
DOWNTOWN SAVANNAH AUTHORITY

BOND RESOLUTION

Adopted August 31, 2017

Providing for the issuance of the

DOWNTOWN SAVANNAH AUTHORITY (GEORGIA)
REVENUE BOND (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT),
SERIES 2017

in the principal amount of \$6,585,000

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BOND RESOLUTION

THIS BOND RESOLUTION (this “**Resolution**”), adopted August 31, 2017, by the DOWNTOWN SAVANNAH AUTHORITY, an instrumentality of the State of Georgia and a public corporation thereof (the “**Authority**”);

W I T N E S S E T H:

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 fifty 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 of Savannah; 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 Mayor and Aldermen of the City of Savannah (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, a municipal corporation and a political subdivision of the State of Georgia, 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, in furtherance of the purposes of the Act, on behalf of and at the request of the City, the Authority proposes to issue its REVENUE BOND (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT), SERIES 2017 (the “**Bond**”) in the principal amount of \$6,585,000 to provide funds and services for the purposes of (i) financing the acquisition and construction of improvements to Gwinnett Street in the downtown area of the City (the “**Project**”) and (ii) paying the expenses incurred in connection with the issuance of the Bond; and

WHEREAS, pursuant to an Intergovernmental Contract (the “**Contract**”) between the Authority and the City, to be dated the date of issuance and delivery of the Bond, 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;

WHEREAS, the Authority has offered the Bond for sale as a single instrument Bond pursuant to a Request for Offers which has been disseminated to prospective bidders by the Authority through Public Financial Management, Inc., the financial advisor for the City; and

WHEREAS, in the Request for Offers bidders were requested to submit bids not later than 10:30 A.M., Eastern Daylight Time, Thursday, August 31, 2017; and

WHEREAS, bids were received and opened at 10:30 A.M., Eastern Daylight Time, on Thursday, August 31, 2017, a summary of all which bids is attached hereto as Exhibit A; and

WHEREAS, the bid of _____ was the best responsive bid with the lowest true interest cost; and

WHEREAS, after due consideration, it is deemed advisable and in the best interest of the Authority and the City for the Bond be sold to the best bidder with the lowest true interest cost, said bidder having in all respects complied with the terms of the Request for Offers.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Downtown Savannah Authority in public meeting properly and lawfully called and assembled, and it is hereby resolved by authority of the same, as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 101. Definitions. Unless the context clearly requires otherwise, all terms used herein shall have the meanings set forth in this Article I.

“**Act**” shall mean Ga. Laws 1974, p. 1738 and Ga. Laws 1981, p. 4041.

“**Administration Expense**” shall mean the reasonable and necessary expenses incurred by the Authority or the City with respect to the Contract, this Resolution, and any transaction or event contemplated by the Contract or this Resolution, including the compensation and expenses paid to the Bond Registrar and Paying Agent. All Administrative Expenses incurred in connection with the issuance of the Bond shall be part of the Cost of Construction.

“**Authentication Agent**” shall mean The Bank of New York Mellon Trust Company, N.A., in its capacity as Authentication Agent for the Bond, and its successor or successors.

“**Authority**” shall mean the Downtown Savannah Authority and its successors.

“**Authority Representative**” shall mean any person at the time designated to act on behalf of the Authority by certificate furnished to the City and the Paying Agent containing the specimen signature of such person and signed by the Chairman of the Authority. Such certificate may designate one or more alternates.

“**Bond**” shall mean the DOWNTOWN SAVANNAH AUTHORITY (GEORGIA) REVENUE BOND (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT), SERIES 2017, to be issued as a single-instrument bond pursuant to the terms of this Resolution.

“**Bond Counsel**” shall mean an attorney at law or a firm of attorneys, designated by the Authority, of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on Bond issued by states and their political subdivision, duly admitted to the practice of law before the highest court of any state of the United States of America.

“**Bond Registrar**” shall mean The Bank of New York Mellon Trust Company, N.A., acting in its capacity as Bond Registrar for the Bond, and its successor or successors.

“**Bondholder,**” “**holder,**” “**Holder,**” or “**owner of the Bond**” means the registered owner of the Bond.

“**Business Day**” means a day on which banks located in the city in which the Principal Office of the Paying Agent is located, and banks in New York, New York, are not required or authorized by law or executive order to remain closed.

“**City**” means the Mayor and Aldermen of the City of Savannah, a municipal corporation and a political subdivision of the State of Georgia.

“**City Representative**” shall mean the City Manager of the City or any person at the time designated to act on behalf of the City by written certificate furnished to the Authority and the Paying Agent containing the specimen signature of such person and signed by the City Manager.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended.

“**Completion Date**” shall mean the date of completion of the Project as that date shall be certified pursuant to Section 4.04 of the Contract.

“**Construction Fund**” shall mean the fund created by Section 508 of this Resolution.

“**Construction Period**” shall mean the period between the issuance and delivery of the Bond and the Completion Date with respect to the Project.

“**Contract**” shall mean the Intergovernmental Contract, to be dated the date of issuance and delivery of the Bond, between the Authority and the City, as the same may be amended or supplemented.

“**Cost of Construction**” with respect to the Project shall be deemed to include all items permitted to be financed under the provisions of the Act, including but not limited to: (a) obligations incurred or assumed by the Authority or the City for labor, materials, and other expenses and to the contractors, builders, and materialmen in connection with the Project; (b) the cost of contract Bond and of insurance of all kinds relating to the Project that may be deemed to be desirable or necessary during the Construction Period; (c) the expenses of test borings, surveys, estimates, plans and specifications, and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or reasonably necessary for the proper completion of the Project; (d) interest accruing on the Bond during the Construction Period and for six months thereafter; (e) Administration Expense and all other costs of the Project, including land acquisition costs, if any; and (f) any sums required to reimburse the City for payments made by the City for any of the above items, or for any other cost incurred in connection with the issuance of the Bond, and for work done by the Authority or the City which are properly chargeable to the Project.

“**Costs of Issuance**” shall mean the reasonable and necessary expenses incurred by the Authority and the City with respect to the Contract, this Resolution and any transaction or event contemplated by the Contract or this Resolution, including the legal, accounting financial, advertising, recording, validation, and printing expenses and all other expenses incurred in connection with the issuance of the Bond.

“**Counsel**” shall mean an attorney at law duly admitted to practice law before the highest court in any state.

“**County**” shall mean Chatham County, Georgia, a political subdivision of the State of Georgia.

“**Debt Service Fund**” shall mean the fund created by Section 501 of this Resolution.

“Debt Service Fund Custodian” shall mean the Paying Agent for the Bond, which shall also serve as custodian of the Debt Service Fund.

“DTC” means The Depository Trust Company, New York, New York, or its nominee, or its successors and assigns, or any other depository performing similar functions under this Resolution.

