

January 9, 2018

Pinellas County, Florida
Ms. Clareth Harris, Director of Finance
14 South Fort Harrison
Clearwater, Florida 33756

Re: Sewer Revenue Bonds, Series 2008 and Series 2008 B-1 (the "Credit Facilities) held by Bank of America N.A. or affiliate (the "Bank")

Ladies and Gentlemen:

As you are aware, the President signed into law a new tax bill on December, 22 2017 referred to as the "Tax Cuts and Jobs Act" (the "Act"). An impact of this new law is to decrease the federal corporate tax rate in the United States effective January 1, 2018. We wanted to alert you to an adjustment that will be made to the applicable tax-exempt interest rate on the above-referenced Credit Facilities from and after January 2, 2018.

Under the terms of the relevant documents which establish the applicable interest rate from time to time in effect, such interest rate will be increased to take into account the reduction in the maximum federal corporate tax rate from 35% to 21%. The Credit Facility will be automatically adjusted by application of the "*Margin Rate Factor*" (or other similar provisions) as defined in the credit documents. ¹

Please let us know if you have any questions regarding the foregoing. Our relationship with you is very important to us, so we want to make sure that you fully understand how this provision will affect the interest rate payable on the Credit Facility from and after January 2, 2018.

Sincerely,



Holly L Kuhlman
Senior Vice President
(239) 598-8805

¹ Bank's election to adjust the effective date of the implementation of the new interest rate to a date after January 2 shall not be deemed a waiver of its rights to collect interest for the period from January 2 to the effective date. All contractual rights under applicable documentation regarding the collection of interest are reserved.