Taxes and which grants any other Person the right to accelerate payment of the principal thereof upon the occurrence of a “default,” an “event of default,” a “termination event,” a “mandatory prepayment event,” a “mandatory redemption event” or other similar event; *provided, however*, that the foregoing limitation shall not preclude the City from (a) entering into an agreement after the Effective Date (including by means of amendment, modification, supplement or restatement of an existing agreement) that provides that the obligations of the City thereunder are payable from, and secured by, Excise Taxes and which grants any other Person the right to accelerate payment of the principal thereof upon the occurrence of a “default,” an “event of default,” a “termination event,” a “mandatory prepayment event,” a “mandatory redemption event” or other similar event as long as the accelerated payments (i) are not greater than the outstanding unpaid principal amount at the time of the occurrence of such event divided by the quotient obtained by dividing the number of years from the date the obligation was initially issued or incurred to the maturity date thereof by two (e.g., an obligation with a ten year maturity date may, subject to clauses (ii) and (iii), include a five year term-out), (ii) are made no more frequently than once a year on July 1 of each calendar year and (iii) would have been permitted under Section 4.15 hereof at the time the obligation was originally incurred or (b) from entering into or incurring Excluded Excise Tax Obligations.

Section 4.09 No Impairment. The City shall not enter into or otherwise consent to any amendment, supplement or other modification of any agreement with a bank or other financial institution or any Affiliate of a bank or other financial institution in connection with a Senior Obligation or a Parity Obligation which impairs the security provided to the Lender for repayment of the Obligations.

Section 4.10 Sovereign Immunity. To the extent permitted by Law, in any action, suit, litigation or proceeding, the City shall not claim sovereign immunity with respect to any obligations of the City under this Agreement or the Note.

Section 4.11 Maintenance of Tax-Exempt Status. The City shall comply with its agreements set forth in the Tax Certificate and shall not act in any other manner which would adversely affect the exclusion of the interest on the Loan from the gross income of the Beneficial Owners thereof for federal income or State income tax purposes.

Section 4.12 Use of Proceeds. The City shall not use, and shall ensure that its officers, employees and elected officials shall not use, the proceeds of the Loan (a) in violation of any Anti-Corruption Laws, or (b) in any manner that would result in the violation of any Sanctions applicable to any party hereto. The City will use the proceeds of the Loans solely to defease the Series 2005A Bonds and Series 2005B Bonds, to redeem the Series 2005C Bonds and to pay a portion of the Closing Costs.

Section 4.13 Refinance the Loan. In the event the City has not prepaid the Loan in full by the Mandatory Prepayment Date, the City shall use its best effort to refinance and prepay the unpaid principal amount of the Loan in full within one hundred eighty (180) days following the Mandatory Prepayment Date, which best efforts shall include, without limitation, issuing and

selling debt of the City secured by Excise Taxes, entering into a loan agreement with another Person.

Section 4.14 Covenant to Impose Excise Taxes. The City shall impose all necessary Excise Taxes and shall collect and receive the proceeds of sufficient Excise Taxes, and pay such proceeds into the Excise Tax Fund in such amounts and at such times as will be fully sufficient, in conjunction with any Other Available Moneys (but not proceeds of ad valorem taxes) which the City may from time to time lawfully choose (in its sole discretion) to deposit in the Excise Tax Fund to assure the punctual performance of all duties requiring the payment or expenditure of money by the City under the terms of this Agreement and any agreement of the City related to payment of the Senior Obligations, Junior Obligations and Parity Obligations.

Section 4.15 Additional Debt.

(a) The City reserves the right to issue or incur obligations (including Debt) after the Effective Date and payable from, and secured by, the Excise Taxes on a basis that is senior in right of payment to the payment of Junior Obligations, the Obligations and Parity Obligations only if the Excise Taxes collected by the City during the completed Fiscal Year of the City immediately preceding the issuance or incurring of the proposed Senior Obligation are at least equal to four (4) times the highest combined interest and principal requirements for any succeeding Fiscal Year for all outstanding Senior Obligations and for the Senior Obligation proposed to be issued.

