
INTERGOVERNMENTAL CONTRACT

by and between

DOWNTOWN SAVANNAH AUTHORITY

and

MAYOR AND ALDERMEN
OF THE CITY OF SAVANNAH

Dated as of April 22, 2019

Relating to the

DOWNTOWN SAVANNAH AUTHORITY (GEORGIA)
REFUNDING REVENUE BOND (CITY OF SAVANNAH PROJECT),
SERIES 2019

in the principal amount of \$8,440,000

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INTERGOVERNMENTAL CONTRACT

THIS INTERGOVERNMENTAL CONTRACT (this “**Contract**”), dated as of April 22, 2019, made and entered into by and between the DOWNTOWN SAVANNAH AUTHORITY, an instrumentality of the State of Georgia and a public corporation thereof (the “**Authority**”), and the MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH, a municipal corporation and a political subdivision of the State of Georgia (the “**City**”);

WITNESSETH:

WHEREAS, the Authority has been created pursuant to an amendment to the Constitution of the State of Georgia (Ga. Laws 1974, p. 1738) and the Authority's powers have been further defined pursuant to an act of the General Assembly of Georgia (Ga. Laws 1981, p. 4041) (collectively, the “**Act**”), and

WHEREAS, pursuant to Article IX, Section III, Paragraph I of the Constitution of the State of Georgia, any municipality or other political subdivision of the State of Georgia may contract for any period not exceeding 50 years with any public authority for joint services, for the provision of services or for the joint or separate use of facilities or equipment, provided such contracts deal with activities, services or facilities which the contracting parties are authorized by law to undertake or provide; and

WHEREAS, under the Act, the Authority is empowered to undertake “projects” which include the acquisition, construction, equipping, maintenance, and operation of any public project or other public facility and any and all other facilities useful or desirable in connection with such undertakings, all for the essential public purposes of development and promotion of public welfare, trade, commerce, etc., in the City; and

WHEREAS, under the Act, the Authority is further empowered to make contracts for the construction of projects or with respect to the use of projects which it causes to be erected or acquired and to contract with the City upon such terms and for such purposes as may be deemed advisable for a term not exceeding 50 years; and

WHEREAS, under the Act, the Authority is authorized to provide for the issuance of its revenue bonds for the purpose of paying all or any part of the cost of one or more projects and for the purpose of refunding bonds previously issued; and

WHEREAS, the City is authorized to levy taxes, without limitation as to rate or amount, and to expend tax monies of the City and other available funds and to obligate the City to make payment to the Authority of the amounts, and upon such terms as are provided for in the hereinafter described Intergovernmental Contract between the Authority and the City; and

WHEREAS, the Act provides that revenue bonds issued by the Authority shall not be deemed to constitute a debt of the State of Georgia or any municipality or political subdivision thereof which may contract with the Authority, and that no contract entered into by the Authority with any such municipality or political subdivision shall create a debt of such municipality or political subdivision within the meaning of Article IX, Section V, Paragraph I of the Constitution of the State of Georgia, but any such municipality or political subdivision may obligate itself to

make the payments required under such contract from money received from taxes and from any other source without creating a debt within the meaning of Article IX, Section V, Paragraph I of the Constitution of the State of Georgia; and

WHEREAS, pursuant to the Act and a resolution adopted by the Authority on August 27, 2009 (the “**2009 Resolution**”), the Authority has previously issued its CAPITAL IMPROVEMENT REVENUE BONDS (CITY OF SAVANNAH PROJECT), TAXABLE-BUILD AMERICA BONDS-DIRECT PAYMENT, SERIES 2009B (the “**Series 2009B Bonds**”), in the original aggregate principal amount of \$20,155,000, of which \$8,270,000 is presently outstanding, the proceeds of which were used to provide funds for the purposes of financing the acquisition, construction, and equipping of capital projects in the downtown area of the City and paying expenses incurred in connection with the issuance and delivery of the Series 2009B Bonds; and

WHEREAS, Section 303 of the 2009 Resolution provides that: “The Series 2009B Bonds, which are being issued as Build America Bonds, are subject to redemption by the Authority prior to maturity at the option of the City in whole or in part on any date during the period from the date of issuance of the Series 2009B Bonds until December 1, 2019, in the event that the government of the United States of America evidences, in the sole judgment of the City, by action or failure to act that it will not provide for the Direct Payments to be made to the Authority or the City in an amount equal to or greater than thirty-five (35%) of the interest payable on the Series 2009B Bonds on any Interest Payment Date. The extraordinary redemption price will be 100% of the principal amount of the Series 2009B Bonds to be redeemed plus accrued interest to the redemption date”; and