“Eligible Investments” shall mean any of the following investments allowed by O.C.G.A. § 36-82-7, if and to the extent the same are at the time legal for investment of bond proceeds:

1. the local government investment pool created in O.C.G.A. § 36-83-8; or
2. the following securities:
 - A. bonds or other obligations of the State or of counties and municipal corporations of the State rated “A” or better by Moody’s Investors Service and “AA” or better by Standard & Poor’s Ratings Group;
 - B. bonds or other obligations of the United States or of subsidiary corporations of the United States government, or obligations representing an interest therein, fully guaranteed by such government;
 - C. obligations of agencies of the United States government issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, and the Central Bank for Cooperatives;
 - D. bonds or other obligations issued by any public housing agency or municipal corporation in the United States, which such bonds or obligations are fully secured as to payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States government, or project notes issued by any public housing agency, urban renewal agency or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan or payment agreement with the United States government;
 - E. certificates of deposit of national or state banks located within the State which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan associations or savings and loan associations located within the State which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian or trustee for any proceeds of the Bond; provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation, or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit with the Federal Reserve Bank

of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State, of one or more of the following securities in an aggregate principal amount equal at least to the amount of such excess: direct and general obligations of the State or any county or municipal corporation in the State, obligations of the United States or subsidiary corporations included in subparagraph (B) above, obligations of the agencies of the United States government included in subparagraph (C) above, or bond obligations or project notes of public housing agencies, urban renewal agencies, or municipalities included in subparagraph (D) above; and

F. securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(1) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in subparagraph (B) above and repurchase agreements fully collateralized by any such obligations;

(2) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(3) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(4) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State.

“**Event of Default**” shall have the meaning given such term in Section 801 of this Resolution.

“**Home Office Payment Agreement**” shall have the meaning given such term in Section 410 of this Resolution.

“**Interest Payment Date**” shall have the meaning given such term in Section 202 of this Resolution.

“**Outstanding under this Resolution**,” “Outstanding hereunder, or “Outstanding” when used in reference to the Bond shall mean, as at any particular date, the Bond authenticated and delivered under this Resolution except:

(a) the Bond cancelled after purchase in the open market or because of payment at maturity or redemption prior to maturity;

(b) the Bond otherwise deemed to be paid in accordance with Article VII of this Resolution; or

(c) the Bond in lieu of or in exchange or substitution for which another Bond shall have been authenticated and delivered pursuant to this Resolution unless proof is presented that the Bond is held by a bona fide purchaser.

“**Paying Agent**” shall mean The Bank of New York Mellon Trust Company, N.A., acting in its capacity as Paying Agent for the Bond, and its successor or successors.

“**Person**” or “**persons**,” unless the context shall otherwise indicate, shall include any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government, or any agency or political subdivision thereof.

“**Plans and Specifications**” shall mean the plans and specifications for the Project, kept on file by the City, as they may be revised in accordance with Section 4.06 of the Contract.

“**Principal Office**” shall mean the corporate trust office of the Paying Agent located in Jacksonville, Florida.

“**Project**” shall mean the acquisition and construction of improvements to Gwinnett Street in the downtown area of the City, all as more particularly described in the Plans and Specifications, as revised from time to time in accordance with Section 4.06 of the Contract.

“**Record Date**” shall have the meaning given such term in Section 202 of this Resolution.

“**Resolution**” shall mean this Bond Resolution, as the same may be amended or supplemented.

“**Revenues**” shall mean all money paid to the Authority by the City for the services provided by the Authority pursuant to the Contract, and all receipts of the Paying Agent credited under the provisions of this Resolution against such payments.

“**State**” means the State of Georgia.

Section 102. Rules of Construction. The definitions set forth herein 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**,” and other equivalent words refer to this Resolution 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 Resolution unless otherwise specified.

[END OF ARTICLE I]

ARTICLE II

AUTHORIZATION, TERMS, AND FORM OF THE BOND

Section 201. Authorization of the Bond. The Bond is hereby authorized to be issued pursuant to the Revenue Bond Law of Georgia, codified in O.C.G.A. § 36-82-60 *et seq.*, the Constitution of the State of Georgia, the general laws of the State of Georgia, the laws of the State of Georgia relating to the Authority and pursuant to this Resolution, and all the covenants, agreements, and provisions of this Resolution shall be for the benefit and security of the owner of the Bond.

Section 202. Designation, Date, Denomination, Maturity, Interest Payment Dates, and Other Particulars of the Bond.

(a) The Bond shall be designated DOWNTOWN SAVANNAH AUTHORITY (GEORGIA) REVENUE BOND (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT), SERIES 2017.

(b) The Bond shall be issued in the principal amount of \$6,585,000, shall bear interest at the rate of _____% per annum, calculated on the basis of a 360-day year consisting of twelve 30-day months, payable semi-annually on February 1 and August 1 (each an “**Interest Payment Date**”) in each year beginning February 1, 2018. The Bond shall mature on August 1, 2030, and be subject to scheduled mandatory redemption in the years and principal amounts set forth in Section 302 hereof.

The Bond as originally issued shall be lettered and numbered R-1 according to the records maintained by the Bond Registrar and shall be dated as of its date of issuance and delivery.

(c) The Bond shall, except as provided in this Section, bear interest from the Interest Payment Date next preceding the date of authentication of the Bond to which interest on the Bond has been paid, unless (i) such date of authentication is an Interest Payment Date to which interest has been paid, in which case from such Interest Payment Date, (ii) such date of authentication of the Bond is after the Record Date with respect to an Interest Payment Date and prior to such Interest Payment Date, in which case from such Interest Payment Date, or (iii) no interest has been paid on the Bond, in which case from its dated date.

The person in whose name the Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding any registration of transfer or exchange subsequent to such Record Date and prior to such Interest Payment Date. The term “Record Date” as used in this Section with respect to any Interest Payment Date shall mean the fifteenth day of the calendar month next preceding such Interest Payment Date; provided, however, that if and to the extent a default shall occur in the payment of interest due on such Interest Payment Date, such past due interest shall be paid to the person in whose name the Bond is registered on a subsequent date of record established by notice given by mail by the Bond Registrar to the holder of the Bond not less than 30 days preceding such subsequent date of record.

(d) The principal of and interest and redemption premium, if any, on the Bond shall be payable in any coin or currency of the United States of America which at the time of payment

is legal tender for the payment of public and private debts. The final payment of principal of the Bond shall be payable upon the presentation and surrender of the Bond at the Principal Office of the Paying Agent. The interest on the Bond shall be paid by check or draft mailed by the Paying Agent by first class mail to the owner of the Bond at its address as appears on the bond register kept by the Bond Registrar (or by wire transfer at a wire transfer address which said registered owner has provided to the Paying Agent not less than five days prior to an Interest Payment Date, which wire instructions shall remain in effect until the Paying Agent is notified to the contrary).

(e) The Bond shall be issued as a fully-registered bond substantially in the form hereinafter set forth, with such variations, omissions, substitutions, and insertions as are therein required or permitted.

Section 203. Execution of the Bond. The Bond shall be executed on behalf of the Authority with the manual or facsimile signature of its Chairman and shall have printed or impressed thereon the official seal of the Authority and be attested with the manual or facsimile signature of its Secretary-Treasurer. In case any officer of the Authority whose signature shall appear on the Bond shall cease to be such officer before the delivery of the Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 204. Authentication of the Bond; Temporary Bond. Only a Bond as shall have endorsed thereon a certificate of authentication executed by the Authentication Agent shall be entitled to any right or benefit under this Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been executed by the Authentication Agent, and such executed certificate of the Authentication Agent upon the Bond shall be conclusive evidence that the Bond has been authenticated and delivered hereunder. Said certificate of authentication on the Bond shall be deemed to have been executed by the Authentication Agent if signed by an authorized signatory of the Authentication Agent.