(b) The City reserves the right to issue or incur obligations (including Debt) after the Effective Date and payable from, and secured by, the Excise Taxes on a basis that is senior in right of payment to the payment of the Obligations and Parity Obligations and junior in right of payment of the Senior Obligations only if the Excise Taxes collected by the City during the completed Fiscal Year of the City immediately preceding the issuance or incurring of the proposed Junior Obligation are at least equal to two (2) times the highest combined interest and principal requirements for any succeeding Fiscal Year for all outstanding Senior Obligations and Junior Obligations and for the Junior Obligation proposed to be issued.

(c) The City reserves the right to issue or incur obligations (including Debt) after the Effective Date and payable from, and secured by, the Excise Taxes on a basis that is on parity in right of payment to the payment of the Obligations and Parity Obligations only if the Excise Taxes collected by the City during the completed Fiscal Year of the City immediately preceding the issuance or incurring of the proposed Parity Obligation are at least equal to the highest combined total of the following for any succeeding twelve (12) month period: (i) principal and interest requirements on the Senior Obligations and the Junior Obligations during such period, plus (ii) two (2) times the principal and interest requirements for the Obligations and all Parity Obligations then outstanding and the Parity Obligation proposed to be issued during such period.

(d) In computing payments required to be made hereunder and under the Note in any given Fiscal Year and with respect to other obligations under Subsection 4.15(a), 4.15(b) and 4.15(c) above, there shall be included all mandatory deposits or prepayments (such as mandatory sinking fund requirements, but excluding amounts due on the Mandatory Prepayment

Date) but there shall be excluded from the amounts due at maturity the amounts of such mandatory deposits or prepayments. There may also be excluded from payments with respect to obligations under Subsection 4.15(a), 4.15(b) and 4.15(c) interest on the amount of each mandatory deposit or prepayment from the required date of deposit or prepayment to the date of maturity of such future payment at the rate borne by the obligations with respect to which such future payment is to be applied. There shall be disregarded in the computation required above any payments with respect to any issue as to which an escrow is established which contains moneys and investment earnings on such moneys sufficient to pay (in accordance with the defeasance provisions of any applicable security instrument or bond legislation applicable thereto) the principal of, and interest, and applicable premium, if any, on the bonds or other obligations or certificates of such issue. As to payments other than payments under this Agreement and the Note, the amount of each such future annual payment shall be established by written estimate of the Chief Financial Officer of the City. Prior to the issuance or incurrence of additional Senior Obligations or additional Parity Obligations, the City shall certify in writing to the Lender through the City's Chief Financial Officer or other appropriate official that it is not in default in any payment hereunder or under the Note or with respect to any other obligation included within this Section 4.15.

(e) In determining compliance with the provisions of this Section 4.15, interest on any obligation which bears or is to bear interest at a variable rate shall be assumed to be a fixed interest rate equal to the greater of: (a) 9.2% or (b) (i) if any variable rate obligations are outstanding, the highest variable rate actually borne by such obligations over the previous twenty four (24) months or (ii) if none, the highest rate borne by variable rate debt over the previous twenty four (24) months for which the interest rate is computed by reference to an index, or based on other factors, comparable to that to be utilized for the proposed obligations.

Section 4.16 Subordinated Obligations. The City reserves the right to issue or enter into obligations payable from Excise Taxes, the payment of which is expressly subordinated to the payment of the Obligations.