WHEREAS, by action of the government of the United States of America, the Direct Payments (as such term is defined in the 2009 Resolution) made to the City have been reduced to an amount less than 35% of the interest payable on the Series 2009B Bonds, other than the Series 2009B Bonds maturing on August 1, 2026, and August 1, 2027 (the “**Refunded Serial Bonds**”), and the City has requested that the Authority issue the hereinafter described Bond in order to provide for the extraordinary redemption of the outstanding Series 2009B Bonds maturing on August 1, 2029, and August 1, 2032 (the “**Refunded Term Bonds**”), and optionally redeeming on August 1, 2019, the Refunded Serial Bonds, in order to achieve interest cost savings; and

WHEREAS, in furtherance of the purposes of the Act, and on behalf of and at the request of the City, the Authority adopted a bond resolution on March 28, 2019 (the “**Resolution**”), providing for the issuance of its REFUNDING REVENUE BOND (CITY OF SAVANNAH PROJECT), SERIES 2019 (the “**Bond**”) in the principal amount of \$8,440,000 to provide funds for the purposes of (i) refunding the outstanding Refunded Serial Bonds and the Refunded Term Bonds (together, the “**Refunded Bonds**”) in order to achieve interest cost savings and (ii) paying expenses incurred in connection with the issuance of the Bond; and

WHEREAS, pursuant to this Contract (the “**Contract**”) the City will make payments to the Authority sufficient to pay the principal of, premium if any, and interest on the Bond as the same become due;

NOW, THEREFORE, in consideration of the foregoing and the respective representations, covenants and agreements hereinafter set forth, the Authority and the City

hereby agree as follows; provided, that in the performance of the covenants and agreements of the Authority herein contained, any obligation it may thereby incur for the payment of money shall not be a general debt of the Authority but shall be payable solely out of the proceeds derived from the sale of the Bond and the revenues and receipts derived from this Contract:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions. All words and phrases defined in Section 101 of the Resolution shall have the same meanings in this Contract.

Section 1.02. Rules of Construction. The definitions referred to in Section 1.01 shall be equally applicable to both the singular and the plural forms of the terms therein defined and shall cover all genders.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter,” “this Contract,” and other equivalent words refer to this Contract and not solely to the particular portion thereof in which any such word is used.

All references herein to particular Articles or Sections are references to Articles or Sections of this Contract unless otherwise specified.

[END OF ARTICLE I]

ARTICLE II

REPRESENTATIONS, WARRANTIES, AND AGREEMENTS

Section 2.01. Representations, Warranties, and Agreements of the Authority. The Authority represents, warrants, and agrees that:

(a) The Authority is a public body corporate and politic created and existing under the Act and, unless otherwise required by law, shall maintain its corporate existence so long as the Bond is Outstanding. Under the provisions of the Act, the Authority is authorized to enter into and carry out the transactions contemplated by this Contract and the Resolution;

(b) The Authority and the City heretofore have agreed that the Authority will provide financing for the undertakings of the City described in the preamble to this Contract by the issuance of the Bond as set forth in the Resolution;

(c) There is no litigation or proceeding pending or, to the knowledge of the Authority, threatened against the Authority or against any other party which would have a material adverse effect on the right of the Authority to execute this Contract or the ability of the Authority to comply with any of its obligations under the Bond, this Contract, the Resolution, or any other documents contemplated to be executed by the Authority in connection with the issuance and delivery of the Bond;

(d) This Contract, upon execution of the same, will constitute the legal, valid, and binding obligation of the Authority in accordance with its terms, and performance by the Authority of its obligations hereunder will not violate or result in a breach of any of the provisions of or constitute a default under any agreement or instrument to which the Authority is a party or by which the Authority is bound;

(e) The Authority has not made, done, executed, or suffered, and warrants that it will not make, do, execute, or suffer, any act or thing relating to the Bond except as permitted herein and the Resolution and except for acts or things done or permitted by the City; and

(f) Except as herein and in the Resolution provided, the Authority will not encumber any part of its interest in the Revenues payable under this Contract or its rights under this Contract. The pledge made of the Revenues payable under this Contract constitutes a first and prior pledge of and lien on said Revenues and said pledge shall at no time be impaired by the Authority and the Revenues shall not otherwise be pledged.