Pending preparation of a definitive Bond, there may be executed, and upon request of the Authority, the Authentication Agent shall authenticate and deliver, in lieu of a definitive Bond and subject to the same limitation and conditions, a temporary typewritten, printed, engraved, or lithographed Bond, in the form of a registered Bond without coupons and with such appropriate omissions, insertions, and variations as may be required with respect to such temporary Bond.

If a temporary Bond shall be issued, the Authority shall cause the definitive Bond to be prepared and to be executed and delivered to the Authentication Agent, and the Authentication Agent, upon surrender to it at its Principal Office of a temporary Bond, shall authenticate and deliver in exchange therefor at the place designated by the Bondholder, without charge to the Bondholder thereof, a definitive Bond of an equal principal amount, of the same maturity, and bearing interest at the same rate as the temporary Bond surrendered. A temporary Bond surrendered in any such exchange shall forthwith be delivered to the Bond Registrar and shall be cancelled by the Bond Registrar. Until so exchanged, the temporary Bond shall in all respects be entitled to the same benefit and security of this Resolution as the definitive Bond to be issued and authenticated thereunder.

Section 205. Delivery of the Bond. Following the adoption and delivery of this Resolution, the Authority shall execute and deliver the Bond to the Authentication Agent, and the Authentication Agent shall authenticate the Bond and deliver the Bond to the purchaser as shall be directed by the Authority. Prior to the delivery of the Bond by the Authentication Agent, there shall be filed with the Authentication Agent:

- (a) a copy, duly certified by the Secretary-Treasurer or an Assistant Secretary of the Authority, of this Resolution;
- (b) an original executed counterpart of the Contract;
- (c) a direction and authorization to the Authentication Agent on behalf of the Authority and signed by either its Chairman, Vice-Chairman, or Secretary-Treasurer to authenticate and deliver the Bond to the purchaser therein identified upon payment to the Authority, but for the account of the City, of a sum specified in such authorization;
- (d) a copy of the validation proceedings with respect to the issuance of the Bond duly certified by the Clerk of Superior Court of Chatham County, Georgia;
- (e) an opinion of Bond Counsel to the effect that (i) the Bond has been issued in conformity with the Act, has been properly authorized by this Resolution, has been executed, authenticated, and issued in accordance with the terms of this Resolution and in accordance with the Constitution and laws of the State of Georgia and is the legal, valid, and binding special obligation of the Authority enforceable in accordance with its terms and secured in accordance with its tenor, and (ii) the interest on the Bond is excluded from federal income taxes under existing statutes, regulations, rulings, and court decisions; and
- (f) an opinion of counsel for the City that the Contract has been duly authorized, executed, and delivered by the City and is in full force and effect and constitutes a legal, valid, and binding obligation of the City enforceable in accordance with its terms.

Section 206. Mutilated, Lost, Stolen, or Destroyed Bond. In the event the Bond is mutilated, lost, stolen, or destroyed, the Authority shall execute and the Authentication Agent shall authenticate and deliver a new Bond of like date, maturity and denomination to that mutilated, lost, stolen, or destroyed, provided that, in the case of a mutilated Bond, such mutilated Bond shall first be surrendered to the Authority or the Bond Registrar, and in the case of any lost, stolen, or destroyed Bond, there first shall be furnished to the Authority and the Bond Registrar evidence of such loss, theft or destruction satisfactory to the Authority and the Bond Registrar, together with an indemnity satisfactory to them. In the event the Bond shall have matured, instead of issuing a duplicate Bond, the Paying Agent may pay the same without surrender thereof making such requirements as it deems fit for its protection, including a lost instrument bond. In executing a new Bond, the Authority may rely conclusively upon a representation of the Bond Registrar that the Bond Registrar is satisfied with the adequacy of the evidence presented concerning the mutilation, loss, theft, or destruction of the Bond.

Section 207. Validation Certificate. A duly executed validation certificate of the Clerk of Superior Court of Chatham County, Georgia, signed with the manual or facsimile signature of such Clerk, will be endorsed on the Bond and will be essential to its validity.

Section 208. Paying Agent and Bond Registrar; Authentication Agent. The Bond Registrar and Paying Agent for the Bond and the Authentication Agent for the Bond will keep, at its Principal Office, proper registration, exchange, and transfer records in which it shall register the name and address of the owner of the Bond.

Section 209. [Reserved].

Section 210. Transfer and Registration of the Bond. The Bond shall be transferable only upon the books of the Authority, which shall be kept for that purpose at the Principal Office of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such registered bond the Authority shall issue in the name of the transferee a new fully-registered Bond, without coupons, of the same aggregate principal amount and maturity as the surrendered Bond.

Section 211. Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging or transferring a Bond is exercised, the Authority shall execute and the Bond Registrar shall authenticate and deliver the Bond in accordance with the provisions hereof. The Bond surrendered in any such exchanges or transfers shall forthwith be delivered to the Bond Registrar and cancelled or retained by the Bond Registrar. No service charge shall be made to the Bondholder for any registration of transfer or exchange of the Bond, but for every such exchange or transfer the Authority or the Bond Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge, if any, required to be paid with respect to such exchange or transfer. The Bond Registrar shall not be required (i) to issue, transfer, or exchange a Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of the Bond selected for redemption and ending at the close of business on the day of such mailing or (ii) to register the transfer of or exchange of the Bond so selected for redemption.

Section 212. Book-Entry System. Subject to the initial issuance of the Bond in printed form, the Bond may subsequently be authorized to be issued in book-entry only form with no printed distribution of the Bond. If the Bond is issued as a book-entry bond, the requirements of DTC shall be complied with.

Section 213. Form of the Bond. The Bond and the certificate of validation and certificate of authentication to be endorsed thereon will be in substantially the following terms and form, with such variations, omissions, and insertions as may be required to complete properly the Bond and as may be approved by the officer or officers executing the Bond by manual or facsimile signature, which approval shall be conclusively evidenced by such execution:

[FORM OF BOND]

THIS BOND IS SUBJECT TO AN INVESTMENT LETTER AGREEMENT AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO THE TERMS OF SUCH INVESTMENT LETTER AGREEMENT.

This Bond shall not be sold or transferred if such sale or transfer would void the exemption, contained in U.S. Securities and Exchange Commission Rule 15c2-12(d)(1)(i), from the disclosure requirements of Securities and Exchange Commission Rule 15c2-12(b)(5) or any similar rules or statutes in effect at the time of such sale or transfer.

No. R-

UNITED STATES OF AMERICA
STATE OF GEORGIA
DOWNTOWN SAVANNAH AUTHORITY (GEORGIA)
REVENUE BOND (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT),
SERIES 2017

Maturity Date: August 1, 2030
Principal Amount: \$6,585,000
Interest Rate: _____%
Bond Date: [Date of Issuance and Delivery]
Registered Owner: _____

The Downtown Savannah Authority (the "Authority"), a public body corporate and politic, duly created and existing pursuant to the Constitution and laws of the State of Georgia (the "Act"), for value received hereby promises to pay or cause to be paid to the registered owner named above, or registered assigns, the principal amount specified above, subject to the scheduled mandatory payments of principal on August 1 in the manner and the years and amounts hereinafter set forth, on the maturity date specified above, upon presentation and surrender of this Bond (this "Bond") at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A. (the Paying Agent).