Section 4.17 Derivative Products. The City reserves the right to enter into arrangements involving a Swap Contract, to the extent permitted by Law, and make payments on such agreements from the Excise Taxes and reserves the right to establish funds, accounts and subaccounts to make payments on such agreements, provided that such revisions do not permit extraordinary payments such as termination payments to be made on a basis other than subordinate to payment of the Obligations. To the extent the City enters into such agreements and pledges Excise Taxes to the payment of such agreements on parity with the Obligations, such agreements may only be incurred if the City satisfies the Parity Obligation test set forth in Section 4.15 subject to the provisions set forth below in this Section 4.17. In determining whether the Parity Obligations test set forth in Section 4.15 is satisfied in connection with any such agreements, the City shall be permitted to treat the amount or rate of interest on those agreements or on the Parity Obligations to which the applicable agreement applies as the amount or rate of interest payable after giving effect to the agreements, provided that any agreement is with a Qualified Counterparty. Thus the City is permitted to include the net payment due under such agreements in calculating the Parity Obligations test set forth in Section 4.15 hereof. Further, the City shall be permitted to disregard the notional principal amount of any such agreement provided that such agreement is with a Qualified Counterparty. The City agrees to

give written notice to the Lender not less than 30 days prior to entering into a Swap Contract that is payable from, and secured by, Excise Taxes.

Section 4.18 Preservation of Pledge. The City shall take all necessary action to defend, maintain and preserve the pledge of Excise Taxes securing the Obligations and the payment and performance of the City's obligations hereunder and under the Note.

Section 4.19 Further Assurances. At any time and from time to time the City shall execute and deliver such further instruments and take such further action as may reasonably be requested by the Lender to effect the purposes of this Agreement and the Note.

ARTICLE V

CONDITIONS PRECEDENT

It shall be a condition precedent to the obligation of the Lender to make the Loan that all proceedings taken in connection with the transactions contemplated hereby and all documents incident thereto including the Loan Documents shall be in form and substance satisfactory to the Lender and that the conditions enumerated in this Article V have been fulfilled to the satisfaction of the Lender and its counsel, McGuireWoods LLP. Delivery by the Lender of a fully executed signature page to this Agreement shall constitute acknowledgment and acceptance by the Lender that all such conditions have been met or waived.

Section 5.01 Representations. The City shall represent, as of the Effective Date (and after giving effect to the effectiveness hereof), and deliver a certificate as of such date to such effect, that (i) there shall exist no Default or Event of Default hereunder, (ii) all representations and warranties made by the City herein shall be true, correct and complete as of the Effective Date, and (iii) subsequent to June 30, 2014, there has not been any Material Adverse Change.

Section 5.02 Supporting Documents. On or prior to the date of the execution and delivery of this Agreement, the Lender shall have received, in form and substance satisfactory to the Lender, the following:

- (a) true and complete executed original of this Agreement and the Note;
- (b) an executed copy of the Tax Certificate;
- (c) (i) a certificate of the City in form and substance satisfactory to the Lender, executed by the City Clerk, dated the Effective Date, to the effect that the City Council of the City has duly adopted Ordinance No. S-41544 at a meeting duly noticed and held and at which a quorum of Council members was present throughout and (ii) an incumbency certificate with respect to the officers of the City who are authorized to execute any documents or instruments on behalf of the City under this Agreement and the other Loan Documents;
- (d) an executed legal opinion of the City attorney, dated the Effective Date, addressed to the Lender and in form and substance satisfactory to the Lender, covering such matters as the Lender may reasonably request;

(e) an executed legal opinion of Greenberg Traurig LLP, dated the Effective Date, addressed to the Lender and to the effect that (i) the City has the power and authority to enter into this Agreement and the Note and to perform its obligations hereunder and thereunder; (ii) the execution, delivery and performance of the Loan Documents by the City has been duly authorized by the City; (iii) this Agreement and the Note are valid and binding obligations of the City; (iv) the pledge of Excise Taxes set forth in this Agreement is a valid pledge and no further action is required in order to perfect the validity of such pledge; (v) interest on the Loan and the Note will not be included in gross income of the Lender for federal income tax purposes; and (vi) the Series 2005A Bonds and Series 2005B Bonds have been defeased;

(f) a copy of the conditional notice of redemption transmitted to the holders of the Series 2005C Bonds by the Trustee;

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

(i) such other documents, instruments, approvals (and, if requested by the Lender, certified duplicates of executed copies thereof) or opinions as the Lender may reasonably request.