Section 2.02. Representations, Warranties, and Agreements of the City. The City represents, warrants, and agrees as follows:

(a) The City is a municipal corporation and a political subdivision of the State, having power to enter into and execute, deliver, and perform this Contract, and by proper action of its governing body has authorized the execution and delivery of this Contract and the taking of any and all such actions as may be required on its part to carry out, give effect to, and consummate the transactions contemplated by this Contract and the Resolution, and no approval or other action by any governmental authority, agency, or other person is required in connection

with the delivery and performance of this Contract by it except as shall have been obtained as of the date of delivery of the Bond;

(b) There is no litigation or proceeding pending or, to the knowledge of the City, threatened against or affecting the City, nor to the best of the knowledge of the City is there any basis therefor wherein an unfavorable decision, ruling, or finding would materially adversely affect the transactions contemplated by this Contract or which in any way would adversely affect the validity or enforceability of the Bond, this Contract, the Resolution, or any other documents contemplated to be executed in connection with the issuance and delivery of the Bond;

(c) This Contract, upon execution of the same, will constitute the legal, valid, and binding obligation of the City enforceable in accordance with its terms, and performance by the City of its obligations hereunder will not violate or result in a breach of any of the provisions of or constitute a default under any agreement or instrument to which the City is a party or by which the City is bound; and

(d) No actions will be taken by the City which shall in any way impair the exclusion of interest on the Bond from federal income taxation.

[END OF ARTICLE II]

ARTICLE III

ISSUANCE OF THE BOND

Section 3.01. The Bond. In order to provide funds for the purposes set forth in the preamble to this Contract, the Authority will, in accordance with the Act, issue the Bond, and all of the covenants, agreements, and provisions hereof shall, to the extent provided herein and in the Resolution, be for the benefit and security of the owner of the Bond.

Section 3.02. Date, Denomination, and Maturities. The Bond will be issued in registered form and will mature and be paid pursuant to the provisions of Article II of the Resolution. Interest on the Bond will be paid to the registered owner thereof in the manner stated in the Bond and in the Resolution until the obligation of the Authority with respect to the payment of the principal of the Bond shall be discharged in accordance therewith.

Section 3.03. Obligations Relating to the Resolution and the Bond. The City agrees to perform all undertakings and obligations which are contemplated or required to be performed by the City pursuant to the provisions of the Resolution.

Section 3.04. Application of Bond Proceeds. At and upon the delivery of and payment for the Bond, the proceeds received therefrom shall be applied in accordance with the provisions of Section 512 of the Resolution.

[END OF ARTICLE III]

ARTICLE IV

REFUNDING OF THE REFUNDED BONDS; INVESTMENTS

Section 4.01. Refunding of the Refunded Bonds. The Authority hereby agrees to finance the cost of refunding the Refunded Bonds on behalf of the City and, in consideration thereof, the City agrees to make the payments provided for in Section 5.01 hereof in accordance with the provisions of this Contract.

Section 4.02. Investment of Money. Any money held as a part of the Debt Service Fund shall be held uninvested.

Section 4.03. Tax Covenants. The City hereby covenants and represents to the Authority for the benefit of holder of the Bond that:

(a) It will not expend the proceeds from the sale of the Bond nor take any other action which would cause the interest on the Bond to be includable in the gross income of the owners thereof for federal income tax purposes.

(b) It will not make or permit any use of the proceeds from the issue and sale of the Bond which would cause the Bond to be classified as an “arbitrage bond” within the meaning of § 148(a) of the Code and any Treasury Regulations promulgated thereunder as such provisions may apply to obligations issued as of the date of issuance of the Bond.

(c) It will take such action and make such payments as may be permitted or required by § 148(f) of the Code to ensure that the Bond does not constitute an “arbitrage bond” within the meaning of § 148(a) of the Code.

[END OF ARTICLE IV]

ARTICLE V

CONTRACT PAYMENTS BY THE CITY

Section 5.01. Contract Payments by the City. Pursuant to this Contract, the City agrees to provide funds sufficient to pay the following:

(a) the principal of, premium, if any, and interest due on the Bond, upon maturity, redemption or otherwise. All such payments shall be made to the Paying Agent at its Principal Office in lawful money of the United States of America in immediately available funds on or before the date on which due;

(b) the reasonable fees of the Paying Agent and Bond Registrar as provided in the Resolution. Said fees and expenses shall be paid when due directly to the Paying Agent and Bond Registrar for its own account; and

(c) any payments which may be required by Section 4.03(c).

