

Pinellas County, Florida

Direct Purchase Non Bank Qualified Tax Exempt Bonds, Series 2020A and 2020B

Summary of Terms and Conditions

December 3, 2020

This Summary of Terms and Conditions (the "Term Sheet") is confidential and is intended as a statement of indicative terms only, and is provided to facilitate additional discussion. It is a proposal for your consideration only and not a commitment by JPMorgan Chase Bank, N. A. or its affiliates ("JPMorgan") to provide the financing described in this Term Sheet or any other financing. The rates and fees set forth in this proposal are indicative and are subject to market conditions at all times until JPMorgan would commit to them in writing and, in any event should not be regarded as indicative after the date of this Term Sheet. Subject to the foregoing, the terms in this proposal expire on December 8, 2020 unless the Bank is selected as the successful bidder.

PRINCIPAL INDICATIVE TERMS:

Purchaser	JPMorgan Chase Bank, N.A. ("Bank" or "Purchaser")																										
Issuer	Pinellas County, Florida ("Issuer")																										
Facility/Amount	Facility 1: A single maturity Non-Bank Qualified Taxable to Tax-Exempt Bond in the amount of up to \$45,000,000 ("Series 2020A Bond") Facility 2: A single maturity Non-Bank Qualified Tax-Exempt Bond in the amount of up to \$5,500,000 ("Series 2020B Bond")																										
Purpose	Proceeds of the Bonds would be used to refund certain maturities of the Issuer's outstanding bonds and to fund certain costs of issuance.																										
Interest Rates See attached Appendix for additional details	<table border="1"> <thead> <tr> <th colspan="3">Facility 1 – Series 2020A Bond</th> </tr> <tr> <th>Optional Redemption Date **</th> <th>Taxable Fixed Rate</th> <th>Tax-Exempt Fixed Rate</th> </tr> </thead> <tbody> <tr> <td>None</td> <td>1.99% per annum</td> <td>1.62% per annum</td> </tr> <tr> <td>October 1, 2025</td> <td>2.14% per annum</td> <td>1.74% per annum</td> </tr> <tr> <th colspan="3">Facility 2 – Series 2020B Bond</th> </tr> <tr> <th>Optional Redemption Date **</th> <th>Taxable Fixed Rate</th> <th>Tax-Exempt Fixed Rate</th> </tr> <tr> <td>None</td> <td>-</td> <td>2.00% per annum</td> </tr> <tr> <td>October 1, 2025</td> <td>-</td> <td>2.14% per annum</td> </tr> </tbody> </table> Fixed interest rates are indicative until mutual agreement between Issuer and Purchaser.			Facility 1 – Series 2020A Bond			Optional Redemption Date **	Taxable Fixed Rate	Tax-Exempt Fixed Rate	None	1.99% per annum	1.62% per annum	October 1, 2025	2.14% per annum	1.74% per annum	Facility 2 – Series 2020B Bond			Optional Redemption Date **	Taxable Fixed Rate	Tax-Exempt Fixed Rate	None	-	2.00% per annum	October 1, 2025	-	2.14% per annum
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Bond Maturity Date	Facility 1: October 1, 2031 Facility 2: October 1, 2032																										
Legal Fees	Obligor to Pay all Legal Fees of Purchaser. Legal fees are capped at \$10,000. Mark-David Adams of Locke Lord LLP will be engaged to represent the Purchaser. Mr. Adams' phone number is 561-820-0281 and his e-mail address is mark.adams@lockelord.com.																										

Additional customary terms and explanations follow in the attached Appendix

APPENDIX

OTHER PURCHASE REQUIREMENTS

All or Nothing: The Bonds would be purchased at 100% of Par on an ‘all or none’ basis.

No Bond Rating: While Purchaser is a bondholder, the Bonds shall not be rated by any rating agency, shall not be initially registered to participate in DTC, shall not contain a CUSIP number and shall not be marketed pursuant to any Official Statement, Offering Memorandum or any other disclosure documentation. The Purchaser shall take physical delivery of the Bond at closing.