Section 5.03 Certain Payments. The City shall have paid, or caused to be paid, the Closing Costs.

Section 5.04 No Legal Limitations. No law, regulation, ruling or other action of the United States or the State 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 Lender from fulfilling its obligations under this Agreement.

Section 5.05 Satisfaction of Legal Requirements. All legal requirements provided herein incident to the execution, delivery and performance of the Loan Documents and the transactions contemplated thereby (including the defeasance of the Series 2005A Bonds and Series 2005B Bonds and the redemption of the Series 2005C Bonds), shall be reasonably satisfactory to the Lender and Lender's counsel.

ARTICLE VI

EVENTS OF DEFAULT; REMEDIES

Section 6.01 Events of Default. The occurrence and continuance of any one or more of the following events shall be an event of default ("Event of Default"):

(a) the City fails to pay, or cause to be paid, when due: (i) any principal of or interest on the Loan for any reason (other than for a clerical reason that can be cured by the following business day at the time at which payment is due and then only for such period); or (ii) any other Obligation owing to the Lender hereunder and such failure continues for five (5)

Business Days after the City shall have received written notice from the Lender that the same was not paid when due;

(b) any representation, warranty or statement made by or on behalf of the City herein or in any other Loan Document or in any certificate delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made; or the documents, certificates or statements of the City furnished to the Lender by or on behalf of the City in connection with the transactions contemplated hereby, when taken as a whole, are materially inaccurate in light of the circumstances under which they were made and as of the date on which they were made;

(c) (i) the City fails to perform or observe any term, covenant or agreement contained in Section 4.01, 4.06, 4.08, 4.09, 4.10, 4.12, 4.14, 4.15 or 4.17; or (ii) the City fails to perform or observe any other term, covenant or agreement contained in this Agreement (other than those referred to in Sections 6.01(a) and (c)(i)) and any such failure cannot be cured or, if curable, remains uncured after the earlier of (A) thirty (30) days after written notice thereof to the City, or (B) knowledge by responsible officers of the City of the occurrence thereof;

(d) this Agreement or any other Loan Document or any material provision hereof or thereof shall at any time for any reason cease to be valid and binding on the City or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by an elected official of the City, an Authorized Officer or by any Governmental Authority having jurisdiction, or the City shall deny that it has any or further liability or obligation under this Agreement or any other Loan Document;

(e) a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction is imposed on the repayment when due and payable of the principal of or interest on any debts of the City payable from, and secured by, Excise Taxes or any portion thereof;

(f) (i) the City shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of the City or shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the City any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against the City, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of the City, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) the City shall take any action in furtherance of, or indicating its consent to, approval of, or

acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the City shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(g) the City shall (i) default in any payment of principal of, premium, if any, or interest on any Parity Obligation or Junior Obligation; or (ii) default in the observance or performance of any other agreement or condition relating to any Parity Obligation or Junior Obligation, as the case may be, or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Parity Obligation or Junior Obligation (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries), as the case may be, to cause, with the giving of notice if required, such Parity Obligation or Junior Obligation, as the case may be, to become due and payable immediately or upon an accelerated payment schedule;

(h) any final, non-appealable judgment or judgments, decree or decrees, order or orders, writ or writs or warrant or warrants of attachment or any similar process or processes individually or in the aggregate in excess of \$25,000,000 and payable from Excise Taxes or any portion thereof shall be rendered against the City and remain unpaid, unvacated, unbonded, uninsured, or unstayed for a period of one hundred twenty (120) days unless, in the case of a payment, such judgment, decree, order, writ, warrant or similar process is due at a later date in one or more payments and the City satisfies the obligation to make such payment or payments on or prior to the date such payment or payments become due in accordance with such judgment, decree, order, writ, warrant or similar process;

(i) the Lender fails to have an enforceable pledge of the Excise Taxes with the priority as contemplated by Section 2.14 hereof;

(j) the Excise Tax Fund or any funds or investments on deposit in, or otherwise to the credit of, any of such funds shall become subject to any writ, judgment, warrant or attachment, execution or similar process; or

(k) each Rating Agency comprising the Rating Agencies (i) lowers its Rating below “Baa3” (or its equivalent) in the case of by Moody’s and “BBB-” (or its equivalent) in the case of S&P or Fitch, or (ii) suspends, withdraws or otherwise makes unavailable its Rating.