Interest shall accrue on the outstanding principal amount of this Bond beginning on the Bond Date specified above, at a fixed rate of _____% per annum and shall be payable on February 1, 2018 and August 1, 2018, and on February 1 and August 1 of each year thereafter, together with the August 1 scheduled mandatory payments of principal, directly to the Registered Owner pursuant to a Home Office Payment Agreement, dated the date hereof, by and among the Authority, the Registered Owner, and the Paying Agent, by check or draft mailed by first class mail to such owner at its address as it shall appear on the bond register kept by the Bond Registrar or by wire transfer to the Registered Owner of this Bond at a wire transfer address which the Registered Owner has provided to the Authority and the City of Savannah (the "City"), which wire instructions shall remain in effect until the Authority and the City are notified to the contrary. Both the principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is issued as a single-instrument Bond designated DOWNTOWN SAVANNAH AUTHORITY (GEORGIA) REVENUE BOND (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT), SERIES 2017, in the principal amount of \$6,585,000, issued under a bond resolution adopted by the Authority on August 31, 2017 (the “Resolution”), for the purposes of providing funds needed to (i)) finance the acquisition and construction of improvements to Gwinnett Street in the downtown area of the City and (ii) pay expenses incurred in connection with the issuance of this Bond. Pursuant to an Intergovernmental Contract (the “Contract”), dated the date of issuance and delivery of this Bond, between the Authority and the City, a municipal corporation and political subdivision of the State of Georgia, the City is obligated to pay amounts which are sufficient to pay the principal its and interest on this Bond as the same shall become due in accordance with its terms and provisions and to pay all fees and expenses as provided for in the Resolution.

Except as otherwise provided in the Resolution, this Bond is transferable, as provided in the Resolution, only upon the books of the Bond Registrar, kept at its principal corporate trust office, upon presentation at said office of this Bond with the written request of the registered owner hereof or its attorney duly authorized in writing, and a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or its duly authorized attorney.

The Authority and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the Authority nor the Paying Agent shall be affected by any notice to the contrary.

This Bond is subject to optional redemption by the Authority, at the option of the City, at any time on or after August 1, 2022, at a redemption price of 100% of the principal amount of this Bond called for redemption plus accrued interest to the redemption date.

This Bond is subject to scheduled mandatory redemption prior to maturity in part at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of such redemption on August 1 in the principal amounts and in the years set forth below (the August 1, 2030 amount to be paid at maturity rather than redeemed):

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2021		2026	
2022		2027	
2023		2028	
2024		2029	
2025		2030	

The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of or on account of either principal or interest made to such registered owner shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid. This Bond is registrable as transferred by the owner hereof in person or by his attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar, all subject to the terms and conditions of the Resolution.

To the extent and in the manner permitted by the Resolution, modifications or alterations of the provisions thereof or of any supplement thereto or of this Bond may be made by the Authority with the consent of the registered owner of this Bond without necessity for notation hereon or reference thereto.

No covenant or agreement contained in this Bond or the Resolution shall be deemed to be a covenant or agreement of any official, officer, agent or employee of the Authority in his individual capacity, and neither the members of the Authority nor any official executing this Bond shall be liable personally on this Bond or be subject to any personal liability or accountability by reason of the issuance of this Bond.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened, and to have been performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed and that this Bond complies in all respects with the Act and with all applicable laws of the State of Georgia.

This Bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Authentication Agent of the certificate of authentication hereon.

This Bond shall not constitute a debt or a loan or pledge of the faith and credit of the Authority, the State of Georgia, or of any political subdivision thereof, but this Bond shall be payable from certain revenues and other funds of the Authority as provided in the Resolution. The issuance of this Bond shall not obligate the State of Georgia or any political subdivision thereof to levy or pledge any form of taxation whatever for the payment hereof. No holder hereof or receiver or trustee in connection herewith shall have the right to enforce payment hereof against any property of the State of Georgia or any political subdivision thereof, or of the Authority (other than the property specifically pledged therefor pursuant to the Resolution), nor shall this Bond constitute a charge, lien, or encumbrance, legal or equitable, upon any such property. No recourse shall be had for the payment of the principal of or the interest on this Bond against any officer, director, or member of the Authority. The Authority has no taxing power.

Terms defined in the Resolution and used but not defined herein shall, unless the context otherwise requires, have the meanings ascribed to such terms in the Resolution.

IN WITNESS WHEREOF, the Downtown Savannah Authority has caused this Bond to be executed with the manual or facsimile signature of its Chairman, and its corporate seal to be hereunto reproduced and attested with the manual or facsimile signature of its Secretary-Treasurer, as of the day first above written.

DOWNTOWN SAVANNAH AUTHORITY

By: _____ (FORM)
Chairman

(S E A L)

Attest: _____ (FORM)
Secretary-Treasurer

CERTIFICATE OF AUTHENTICATION

This Bond is the Bond authorized by the within mentioned Resolution.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Authentication Agent

By: _____ (FORM)
Authorized Signatory

* * * * *

STATE OF GEORGIA)
)
CHATHAM COUNTY)

VALIDATION CERTIFICATE

I, the undersigned Clerk of Superior Court of Chatham County, State of Georgia, keeper of the records and seal thereof, hereby certify that this Bond was validated and confirmed by judgment of the Superior Court of Chatham County, Georgia, on September __, 2017.

IN WITNESS WHEREOF, I have hereunto set my hand or caused my official signature and the seal of the Superior Court of Chatham County, Georgia, to be reproduced hereon in facsimile.

(FORM)
Clerk of Superior Court
Chatham County, Georgia

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto

Social Security Number or
Other Identifying Number of Assignee:

Please print or type name and address
(including postal zip code) of Assignee:

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ as Agent to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

(FORM)

Assignor

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Date: _____, 20__

Signature Guaranteed:

(FORM)

NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP, or MSP signature guarantee medallion programs.

[END OF BOND FORM]

[END OF ARTICLE II]

ARTICLE III

REDEMPTION OF THE BOND BEFORE MATURITY

Section 301. Optional Redemption. The Bond is subject to optional redemption by the Authority, at the option of the City, at any time on or after August 1, 2022, at a redemption price of 100% of the principal amount of the Bond called for redemption plus accrued interest to the redemption date.

Section 302. Scheduled Mandatory Redemption. The Bond is subject to scheduled mandatory redemption prior to maturity in part at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of such redemption on August 1 in the principal amounts and in the years set forth below (the August 1, 2030 amount to be paid at maturity rather than redeemed):

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2021		2026	
2022		2027	
2023		2028	
2024		2029	
2025		2030	

Section 303. Notice of Redemption. Notice of optional redemption shall be given by the City Representative, on behalf of the Authority, to the registered owner of the Bond and the Paying Agent at least 30 days prior to the date fixed for redemption by certified mail at the address shown on the bond register of the Bond Registrar.