INTEREST RATES, PAYMENTS AND FEES

Fixed Interest Rate: Each Series of the Bonds would accrue interest at the applicable fixed rate per annum as set forth below, based upon the tenor selected by the Issuer. The following fixed interest rates are indicative as of December 3, 2020 and are subject to change daily until mutual agreement between the Issuer and the Purchaser:

Facility 1 – Series 2020A Bond		
Optional Redemption Date **	Taxable Fixed Rate	Tax-Exempt Fixed Rate
None	1.99% per annum	1.62% per annum
October 1, 2025	2.14% per annum	1.74% per annum
Facility 2 – Series 2020B Bond		
Optional Redemption Date **	Taxable Fixed Rate	Tax-Exempt Fixed Rate
None	-	2.00% per annum
October 1, 2025	-	2.14% per annum

** The Bond is callable at par on or after the Optional Redemption Date.

Facility 1: The Fixed Interest Rate will initially be taxable and may be converted to tax exempt on July 5, 2022 (the “Interest Rate Conversion Date”) as further discussed in the “Required Documents” section below. In the event the Bonds are unable to be converted from taxable to tax-exempt on the Interest Rate Conversion Date, the Series 2020A Bond would continue to bear interest at the taxable rate.

**Bond Payments /
Amortization:**

Interest would be payable semi-annually each April 1 and October 1 commencing on April 1, 2021. Principal would be payable annually each October 1 commencing on October 1, 2021.

Payment Date	Principal – Facility 1	Principal – Facility 2
10/1/2021	3,760,000	10,000
10/1/2022	3,815,000	10,000
10/1/2023	3,955,000	10,000
10/1/2024	4,010,000	10,000
10/1/2025	4,050,000	10,000
10/1/2026	4,095,000	10,000
10/1/2027	4,150,000	10,000
10/1/2028	4,195,000	10,000
10/1/2029	4,215,000	10,000
10/1/2030	4,295,000	10,000
10/1/2031	4,340,000	10,000
10/1/2032	-	5,230,000
Totals	\$44,880,000	\$5,340,000

Notwithstanding the foregoing, the Bonds would be required to be repaid in full and would be subject to acceleration upon an Event of Default. Interest would then be computed at the Default Rate (defined below).

Prepayment: The Bonds may be prepaid in whole or in part, without premium or penalty, on or after any applicable Optional Redemption Date as defined above. Any prepayment on any date other than those provided for above is subject to breakage costs payable by the Issuer.

Day Basis/Year: 30/360

Base Rate: The Bank's Prime Rate

Default Rate: Base Rate + 4.00%

OTHER BOND TERMS AND PROVISIONS

Security: The Bonds will be secured by a pledge of the Net Revenues of the County's Sewer System as detailed in the RFP dated November 11, 2020.

Drawdown: The proceeds of the Bonds would be fully drawn on the date of issuance.

Required Documents: The terms of this financing would be evidenced by agreements, instruments and documents (collectively, the "Bond Documents") that are usual and customary for a Direct Purchase Bond transaction. The required documentation would include, but not limited to, the terms and conditions outlined herein as well as the Purchaser's standard provisions with respect to representations and warranties, covenants, events of default, remedies, conditions precedent, waiver of jury trial (to the extent legally permissible), compliance with anti-corruption laws, protections against increased costs and other general provisions that the Purchaser and its counsel deem necessary and would otherwise be satisfactory in form and substance to the Purchaser and its counsel. All such Bond Documents shall be prepared by Bond Counsel or Issuer's Counsel, as appropriate.

Facility 1: The Fixed Interest Rate will initially be taxable and may be converted to tax-exempt on the Interest Rate Conversion Date, as defined previously, upon the Purchaser's receipt of (i) an opinion from Bond Counsel stating that the interest rate on the Bonds is exempt from Federal and State taxation, (ii) a Tax Certificate in form and substance reasonably satisfactory to the Bank and (iii) an IRS form 8038-G. Such opinion must be addressed to the Purchaser or separate reliance letter issued to the Purchaser. In the event the Series 2020A Bond is unable to be converted from taxable to tax-exempt on the Interest Rate Conversion Date, the Bonds would continue to bear interest at the taxable rate.