Section 6.02 Remedies. Upon the occurrence of any Event of Default, in addition to causing Obligations to bear interest at the Default Rate and requiring that the Loan be repaid in accordance with Section 2.04(b), the Lender may exercise any one or more of the following rights and remedies in addition to any other remedies herein or by law provided:

- (a) pursue any rights and remedies it may have under the Loan Documents; or
- (b) pursue any other action available at law or in equity, including seeking a writ of mandamus.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Changes to Agreement. No provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the parties hereto. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No delay or omission of the Lender in exercising any right under this Agreement or the other Loan Documents shall impair such right or be construed to be a waiver of any Default or Event of Default or an acquiescence therein, and any single or partial exercise of any such right shall not preclude any other or further exercise thereof or the exercise of any other right.

Section 7.02 Successors and Assigns.

(a) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; *provided, however*, that (i) the City may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Lender and any assignment without such consent shall be void, and (ii) unless the intended assignee is an Affiliate of the Lender, the Lender may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the City and any assignment without such consent shall be void (*provided* that no such consent of the City shall be required upon the occurrence and during the continuance of any Event of Default hereunder).

(b) The Lender shall have the right at any time to grant participations in all or part of its obligations hereunder and the obligations of the City hereunder to any other institutional purchaser (the "Participants") without the consent of the City or any other Person; *provided, however*, that any such participation shall not relieve the Lender from any of its obligations under this Agreement and the City shall deal exclusively with the Lender for all purposes of this Agreement (including the making of all payments on Loan). The Lender may disclose to any Participant or prospective Participant any information or other data or material in the Lender's possession relating to this Agreement, any other Loan Document and the City, without the consent of or notice to the City. Upon receipt of written request from the City, the Lender shall disclose to the City the identity of all Participants.

(c) Notwithstanding the foregoing, the Lender may assign and pledge all or any portion of the amounts owing to it with respect to the Loan hereunder to any Federal Reserve Bank or the United States Treasury 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. No such assignment shall release the Lender from its obligations under this Agreement.

Section 7.03 Governing Law; Waiver of Jury Trial.

(a) THIS AGREEMENT AND THE NOTE SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND

CONSTRUED AND INTERPRETED 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*, THAT THE OBLIGATIONS OF THE CITY HEREUNDER AND UNDER THE NOTE SHALL BE GOVERNED BY THE LAWS OF THE STATE WITHOUT REGARD TO CHOICE OF LAW RULES.

(b) To the extent permitted by law, the City and the Lender each hereby irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement and any other Loan Document or the transactions contemplated hereby and thereby.

Section 7.04 Notice. Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to or filed with the Lender or the City for which electronic delivery is not expressly permitted, shall be deemed or have been sufficiently given or filed for all purposes, if any, when delivered by hand or when sent by registered mail, return receipt requested, postage prepaid, and if given by telecopy shall be deemed given when transmitted (receipt confirmed):

If to the Lender, to:

DNT Asset Trust
c/o JPMorgan Chase Bank, National Association
383 Madison Avenue, 8th Floor
New York, New York 10179
Mail Code: NY1-M076
Attention: James Millard, Executive Director, Public Finance - Credit
Origination
Telephone: (212) 270-2198
Facsimile: (917) 456-3538

With a copy to:

DNT Asset Trust
c/o JPMorgan Chase Bank, National Association
JPM-Delaware Loan Operations
500 Stanton Christiana Road, Ops 2, Floor 03
Newark, Delaware 19713
Attention: Lorie Paulin
Telephone: (302) 634-8789
Facsimile: (302) 634-8459