Each payment to be made by the City hereunder is to be made on a parity with every other payment hereunder.

Section 5.02. Credits. Any amounts in the Debt Service Fund prior to any Interest Payment Date or date fixed for redemption of the Bond shall be credited against the payments due by the City under this Contract.

Section 5.03. Place of Payments. The payments to be made pursuant to Section 5.01(a) shall be paid directly to the Paying Agent for the account of the Authority and shall be deposited in the Debt Service Fund as required by the Resolution. The payments to be made pursuant to subsections (b) and (c) of Section 5.01 shall be paid directly to the party to whom such payment is to be made for its own use.

Section 5.04. [Reserved].

Section 5.05. City's Obligations Unconditional. The obligations of the City to make payments required in this Article V on the dates and in the manner herein specified and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional, regardless of any contingencies whatever and notwithstanding any circumstances or occurrences that may arise or take place hereafter, and shall not be subject to diminution by set-off, counterclaim, abatement, or otherwise. Until such time as the principal of and interest on the Bond shall have been paid or provision for such payment shall have been made in accordance with the Resolution, the City (i) will not suspend or discontinue any payments for which provision is made in Section 5.01, (ii) will perform and observe all of its other covenants and agreements contained in this Contract, and (iii) will not terminate this Contract for any cause including, without limiting the generality of the foregoing, impossibility or illegality of performance on the part of the Authority of any of its obligations hereunder or under the Resolution.

Section 5.06. City's Remedies. If the Authority shall fail to perform any of its agreements in this Contract, the City may institute such action against the Authority as the City may deem necessary to compel such performance so long as such action shall not affect, impair, or diminish the obligation of the City to make the payments provided for herein, which obligation shall be absolute, unconditional, and irrevocable.

Section 5.07. Tax Levy to Make Payments. The City will exercise its power of taxation to the extent necessary to pay the amounts required to be paid hereunder and will make available and use for the payment of its obligations incurred hereunder all such taxes levied and collected for that purpose together with funds received from any other source. The City, in order to make such funds available for such purpose in each fiscal year, will in its general revenue, appropriation and budgetary measures whereby its tax funds or revenues and the allocation thereof are controlled or provided for in each fiscal year during the term of this Contract, include sums sufficient to satisfy the payments required to be made under this Contract, whether or not any other sums are included in such measure, until all payments required to be made hereby shall have been made in full. The obligation of the City to make the payments provided for pursuant to the terms of this Contract shall constitute a general obligation of the City and a pledge of the full faith and credit of the City to provide the funds required to fulfill such obligation.

Section 5.08. Prior Lien of the Bond. The Authority will not hereafter issue any other bonds or obligations of any kind or nature payable from or enjoying a lien on the revenue derived from this Contract superior to the lien created in the Resolution for the payment of the Bond.

[END OF ARTICLE V]

ARTICLE VI
[RESERVED]

ARTICLE VII

INDEMNITY

Section 7.01. Indemnification; Immunity of Members of Authority.

(a) During the term of this Contract, the City, at its own expense, shall handle to conclusion all claims and pay all judgments obtained against the City or the Authority by reason of any failure, breach, or default on the part of the City in the performance of or compliance with any of the obligations of the City under the terms of this Contract; provided, however, that the indemnity provided by this Section 7.01 shall be effective only to the extent that the amount of liability arising from any such loss shall exceed the proceeds available therefor obtained from insurance carried with respect to such loss.

(b) Notwithstanding the fact that it is the intention of the parties that the Authority shall not incur any pecuniary liability by reason of the terms of this Contract or the undertakings required of the Authority hereunder by reason of the issuance of the Bond, the adoption of the Resolution, or the performance of any act requested of the Authority by the City; nevertheless, if the Authority should incur any such pecuniary liability, then in that event, the City shall indemnify and hold the Authority harmless against all claims, demands, or causes of action arising therefrom and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon and, upon notice from the Authority, the City shall defend the Authority in any such action or proceeding.