Conditions Precedent: Usual and customary representations and warranties and other conditions prior to the issuance of the Bonds for like situated issuers and for the type and term of the Facility, including absence of default, absence of material litigation and absence of material adverse change from the Issuer's financial conditions and operations as reflected in the financial statements of the Issuer September 30, 2019.

Additional conditions precedent would include delivery of acceptable bond documentation and legal opinions, including an opinion of bond counsel as to the validity and enforceability of the obligations of the Issuer under the Bond Documents, parity status of the Bonds and that interest payable on the Series 2020B Bond is exempt from federal and State of Florida income taxation.

The Issuer shall be rated Aa2 by Moody's, AA+ by Standard and Poor's, and AA by Fitch.

Reporting Covenants: The Issuer would provide the following items in an electronic format acceptable to the Purchaser:

1. Receipt of CAFR within 180 days of the fiscal year end.
2. Additional information as reasonably requested by the Purchaser.

Tax Gross-Up: If the interest payable on the Bonds becomes taxable as a result of violations of the tax covenants, the interest rate would increase from the effective date of such taxability to a taxable equivalent rate. The foregoing requirement would apply to the Series 2020A Bond if such Bond is converted to a federally tax-exempt bond on the Interest Rate Conversion Date.

The Purchaser would not require any adjustment to the Interest Rate for (i) changes to the regulatory environment or required regulatory capital, or (ii) changes to the Purchaser's marginal corporate tax rate or (iii) changes due to a decline in the Issuer's public bond rating. Any adjustment to the Interest Rate would solely be related to an event of taxability as provided above.

Sale / Assignment: The Issuer would agree that the Purchaser may without limitation (i) at any time sell, assign, pledge or transfer all or a portion of the Bonds, or one or more interests in all or any part of the Purchaser's rights and obligations under the Facility to one or more assignees and/or participants which may include affiliates of the Purchaser; and (ii) at the Purchaser's option, disclose information and share fees with such assignees and/or participants.

Waiver of Jury Trial: The Issuer and the Purchaser would waive, to the fullest extent permitted by applicable law, any right to have a jury participate in resolving any dispute in any way related to this Term Sheet, any related documentation or the transactions contemplated hereby or thereby.

Governing Law: All aspects of the Facility including this Term Sheet and any Bond Documents would be governed by the laws of the State of Florida.

OTHER PURCHASER REQUIREMENTS

Municipal Advisor

Disclosure:

The Issuer acknowledges and agrees that (i) the transaction contemplated herein is an arm's length commercial transaction between the Issuer and the Purchaser and its affiliates, (ii) in connection with such transaction, the Purchaser and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of the Issuer, (iii) the Purchaser and its affiliates are relying on the bank exemption in the Municipal Advisor Rules, (iv) the Purchaser and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has provided other services or advised, or is currently providing other services or advising the Issuer on other matters), (v) the Purchaser and its affiliates have financial and other interests that differ from those of the Issuer, and (vi) the Issuer has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

Expenses: The Issuer would pay or reimburse the Purchaser for all its out-of-pocket costs and expenses and reasonable attorneys' fees where not prohibited by applicable law and incurred in

connection with (i) the development, preparation and execution of the Bonds, and (ii) in connection with the enforcement or preservation of any rights under any agreement, any amendment, supplement, or modification thereto, and any other loan documents both before and after judgment.

Information Sharing: The Issuer would agree that the Purchaser may provide any information or knowledge the Purchaser may have about the Issuer or about any matter relating to the Facility described in this Term Sheet to JPMorgan Chase & Co., or any of its subsidiaries or affiliates or their successors, or to any one or more purchasers or potential purchasers of the Bonds, or participants or assignees of the Bonds or the Facilities described in this letter.