And, for compliance-related items, with a copy to:

public.finance.notices@jpmchase.com

If to the City:

City of Phoenix
Finance Department
251 West Washington Street, 9th Floor
Phoenix, Arizona 85003
Attention: Chief Financial Officer
Telephone: (602) 262-7166
Facsimile: (602) 495-5605

Section 7.05 Obligations Absolute. The obligations of the City under this Agreement shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances whatsoever, including, without limitation: (i) any lack of validity, enforceability or legal effect of this Agreement or any other Loan Document, or any term or provision herein or therein; (ii) the existence of any claim, set-off, defense or other right that the City or any other Person may have at any time against the Lender or any other Person; and (iii) any other event, circumstance or conduct whatsoever, whether or not similar to any of the foregoing, that might, but for this paragraph, constitute a legal or equitable defense to or discharge of, or provide a right of set-off against, the City's obligations hereunder (whether against the Lender or any other Person).

Section 7.06 Holidays. Except as otherwise provided herein, whenever any payment or action to be made or taken hereunder shall be stated to be due on a day which is not a Business Day, such payment or action shall be made or taken on the next following Business Day, and such extension of time shall be included in computing interest or fees, if any, in connection with such payment or action.

Section 7.07 Survival. All representations, warranties, covenants and agreements of the City contained in this Agreement as amended or supplemented from time to time or made in writing in connection herewith shall survive the execution and delivery hereof and the funding of the Loan by the Lender hereunder and shall continue in full force and effect until payment in full of all Obligations of the City hereunder, it being understood that the agreements of the City found in Sections 2.08, 2.09, 2.12 and 7.09 shall survive the termination of this Agreement and payment in full of such Obligations.

Section 7.08 Liability of the Lender.

(a) None of the Lender, its Affiliates or any of their respective employees, officers or directors shall be liable or responsible for: (i) the use which may be made of the Loan or for any acts or omissions of the City in connection therewith; (ii) the validity, sufficiency, accuracy or genuineness of documents, or of any endorsement thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; (iii) for

errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, courier, telecopier or otherwise; or (iv) any other circumstances whatsoever in funding the Loan; except only that the City shall have a claim against the Lender, and the Lender shall be liable to the City, to the extent, but only to the extent, of any direct, as opposed to consequential, damages suffered by the City which the City proves by final order of a court of competent jurisdiction were caused by the Lender's willful misconduct or gross negligence in failing to pay under this Agreement after the presentation to it by the City of a certificate strictly complying with the terms and conditions of this Agreement. In furtherance and not in limitation of the foregoing, the Lender 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.

(b) The City assumes all risks associated with the acceptance by the Lender of documents received by telecommunication, it being agreed that the use of telecommunication devices is for the benefit of the City and that the Lender assumes no liabilities or risks with respect thereto.

Section 7.09 Certain Costs; Indemnification.

(a) The City hereby agrees to pay on demand all reasonable costs and expenses incurred by the Lender, in connection with the preparation, execution, delivery and administration of this Agreement, the other Loan Documents and any other documents that may be delivered in connection herewith or therewith, including, without limitation, the reasonable fees and out of pocket expenses of counsel for the Lender. The City hereby also agrees to pay on demand all reasonable costs and expenses (including, without limitation, the reasonable fees and out of pocket expenses of its legal counsel, including in house counsel for the Lender) incurred by the Lender with respect to advising the Lender as to its rights and responsibilities under this Agreement and any other Loan Document or any waiver or amendment of, or the enforcement of, this Agreement, any other Loan Document and such other documents which may be delivered in connection with this Agreement or any other Loan Document. In addition, the City shall pay any and all stamp 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 any Loan Document and agrees to hold the Lender 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. In addition, the City agrees to pay, after the occurrence of an Event of Default, all costs and expenses (including attorneys' fees and costs of settlement) incurred by the Lender in enforcing any obligations or in collecting any payments due from the City hereunder by reason of such Event of Default 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 insolvency or bankruptcy proceedings. The City shall pay the Lender a minimum fee of \$3,000 plus the reasonable fees and expenses of counsel to the Lender, in connection with each amendment, modification or supplement of this Agreement or the other Loan Documents (other than modifications to the principal payment schedule resulting from prepayments) or any consent of the Lender sought under this Agreement or the other Loan Documents.