(c) No recourse shall be had for the enforcement of any obligation, covenant, or agreement of the Authority contained in this Contract or in the Bond or the Resolution for any claim based hereon or thereon against any member, officer, or employee of the Authority or of any successor thereto, in his individual capacity, either directly or through the Authority, whether by virtue of any constitutional provision, statute, or rule of law. This Contract, the Bond, and the Resolution are solely corporate obligations and no personal liability shall attach to or be incurred by any member, officer, or employee of the Authority or of any successor thereto, either directly or by reason of the obligations, covenants, or agreements entered into between the Authority and the City, and all personal liability of any character against every such member, officer, and employee is, by the execution of this Contract, expressly waived and released. The immunity of members, officers, and employees of the Authority under the provisions contained in this Section 7.01 shall survive the termination of this Contract.

[END OF ARTICLE VII]

ARTICLE VIII

DEFAULT; REMEDIES

Section 8.01. Events of Default Defined. The following shall be “events of default” under this Contract and the term “event of default” shall mean, whenever used in this Contract, any one of the following events:

(a) Failure by the City to pay when due, or within 30 days thereafter, any amount required to be paid under Section 5.01(a);

(b) The City shall fail to perform any of the other agreements, conditions, covenants, or terms herein required to be performed by the City and such default shall continue for a period of 30 days after written notice has been given to the City by the Authority, the Paying Agent, or the Bondholder specifying such default and requesting that it be remedied, or within a greater number of days if such remedy has been undertaken and is being diligently pursued and more than 30 days is required for its completion; provided, however, that if, by reason of *force majeure*, the City is unable, in whole or in part, to perform the obligations on its part herein undertaken (other than the obligations relating to the payments to be made under Section 5.01(a)), the City shall not be deemed in default during the continuance of such inability to perform. The term “*force majeure*” shall mean, without limitation, acts of God; strikes; work stoppages or similar disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes, fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery or equipment; partial or entire failure of utilities, or any other cause or event not reasonably within the control of the City. The City will, however, use its best efforts to remedy, with all reasonable dispatch, the cause or causes preventing the City from carrying out such obligation; provided, that the settlement of strikes, work stoppages, and similar disturbances shall be entirely within the discretion of the City and the City shall not be required to make settlement of such disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the City, unfavorable to the City; and

(c) An “Event of Default” shall have occurred under the Resolution.

Section 8.02. Remedies on Default.

(a) If an event of default referred to in Section 8.01 occurs and is continuing, then and in every such case any Bondholder may, by written notice to the City, take whatever action at law or in equity may appear necessary or desirable to enforce the performance and observance of the obligation, agreement or covenant of the City then in default under this Contract, whether for specific performance of any covenant or agreement contained herein or therein or in aid of the execution of any power herein granted. No remedy conferred upon or reserved to the Bondholders in this subsection (a) is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every

other remedy given under this Contract and now or hereafter existing at law or in equity or by statute, subject to the provisions of the Resolution.

(b) No delay or omission to exercise any right or power accruing upon any event of default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Bondholder to exercise any respective remedy reserved to it in this Article VIII, it shall not be necessary to give any notice other than any notice required herein.

(c) Any amounts collected pursuant to action taken under subsection (a) of this Section 8.02 shall be applied in accordance with the Resolution to the extent the provisions of the Resolution relate to such amounts.

Section 8.03. Attorneys' Fees and Expenses. If the City should default under any of the provisions of this Contract and the owner of the Bond shall employ attorneys or incur other expenses for the collection of the amounts payable hereunder or the enforcement, performance, or observance of any obligation or agreement on the part of the City herein contained, the City will, on demand therefor, pay the amount of the reasonable fees and expenses of such attorneys and such other reasonable expenses so incurred.

Section 8.04. No Waiver of Breach. If any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 8.05. City Authorized to Cure Default of Authority. With regard to any default on the part of the Authority under this Contract or under the Resolution, the Authority hereby vests the City with full power, for the account of the Authority, to perform any obligation in remedy of such default in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such acts.

Section 8.06. Failure to Enforce Agreement Not a Waiver. The failure of the Authority or the Bondholder to enforce any agreement, condition, covenant, or term by reason of any default or breach by the City shall not be deemed to void or affect the right to enforce the same agreement, condition, covenant, or term on the occasion of any subsequent default or breach.

[END OF ARTICLE VIII]

ARTICLE IX

PREPAYMENT

Section 9.01. Optional Prepayment. The City shall have, and is hereby granted, subject to the provisions of the Resolution, the option to prepay all or any portion of the amounts payable under Section 5.01(a), at the times and under the conditions provided for in the Resolution, by taking the actions required by of the Resolution to effect the full or partial redemption of the Bond.