Section 304. Redemption Payments. The outstanding principal amount of the Bond when called for redemption, together with the accrued interest thereon, shall become due and payable to the registered owner on the redemption date and shall cease to bear interest from and after the redemption date and payment of the redemption price.

Section 305. Cancellation. Upon full redemption or maturity of the Bond, the same shall be surrendered to and cancelled by the Bond Registrar.

[END OF ARTICLE III]

ARTICLE IV

GENERAL AUTHORIZATIONS AND AGREEMENTS

Section 401. Payment of Principal and Interest; Limited Obligation. The Authority agrees that it will promptly pay the principal of, premium, if any, and the interest on the Bond at the places, on the dates, and in the manner provided herein and in the Bond according to the true intent and meaning hereof and thereof. The Bond shall not constitute a debt or a loan or pledge of the faith and credit of the State of Georgia or of any political subdivision thereof, including the Authority, but shall be payable from Revenues as provided herein. The issuance of the Bond shall not obligate the State of Georgia or any political subdivision thereof, including the Authority, to levy or pledge any form of taxation whatever for the payment thereof. No holder of the Bond or receiver or trustee in connection therewith shall have the right to enforce payment thereof against any property of the State of Georgia or any political subdivision thereof, including the Authority (other than the funds specifically pledged therefor pursuant to this Resolution), nor shall the Bond constitute a charge, lien or encumbrance, legal or equitable, upon any such property. No recourse shall be had for the payment of the principal of, premium, if any, or interest on the Bond against any officer, director, or member of the Authority. The Authority has no taxing power.

Section 402. Performance of Covenants; Authority. The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution and in the Contract, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Authority covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bond authorized hereby and to execute this Resolution and the Contract, that all action on its part for the issuance of the Bond and the execution and delivery of this Resolution has been duly and effectively taken, and that the Bond in the hands of the owner thereof is and will be a valid and enforceable obligation of the Authority according to the terms thereof and hereof.

Section 403. Instruments of Further Assurance. The Authority will execute, acknowledge and deliver or cause to be executed, acknowledged and delivered, such resolutions supplemental hereto and such further acts and instruments for the better assuring, pledging and confirming the amounts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bond. The Authority, except as herein and in the Contract provided, will not encumber any part of its interest in the Revenues payable under the Contract or its rights under the Contract.

Section 404. Priority of Pledge. The pledge made in Section 504 of the Revenues payable under the Contract constitutes a first and prior pledge of and lien on said Revenues. Said pledge shall at no time be impaired by the Authority and said Revenues shall not otherwise be pledged.

Section 405. Authorization of Contract. The execution, delivery and performance of the Contract are hereby authorized. The Contract shall be executed by the Chairman or Vice-Chairman and attested by the Secretary-Treasurer of the Authority.

Section 406. Authorization for Validation of Bond. In order to carry out the issuance of the Bond, and pursuant to the Constitution and laws of the State of Georgia, the Chairman, Vice-Chairman or Secretary-Treasurer of the Authority is hereby authorized and directed to immediately notify the District Attorney of the Eastern Judicial District of Georgia of the adoption of this Resolution by the Authority, to request said District Attorney to file a petition and complaint to confirm and validate the Bond and to pass upon the security therefor, and said Chairman, Vice-Chairman, or Secretary-Treasurer is further authorized to acknowledge service and make answer in such proceeding.

Section 407. [Reserved].

Section 408. [Reserved].

Section 409. Waiver of Performance Audit. The Authority hereby specifically waives the requirements of O.C.G.A. § 36-82-100 that the expenditure of the proceeds of the Bond be subject to an ongoing performance audit or performance review, and authorizes such waiver to be published in the notice of hearing relating to the validation of the Bond.

Section 410. Home Office Payment Agreement. Notwithstanding any other provision this Resolution, the principal of any interest on the Bond shall be payable to the registered owner pursuant to a Home Office Payment Agreement, dated the date of issuance and delivery of the Bond, by and among the registered owner, the Authority, and the Paying Agent.

Section 411. General Authorization. Any officer of the Authority is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of this Resolution and the Contract and is further authorized to take any and all further actions and execute and deliver any and all other documents as may be necessary in the issuance of the Bond and the execution and delivery of the Contract and all other documents authorized hereby.

[END OF ARTICLE IV]

ARTICLE V

ESTABLISHMENT OF DEBT SERVICE FUND AND CONSTRUCTION FUND AND APPLICATION THEREOF; PLEDGE OF REVENUES; APPLICATION OF BOND PROCEEDS

Section 501. Creation of Debt Service Fund. There is hereby created and established with the Debt Service Fund Custodian a fund in the name of the Authority to be designated the DOWNTOWN SAVANNAH AUTHORITY DEBT SERVICE FUND (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT), SERIES 2017, which shall be used by the Paying Agent, as Debt Service Fund Custodian, to pay when due the principal of, premium, if any, and interest on the Bond, whether at maturity, by redemption, or otherwise.

Section 502. Source of Payment of the Bond. The payments provided for in Section 5.01(a) of the Contract are to be paid directly to the Paying Agent, as Debt Service Fund Custodian, for the account of the Authority and deposited in the Debt Service Fund. The Authority hereby covenants and agrees that so long the Bond issued hereunder is outstanding, it will deposit, or cause to be deposited, in the Debt Service Fund sufficient sums from the Revenues promptly to meet and pay the principal of, premium, if any, and interest on the Bond as the same become due and payable.

Section 503. Deposits into Debt Service Fund. There shall be paid into the Debt Service Fund, as and when received by the Paying Agent (a) all payments under the Contract which are required to be paid into the Debt Service Fund, (b) all money required to be deposited therein pursuant to this Resolution and (c) any other money received by the Debt Service Fund Custodian when accompanied by directions that such money is to be paid into the Debt Service Fund. There also shall be retained in the Debt Service Fund interest and other income received on investments of Debt Service Fund money to the extent provided in Section 601.

Section 504. Pledge of Revenues. The Revenues to be paid directly to the Debt Service Fund Custodian and any investment earnings thereon are hereby pledged to the payment of the principal of, premium, if any, and interest on the Bond. The Authority hereby covenants and agrees that it will not create any lien upon the Revenues other than the lien hereby created.

Section 505. Use of Money in Debt Service Fund.

(a) Except as otherwise provided in this Section 505 and in Section 601, money in the Debt Service Fund shall be used solely for the payment of the principal of, premium, if any, and interest on the Bond, whether at maturity, by redemption, or otherwise. Whenever the amount in the Debt Service Fund from any source whatsoever is sufficient to redeem the Bond and to pay interest to accrue thereon prior to such redemption, and redemption premium, if any, the Authority, at the request of the City, subject to the requirements of the Contract and to any limitations on redemption provided for in Article III, covenants to take and cause to be taken the necessary steps to redeem the Bond on the redemption date for which the required redemption notice has been given. Any amount in the Debt Service Fund at the close of business of the Debt Service Fund Custodian on the day immediately preceding any Interest Payment Date or

redemption date shall be credited against the obligations of the City to make payments under the Contract on such Interest Payment Date or redemption date.