(b) To the extent permitted by law, the City agrees to indemnify and hold harmless the Lender, its Affiliates and their respective officers, directors, employees and agents (each an "Indemnified Party") from and against any and all claims, damages, losses, liabilities,

reasonable costs or expenses whatsoever which an Indemnified Party may incur (or which may be claimed against an Indemnified Party by any Person) by reason of or in connection with the execution and delivery of and consummation of the transactions contemplated under this Agreement and any other Loan Document, including, without limitation, the execution and delivery of, or payment or failure to pay by any Person (other than the Lender, as and when required by the terms and provisions hereof) under this Agreement; *provided, however*, that the City shall not be required to indemnify the Lender for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Lender as determined by a final order of a court of competent jurisdiction. Nothing in this Section 7.09 is intended to limit the obligations of the City to pay its other obligations hereunder and under the other Loan Documents.

(c) The obligations of the City under this Section 7.09 will survive the payment in full of the Obligations and the termination of this Agreement.

Section 7.10 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together shall constitute one and the same instrument.

Section 7.11 Severability. If any provision of this Agreement shall be held or deemed to be or shall in fact be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 7.12 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 7.13 Dissemination of Information. The Lender may disseminate information relating to the City, this Agreement or the Loan (i) in connection with any assignment or participation; (ii) upon the order of any court or otherwise to the extent required by statute, rule, regulation or judicial process; (iii) to bank examiners or upon the request or demand of any other administrative, regulatory agency, or authority; or (iv) to any domestic or foreign branch, subsidiary or affiliate, representative office or agent of the Lender and third parties selected by any of the foregoing entities, wherever situated, for confidential use (including in connection with the provision of any service and for data processing, statistical and risk analysis purposes), or in connection with the Lender's performance, administration or enforcement of this Agreement.

Section 7.14 USA PATRIOT Act. The Lender, to the extent that it is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), hereby notifies the City that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the City, which information includes the name and address of the City and other information that will allow the Lender to identify the City in accordance with the Act.

Section 7.15 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the City acknowledges and agrees that: (a) (i) the services regarding this Agreement provided by the Lender and any Affiliate thereof are arm's-length commercial transactions between the City, on the one hand, and the Lender and its Affiliates, on the other hand, (ii) the City has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the City is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (b) (i) the Lender and its Affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be, acting as an advisor, agent or fiduciary for the City and (ii) neither the Lender nor any of its Affiliates has any obligation to the City with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Lender and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the City, and neither the Lender nor any of its Affiliates has any obligation to disclose any of such interests to the City. To the fullest extent permitted by law, the City hereby waives and releases any claims that it may have against the Lender or any of its Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

Section 7.16 Statutory Notice Regarding Cancellation of Contracts. As may be required by the provisions of Arizona Revised Statutes Section 38-511, as amended, notice is hereby given that the State, its political subdivisions (which may include the City) or any department or agency of either may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the State, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions, or any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The State, its political subdivisions or any department or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract. Each of the parties represents that it is not aware of any current basis for the cancellation of this Agreement.

[Remainder of page intentional left blank; signature page immediately follows.]

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Agreement, effective as of the day and year first above written.