Website Disclosure: As a best practice to maintain transparency, final bond documentation may be posted by the Issuer on a national public bond market repository provided that certain information be redacted by the Issuer as requested by the Purchaser. Items that should be redacted include data that could be construed as sensitive information, including, without limitation, signatures/names, addresses and other contact information of the parties' representatives, account numbers, wire transfer and payment instructions, to the extent that such redactions would not violate any of Issuer's disclosure obligations under applicable SEC and MRSB rules.

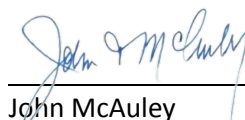
Confidentiality: This Term Sheet is for the Issuer's confidential review and may not be disclosed by it to any other person other than its employees, attorneys, board members and financial advisors (but not other commercial lenders), and then only in connection with the transactions being discussed and on a confidential basis, except where disclosure is required by law, or where the Purchaser consents to the proposed disclosure.

Purchaser Credit Decision: Satisfactory final due diligence, in the Purchaser's sole discretion, would be required consisting of, but may not be limited to, full review of requested financial statements and financing documents and discussions with management and other background due diligence of the Issuer and its management. Should the Issuer request financing substantially on the terms and conditions described in this Term Sheet, the Purchaser's credit decision would be made promptly after receipt of such request and completion of due diligence.

Bank Contacts:	John McAuley Managing Director 100 N Tampa St, Floor 33 Tampa, FL 33602 T: 813-483-8253 John.T.Mcauley@jpmorgan.com	Ann Marie Daniel Vice President, Wholesale Credit Risk 8181 Communications Pkwy, Bldg. B, Floor 6 Plano, TX, 75024 T: 214-965-3881 F: 214-442-5302 anmarie.daniel@jpmorgan.com
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If you have any questions regarding the above indicative terms, please do not hesitate to contact either of us.

Sincerely,



John McAuley



Ann Marie Daniel

ADDENDUM

USA PATRIOT Act

The Lender is subject to the requirements of the USA PATRIOT Act and hereby notifies each Loan Party that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies such Loan Party, which information includes the name and address of such Loan Party and other information that will allow the Lender to identify such Loan Party in accordance with the USA PATRIOT Act.

"USA PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001.

Anti-Corruption

As an inducement for the Note by JPMorgan Chase Bank, N.A., the purchaser of the Note (together with any affiliates or related entities, the "Purchaser"), the undersigned on behalf of the Borrower, hereby certifies, represents, warrants and agrees as follows during any period that the Note is held by the Purchaser:

1. Defined Terms. For the purposes of this Certificate, the following terms shall have the following meanings:

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

"*Person*" means any governmental and other entities, in addition to natural persons, corporations, partnerships or other legal entity.

"*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.

"*Sanctioned Country*" means, at any time, a country or territory which is itself the subject or target of any Sanctions (at the time of this Certificate and Agreement, Crimea, Cuba, Iran, North Korea and Syria).

"*Sanctioned Person*" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, or any similar list maintained by the United States Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons in the foregoing clauses (a) or (b).

2. Anti-Corruption Laws and Sanctions. To the best of its knowledge but without independent investigation, the Borrower hereby represents that: (a) it is in compliance with all applicable provisions of the Anti-Corruption Laws and all applicable Sanctions in all material respects; (b) none of the Borrower, any of its officers or employees, or any agent of the Borrower that will act in any capacity in connection with or benefit from the transaction evidenced by the Note, is a Sanctioned Person; and (c) no borrowing, use of proceeds or other transaction evidenced by the Note will violate any Anti-Corruption Law or applicable Sanctions.
3. Affirmative Covenant. The Borrower expects and intends that the Borrower and its officers, employees and agents will comply with any applicable Anti-Corruption Laws and any applicable Sanctions.

4. Use of Proceeds. The Borrower will not knowingly use any of the proceeds derived from the purchase of the Note by the Purchaser: (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any applicable Anti-Corruption Laws; (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned County; or (c) in any manner that would result in the violation of any Sanctions applicable to the Borrower.

The undersigned hereby certifies, represents and warrants that he is the duly appointed officer of the Borrower, and as such, is familiar in general with Borrower's officers, properties and records, and in particular, with the financing to which this Certificate relates.