(b) Any amounts remaining in the Debt Service Fund after payment in full of the principal of and premium, if any, and interest on Bond (or provision for payment thereof as provided in this Resolution), the fees, charges and expenses of the Bond Registrar and Paying Agent and all other amounts required to be paid hereunder, shall be paid to the City.

Section 506. Custody and Application of Debt Service Fund. The Debt Service Fund shall be in the custody of the Paying Agent but in the name of the Authority and the Authority hereby authorizes and directs the Paying Agent to withdraw sufficient funds from the Debt Service Fund to pay the principal of, premium, if any, and interest on the Bond as the same shall become due and payable, whether at maturity, by redemption, or otherwise. Any money held as a part of the Debt Service Fund shall be invested and reinvested in accordance with the provisions of Section 601.

Section 507. Bond Not Presented When Due. In the event the Bond shall not be presented for payment when the principal thereof and premium, if any, becomes due, either at maturity or at the date fixed for redemption thereof or otherwise, if money sufficient to pay the Bond is on deposit in the Debt Service Fund for the benefit of the holder thereof, all liability of the Authority to the holder thereof for the payment of the Bond shall forthwith cease, determine and be completely discharged, and it shall be the duty of the Paying Agent to segregate and hold such money in trust, without liability for interest thereon, for the benefit of holder of the Bond who shall thereafter be restricted exclusively to such fund or funds for the satisfaction of any claim of whatever nature on their part under this Resolution or relating to the Bond. Such segregated funds shall not be subject to investment.

Any money deposited with the Paying Agent in trust for the payment of the principal of and premium, if any, or interest on the Bond and remaining unclaimed for five years after such principal, premium, if any, or interest has become due and payable shall, upon the City's request to the Paying Agent, be paid to the City. After the payment of such unclaimed money to the City, the Bondholder shall thereafter look only to the City for the payment thereof, and any liability of the Paying Agent with respect to such money shall thereupon cease.

Section 508. Creation of Construction Fund; Payments Therefrom; Records. There is hereby created and established with the City a fund in the name of the Authority to be designated the DOWNTOWN SAVANNAH AUTHORITY CONSTRUCTION FUND (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT), SERIES 2017. A portion of the proceeds of the sale of the Bond shall be deposited into the Construction Fund as described in Section 511. There shall be retained in the Construction Fund interest and other income received on investments of the Construction Fund money to the extent provided in Section 601.

The funds in the Construction Fund shall be expended on the Project in accordance with the provisions of Section 4.03 of the Contract; provided that no disbursement shall be made from the Construction Fund at any time that an Event of Default has occurred and is continuing under this Resolution.

The City shall keep and maintain adequate records pertaining to the Construction Fund and all disbursements therefrom. After the Project has been completed and a certificate of payment of all costs filed as provided in Section 509, the City shall, if requested by the Authority, file an accounting thereof with the Authority.

Section 509. Disposition Upon Completion of Project. The completion of the Project and payment of all Cost of Construction shall be evidenced by the filing with the Authority of (a) the certificate required by Section 4.04 of the Contract and (b) a certificate signed by the City Representative stating that all of the Cost of Construction has been paid and discharged except for certain specified amounts to be retained by the City for the payment of any Cost of Construction not then due and payable, as provided in the Contract. As soon as practicable and in any event not more than 60 days from the date of the certificate referred to in clause (b) of the preceding sentence, any balance remaining in the Construction Fund (other than the amounts retained by the City pursuant to such certificate) shall, (1) be withdrawn by the City from the Construction Fund to be used to provide for payment of the cost of additions, modifications or improvements to the Project or (2) be transferred to the Debt Service Fund and be applied to the payment of principal of, premium, if any, and interest on the Bond.

Section 510. Fees, Charges, and Expenses. Pursuant to the Contract, the City is to pay, commencing with the effective date of the Contract and continuing until the principal of and premium, if any, and interest on the Bond shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of this Resolution, the reasonable and necessary fees and expenses of the Bond Registrar and Paying Agent, as and when the same become due, upon the submission by the Bond Registrar and Paying Agent of statements therefor.

Section 511. Application of Bond Proceeds.

(a) The proceeds from the sale of the Bond, \$6,585,000, shall be applied as follows:

(i) all Costs of Issuance of the Bond shall be paid at closing directly to those persons who shall be entitled to the same, or a portion of the proceeds estimated to be sufficient to pay all or a portion of the Costs of Issuance may be deposited in a Costs of Issuance Account to be created by the Authority and disbursed in accordance with Section 512 hereof, and any such proceeds remaining following payment of all Costs of Issuance, either directly or from a Costs of Issuance Account, shall be deposited to the Construction Fund and used in payment of the costs of the Project; and

(ii) the balance of the proceeds of the Bond shall be deposited into the Construction Fund for use in payment of the costs of the Project.

Section 512. Costs of Issuance Account. A special account is hereby authorized to be established with the Authority in the name of the City, in the discretion of the City, with a custodian to be designated by the City, contemporaneously with the issuance and delivery of the Bond, said account to be designated the DOWNTOWN SAVANNAH AUTHORITY (CITY OF SAVANNAH STREET IMPROVEMENT PROJECT), SERIES 2017 COSTS OF ISSUANCE ACCOUNT (the “Costs of Issuance Account”). If established, said fund shall be held separate and apart from all

other deposits or funds of the Authority, and proceeds of the Bond, if any, deposited into the Costs of Issuance Account shall be disbursed to pay, or reimburse the Authority or the City for all or a portion of the Costs of Issuance of the Bond. Disbursements from the Costs of Issuance Account shall require an invoice for such payment. Adequate records shall be kept by the Authority or the City pertaining to the payment of the Costs of Issuance.

[END OF ARTICLE V]

ARTICLE VI

INVESTMENT OF MONEY; NON-ARBITRAGE AND TAX COVENANTS

Section 601. Fund Investments.

(a) Any money deposited in any fund created herein shall be invested and reinvested as directed by a City Representative in Eligible Investments. Any Debt Service Fund investments shall be held by or under the control of the Debt Service Fund Custodian, and any Construction Fund investments shall be held by or under the control of the City. The Debt Service Fund Custodian or the City, as the case may be, shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund is insufficient to pay a requisition when presented or whenever the cash balance in such fund is insufficient to satisfy a required payment therefrom. The interest accruing on such investments and any profit realized therefrom shall be credited to the fund from which such investment is made. Any losses on such investments shall be charged against the fund from which such investment is made.

(b) The proceeds of the Bond which are paid to the City for use in the acquisition and construction of the Project shall be accounted for by the City pursuant to a Non-Arbitrage and Federal Tax Certificate to be executed by the Authority and certified by the City on the date of issuance and delivery of the Bond.

Section 602. Non-Arbitrage and Tax Covenants.

(a) The Authority covenants and agrees for the benefit of the purchaser and owner of the Bond that so long the Bond remains outstanding, it will not intentionally cause any proceeds of the Bond to be used to acquire higher yielding investments, except as may be otherwise permitted by § 148 of the Code, and that it will comply with, and take such action and make such payments as may be permitted or required by § 148(f) of the Code, to insure that the Bond does not constitute an “arbitrage bond” within the meaning of § 148(a) of the Code.