City:

CITY OF PHOENIX, ARIZONA, a municipal corporation

By: Ed Zuercher, City Manager

By: Denise Olson
Denise Olson, Acting Chief Financial Officer

Attest:

C. Meyer
City Clerk

Approved as to Form:

[Signature]
Acting City Attorney



CITY CLERK DEPT.
2015 AUG 11 PM 12:54

DNT ASSET TRUST

By: James G. Millard
Title: Executive Director

James G. Millard
Executive Director

FORM OF LOAN NOTE

UNITED STATES OF AMERICA
CITY OF PHOENIX

NOTE

\$305,940,000

Phoenix, Arizona
August 12, 2015

THE CITY OF PHOENIX (the “City”) hereby promises to pay to the order of DNT ASSET TRUST, a Delaware trust (the “Lender”), in the manner and on the dates provided in the hereinafter defined Agreement in lawful money of the United States of America and in immediately available funds the aggregate amount of all Obligations of the City owing to the Lender pursuant to the terms of the Agreement (as defined below), plus accrued interest thereon. Terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Loan Agreement, dated as of August 12, 2015 (as it may be amended from time to time, the “Agreement”), by and between the City and the Lender.

This Note is the “Note” referred to in the Agreement. This Note is issued to evidence the Obligations of the City.

This Note constitutes a limited obligation of the City payable from, and secured by, Excise Taxes pledged to the Lender. This Note does not represent or constitute a general obligation of the City.

The City hereby authorizes the Lender to make appropriate notations on Schedule 1 attached hereto of the Loan evidenced hereby and all principal payments and prepayments made hereunder and of the date to which interest hereon has been paid; *provided, however*, that the Lender’s failure to make any such notation or any defect therein shall not affect the obligations of the City to pay the full amount of the principal of and interest on all Loan.

Reference is hereby made to the Agreement for the provisions, among other things, with respect to the nature and extent of the security for this Note, the manner and enforcement of such security, the custody and application of the proceeds of this Note and the rights, duties and obligations of the City and the Lender.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and to be performed, precedent to and in the issuance of this Note, do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State. This Note shall be governed by and construed in accordance with the internal laws of the State.

IN WITNESS WHEREOF, the City, by authority of its City Council, has caused this Note to be signed for and on its behalf and in its name by its Chief Financial Officer, and the official seal of the City of Phoenix to be affixed hereto, all as of the 12th day of August, 2015.

CITY OF PHOENIX, ARIZONA, a municipal corporation

By: Ed Zuercher, City Manager

By: _____
Denise Olson, Acting Chief Financial Officer

Attest:

City Clerk

**NOTE
SCHEDULE 1**

**LOAN AND
REPAYMENTS OF LOAN**

<u>Date</u>	Amount of <u>Loan</u>	Amount of Principal <u>Repaid</u>	Unpaid Principal Balance of <u>Loan</u>	Notation <u>Made By</u>

EXHIBIT B**PRINCIPAL PAYMENT SCHEDULE**

Payment Date	Principal Payment
July 1, 2021	\$6,650,000.00
July 1, 2022	\$6,840,000.00
July 1, 2023	\$7,030,000.00
July 1, 2024	\$7,230,000.00
July 1, 2025	\$7,430,000.00
July 1, 2026	\$10,300,000.00
July 1, 2027	\$10,580,000.00
July 1, 2028	\$10,880,000.00
July 1, 2029	\$11,180,000.00
July 1, 2030	\$11,490,000.00
July 1, 2031	\$11,810,000.00
July 1, 2032	\$12,140,000.00
July 1, 2033	\$12,480,000.00
July 1, 2034	\$12,830,000.00
July 1, 2035	\$13,190,000.00
July 1, 2036	\$13,560,000.00
July 1, 2037	\$13,930,000.00
July 1, 2038	\$14,320,000.00
July 1, 2039	\$14,720,000.00
July 1, 2040	\$15,130,000.00
July 1, 2041	\$15,550,000.00
July 1, 2042	\$15,990,000.00
July 1, 2043	\$16,430,000.00
July 1, 2044	\$16,890,000.00
July 1, 2045	\$17,360,000.00
Total	\$305,940,000.00

SCHEDULE I

<u>Name</u>	<u>Title</u>	<u>Firm</u>
Denise Olson	Acting Chief Financial Officer	City of Phoenix
Kathleen Gitkin	Deputy Finance Director and City Treasurer	City of Phoenix
Stephanie Hart, Esq.	Assistant City Attorney	City of Phoenix