Section 9.02. Exercise of Optional Prepayment. To exercise the option granted in Section 9.01, the City shall give written notice to the Authority, the Bond Registrar, and the Bondholder of the exercise of such option and a direction to effect the full or partial redemption of the Bond, which notice shall specify therein (i) the date of redemption, which date shall not be less than two days from the date the notice is given, (ii) the principal amount to be redeemed, (iii) the applicable redemption price, and (v) the provision or provisions of the Resolution pursuant to which the Bond is to be redeemed.

Upon receipt of a notice given by the City pursuant to this Section 9.02, the Bond Registrar shall forthwith take or cause to be taken all actions necessary under the Resolution to effect the full or partial redemption of the Bond in accordance with such notice.

[END OF ARTICLE IX]

ARTICLE X

TERM; MISCELLANEOUS

Section 10.01. Term of this Contract. This Contract shall be in full force and effect from the date of delivery hereof until such time as the Bond shall have been paid or provision for such payment shall have been made in accordance with the Resolution and all payments due or to become due to the Paying Agent and Bond Registrar have been made.

Section 10.02. Notices. All notices or other communications required or permitted to be given pursuant to this Contract shall be in writing and shall be considered as properly given if mailed by first-class United States mail, postage prepaid, registered or certified with return receipt requested, by overnight delivery, by delivering same in person to the intended addressee, or by prepaid telegram, telex. or telecopy. Notice so mailed shall be effective three days after its deposit. Notice given in any other manner, including overnight delivery and telecopy, shall be effective only if and when received by the addressee. Each such notice or other communication given hereunder shall be given to all of the other parties. For purposes of notice, the addresses of the parties shall be as set forth herein; provided, however, that hereinafter either party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of notice to the other party in the manner set forth hereinabove.

If to the Authority:	Downtown Savannah Authority P. O. Box 1027 Savannah, Georgia 31402 Attention: Secretary-Treasurer
If to the City:	Mayor and Aldermen of the City of Savannah P. O. Box 1027 Savannah, Georgia 31402 Attention: City Manager
With a copy to:	Jennifer N. Herman, Interim City Attorney 6 East Bay Street Gamble Building, 3rd Floor Savannah, Georgia 31401
If to the Bond Registrar and Paying Agent:	The Bank of New York Mellon Trust Company, N.A. 10161 Centurion Parkway North Jacksonville, Florida 32256 Attention: Corporate Trust Department

Section 10.03. Binding Effect. This Contract shall inure to the benefit of and shall be binding upon the Authority, the City and their respective successors and assigns.

Section 10.04. Severability. If any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.05. Amounts Remaining in Funds. It is agreed by the parties hereto that any amounts remaining in any fund after payment in full of the principal of, premium, if any, and interest on the Bond (or provision for payment shall have been made as provided for in the Resolution), the fees, charges, and expenses of the Paying Agent and Bond Registrar and all other amounts required to be paid under the Resolution shall be paid to the City.

Section 10.06. Delegation of Duties by Authority. It is agreed that under the terms of this Contract and also under the terms of the Resolution, the Authority has delegated certain responsibilities to the City. The fact of such delegation shall be deemed a sufficient compliance by the Authority to satisfy the responsibilities so delegated and the Authority shall not be liable in any way by reason of acts done or omitted by the City or the City Representative. The Authority shall have the right at all times to act in reliance upon the authorization, representation, or certification of the City Representative.

Section 10.07. [Reserved].

Section 10.08. Amendments, Changes, and Modifications. Subsequent to the initial issuance of the Bond and prior to the payment in full of the Bond, this Contract may not be amended, changed, modified, or altered except as provided in Article IX of the Resolution.

Section 10.09. Execution Counterparts. This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.10. Captions. The captions or headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Contract.

Section 10.11. Law Governing Construction of Contract. This Contract shall be governed by and construed in accordance with the laws of the State.

[END OF ARTICLE X]

IN WITNESS WHEREOF, the Authority and the City have caused this Contract to be executed in their respective names and their respective seals to be hereunto affixed and attested by their respective duly authorized officers, all as of the date first above written.

DOWNTOWN SAVANNAH AUTHORITY

By: _____
Chairman

(S E A L)

Attest: _____
Secretary-Treasurer

MAYOR AND ALDERMEN
OF THE CITY OF SAVANNAH

By: _____
City Manager

(S E A L)

Attest: _____
Clerk of Council