(b) The Authority hereby covenants and agrees that it will cause the proceeds from the sale of the Bond to be expended, and will take such action as may be requested of it, so that the interest on the Bond will be and will remain excluded from the gross income of the owner thereof for federal income tax purposes, including, without limitation, compliance with provisions of §§ 141-149 of the Code, as applicable.

(c) The Chairman or Secretary-Treasurer of the Authority is hereby authorized and directed to execute, for and on behalf of the Authority, a certification, based upon facts, estimates and circumstances, which may be provided by the City, as to reasonable expectations regarding the amount, expenditure and use of the proceeds of the Bond, as well as such other documents as may be necessary or desirable in connection with the issuance and delivery of the Bond.

[END OF ARTICLE VI]

ARTICLE VII

DEFEASANCE

Section 701. Defeasance.

(a) The Bond shall be deemed to have been paid in full and the lien of this Resolution shall be discharged, (A) after there shall have been irrevocably deposited with the Paying Agent for that purpose, either (i) sufficient money or (ii) obligations of, or guaranteed as to principal and interest by, the United States of America, or certificates of an ownership interest in the principal or interest of obligations of or guaranteed as to principal and interest by the United States of America, which shall not contain provisions permitting the redemption thereof prior to their stated maturity, the principal of and the interest on which when due, will be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon (said earnings to be held in trust also), together with any money deposited therewith, for the payment at the maturity or redemption date of the Bond, of the principal thereof, the premium, if any, and the interest to accrue thereon to such maturity or redemption date, as the case may be; (B) there shall have been paid, or satisfactory arrangements shall have been made to pay, to the Bond Registrar and Paying Agent all fees and expenses due or to become due in connection with the payment or redemption of the Bond or there shall be sufficient money deposited with the Bond Registrar and Paying Agent to make said payments; (C) if the Bond is to be redeemed on any date prior to its maturity, the Authority shall have given to the Bond Registrar and Paying Agent in form satisfactory to the Bond Registrar and Paying Agent irrevocable instructions to redeem the Bond on such date and either evidence satisfactory to the Bond Registrar and Paying Agent that all redemption notices required by this Resolution have been given or irrevocable power authorizing the Bond Registrar and Paying Agent to give such redemption notices; and (D) unless the Bond is to mature or be redeemed within the next 45 days, the Authority shall have given the Bond Registrar and Paying Agent irrevocable instructions to give notice, as soon as practicable, to the owner of the Bond, by first class mail, postage prepaid, at the last address appearing upon the books of registration, that the deposit required by (A) above has been made with the Bond Registrar and Paying Agent and that the Bond is deemed to have been paid in accordance with this Section 701 and stating such maturity or redemption date upon which money is to be available for the payment of the principal or redemption price, if applicable, on the Bond.

(b) In addition to the foregoing provisions of this Article VII, the lien of this Resolution shall only be discharged pursuant to this Article VII if the City delivers an opinion of Bond Counsel providing that all conditions precedent to the discharge of the lien of this Resolution pursuant to this Article VII have been satisfied and such deposit and discharge will not adversely affect the exclusion of the interest on the Bond from federal income taxation.

(c) Whenever the Bond shall be deemed to have been paid pursuant to this Section 701, any balances remaining in the Debt Service Fund and the Construction Fund shall be retained by the City and used for any lawful purpose.

[END OF ARTICLE VII]

ARTICLE VIII

DEFAULT PROVISIONS AND REMEDIES OF BONDHOLDER

Section 801. Defaults; Events of Default. If any of the following events occur, it is hereby declared to constitute an “Event of Default”:

(a) default in the due and punctual payment of the principal of, or the premium, if any, on the Bond when and as the same shall become due and payable, whether at maturity, call for redemption, or otherwise; or

(b) default in the due and punctual payment of any installment of interest on the Bond when and as such interest installment shall become due and payable; or

(c) default in the performance or observance of any other of the covenants, agreements, or conditions on the part of the Authority in this Resolution or in the Bond contained and failure to remedy the same within 30 days after written notice specifying such default and requiring the same to be remedied shall have been received by the Authority and the City from the Bondowner; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, within a greater number of days if corrective action is instituted by the Authority or the City within the applicable period and diligently pursued until the default is corrected; or

(d) the dissolution or liquidation of the City or the voluntary initiation by the City of any proceeding under any law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the City of any such proceeding which shall remain undismissed for 60 Business Days, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors or the failure generally by the City to pay its debts as they become due; or

(e) the occurrence and continuance of any event of default as described in Section 8.01 of the Contract.

Section 802. Actions by Bondholder. Upon the happening and continuance of any Event of Default as provided in Section 801, then and in every such case the Bondholder may proceed, subject to the provisions of Section 804, to protect and enforce the rights of the Bondholder hereunder by a suit, action, or special proceeding in equity or at law for the specific performance of any covenant or agreement contained herein or in the Contract or in aid or execution of any power herein granted, or for the enforcement of any proper legal or equitable remedy as such Bondholder shall deem most effectual to protect and enforce the rights aforesaid, insofar as such may be authorized by law.

Section 803. Proceedings Discontinued, Abandoned, or Adversely Determined. In case any proceeding taken by the Bondholder on account of any Event of Default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to such Bondholder, then and in every such case the Authority, the City, and the Bondholder shall be restored to their former positions and rights hereunder and under the Contract, respectively, and

all rights, remedies, powers, and duties of the Bondholder shall continue as though no such proceedings had been taken.

Section 804. Limitation of Actions. The Bondholder shall not have any right in any manner whatever by its action to affect, disturb, or prejudice the security granted and provided for herein or to enforce any right hereunder, except in the manner herein provided.

Section 805. No Remedy Exclusive. No remedy herein conferred upon the Bondholder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 806. Delay or Omission to Exercise Right or Power. No delay or omission of the Bondholder to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such Event of Default or be construed as an acquiescence therein, and every power and remedy given by this Article to the Bondholder may be exercised from time to time and as often as may be deemed expedient.

Section 807. Rights to Enforce Payment. Nothing in this Resolution, the Contract, or in the Bond shall affect or impair the right of action of the owner of the Bond, which is absolute and unconditional, to enforce payment of the Bond in accordance with the provisions of this Resolution and the Contract.

Section 808. Application of Money. After payment of the costs and expenses of the proceedings resulting in the collection of money and of the expenses, liabilities, and advances incurred or made pursuant to any right given or action taken under the provisions of this Article, all money received shall be deposited in the Debt Service Fund and all money in the Debt Service Fund shall be applied to or in connection with the payment of Bondholder in respect of all accrued and unpaid interest or unpaid principal which has become due on the Bond.

[END OF ARTICLE VIII]

ARTICLE IX

SUPPLEMENTAL RESOLUTION; AMENDMENTS TO CONTRACT

Section 901. Supplemental Resolutions Not Requiring Consent of Bondholder. The Authority may, with the consent of the City, but without the consent of or notice to the Bondholder, adopt such resolution or resolutions supplemental to this Resolution as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission or inconsistent provision in this Resolution;

(b) to grant to or confer upon the Bondholder any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Bondholder; or

(c) to subject to the lien and pledge of this Resolution to additional revenues, properties, or collateral.

Section 902. Supplemental Resolutions Requiring Consent of Bondholder.

(a) Exclusive of supplemental indentures covered by Section 901 and subject to the terms and provisions contained in this Section 902, and not otherwise, the owner of the Bond shall have the right from time to time anything contained in this Resolution to the contrary notwithstanding, to consent to and approve, in writing, the adoption by the Authority of such other resolution or resolutions supplemental hereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution or in any supplemental resolution, provided, that without the written consent of owner of the Bond the Authority may not adopt any supplemental resolution that has the effect of permitting a change in the terms of redemption (other than changes in the procedures for redemption) or maturity of the principal of the Bond or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the holder of the Bond or shall change or modify any of the rights or obligations of the Bond Registrar or Paying Agent without its written assent thereto.

(b) If at any time the Authority shall seek to adopt any such supplemental resolution for any purposes of this Section, it shall notify the City and the Bond Registrar, and the Bond Registrar shall cause notice of the proposed execution of such supplemental resolution to be mailed by first class mail to the registered owner of the Bond. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that a copy of the same is on file with the Bond Registrar. If the owner of the Bond, at the time of the execution of any such supplemental resolution, shall have consented to and approved the execution thereof as herein provided, this Resolution shall be deemed to be modified and amended in accordance therewith.

(c) Anything herein to the contrary notwithstanding, a supplemental resolution adopted under this Article IX shall not become effective unless and until the City shall have consented in writing to the adoption and delivery of such supplemental resolution. In this regard,

the Authority shall cause notice of the proposed adoption and delivery of any such supplemental resolution to which the City has not already consented, together with a copy of the proposed supplemental resolution and a written consent form to be signed by the City to be hand delivered to the City at least 30 days prior to the proposed date of adoption and delivery of any such supplemental resolution.

Section 903. Amendments to Contract Not Requiring Consent of Bondholder. The Authority and the City, without the consent of or prior notice to the Bondholder, may amend the Contract for the following purposes:

(a) to cure any ambiguity or formal defect or omission or inconsistent provisions of the Contract; or

(b) for any other purpose which does not adversely affect the interest of the Bondholder.

Section 904. Amendments to Contract Requiring Consent of Bondholder. Except for the amendments as provided in Section 903, neither the Authority nor the City may amend the Contract whereby such amendment would operate to affect adversely the interest of the holder of the Bond unless written consent is obtained from the holder of the Bond. No such amendment shall ever affect the obligations of the City to make payments under the Contract or the City's covenants with respect to the use of the proceeds of the Bond.

Section 905. Notice of Supplemental Resolutions and Amendments. To the extent herein not otherwise required, a copy of each supplemental resolution or Contract amendment made or entered into in accordance with the preceding Sections of this Article IX shall be furnished to each of the Authority, the City, and the Paying Agent.

[END OF ARTICLE IX]

ARTICLE X

MISCELLANEOUS

Section 1001. Consents of Bondholder. Any consent, request, direction, approval, objection, or other instrument required by this Resolution to be signed and executed by the Bondholder may be in any number of concurrent documents and may be executed by the Bondholder in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection, or other instrument or of the written appointment of any such agent or the ownership of Bond, if made in the following manner, shall be sufficient for any of the purposes of this Resolution, and shall be conclusive with regard to any action taken under such request or other instrument, namely:

(a) the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution; and

(b) the fact of ownership of the Bond and the amount, number, and other identification of the Bond, and the date of holding the same shall be provided by the registration books of the Authority maintained by the Bond Registrar pursuant to Section 210.

Section 1002. Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Bond is intended or shall be construed to give to any person or company other than the parties hereto and the owner of the Bond any legal or equitable right, remedy, or claim under or with respect to this Resolution or any covenants, conditions, and provisions herein contained, this Resolution and all of the covenants, conditions, and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the holder of the Bond as herein provided.

Section 1003. Severability. If any provision of this Resolution 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 whatever.

Section 1004. Notice. All notices or other communications required or permitted to be given pursuant to this Resolution 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:	W. Brooks Stillwell 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 1005. Payments Due on Saturdays, Sundays, and Holidays. When the date on which any payment is due hereunder shall not be a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date fixed for such payment and no additional interest shall accrue because of such payment occurring on said next Business Day.

Section 1006. Laws Governing Resolution. The effect and meaning of this Resolution and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State.

Section 1007. Captions. The captions and headings in this Resolution are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or Sections of this Resolution.

Section 1008. Resignation or Removal of Paying Agent and Bond Registrar. The Paying Agent, Bond Registrar, and Authentication Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least 60 days prior written notice to the Authority and the City. The Paying Agent, Bond Registrar and Authentication Agent may be removed at any time at the written direction of the City by an instrument, signed by the City Representative and filed with the Paying Agent, Bond Registrar and Authentication Agent, the Authority and the City. Any successor Paying Agent, Bond Registrar and Authentication Agent shall be appointed by the Authority with the approval of the City and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association having capital stock and surplus aggregating at least \$25,000,000, willing and able to accept the office on reasonable and customary terms and being authorized by law to perform all of the duties imposed upon it by this Resolution. Except as

provided below, no resignation or removal will be effective until the successor has delivered an acceptance of its appointment to the Authority and the City.

In the event of the resignation or removal of the Paying Agent, Bond Registrar, and Authentication Agent, the Paying Agent, Bond Registrar, and Authentication Agent shall pay over, assign, and deliver any property held by it in such capacity to its successor.

Section 1009. Immunity of Members, Officers, and Employees of Authority. No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the Authority contained in this Resolution or in the Bond or for any claim based hereon or otherwise in respect hereof or upon any obligation, covenant, promise, or agreement of the Authority contained in the Contract, against any member, officer, or employee, as such, in his individual capacity, past, present, or future, of the Authority or of any successor corporation, either directly or through the Authority or any successor corporation, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that this Resolution, the Bond and the Contract are solely corporation obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer, or employee as such, past, present, or future, of the Authority or of any successor corporation, either directly or by reason of the obligations, covenants, promises, or agreements entered into between the Authority and the City to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such member, officer, and employee is, by the adoption of this Resolution and the Bond, and as a condition of, and as a part of the consideration for, the adoption of this Resolution and execution of the Bond, expressly waived and released. The immunity of members, officers and employees of the Authority under the provisions contained in this Section 1009 shall survive the completion of the Project and the termination of this Resolution.

Section 1010. Repealer. Any and all ordinances or resolutions or parts of ordinances or resolutions in conflict with this Resolution shall be and the same hereby are repealed, and this Resolution shall be in full force and effect from and after its adoption.

[END OF ARTICLE X]

APPROVED AND ADOPTED this August 31, 2017.

DOWNTOWN SAVANNAH AUTHORITY

By: _____
Chairman

Exhibit A

SUMMARY OF ALL BIDS RECEIVED

SECRETARY-TREASURER'S CERTIFICATE

The undersigned Secretary-Treasurer of the Downtown Savannah Authority (the "Authority") DOES HEREBY CERTIFY that the foregoing constitutes a true and correct copy of a resolution adopted on August 31, 2017, by a majority of the entire membership of the Authority in a meeting duly called and assembled and open to the public at which a quorum of members was present and acting throughout, and that the original of said resolution appears of record in the minute book of the Authority, which is in my custody and control.

(S E A L)

Secretary-Treasurer
Downtown Savannah Authority