

ORIGINAL

October 27, 2016

J.P.Morgan

CREDIT FACILITY PROPOSAL

Direct Purchase of a Non-Bank Qualified Tax-Exempt Bond (Non-AMT), Series 2016A issued by the Hillsborough County Aviation Authority in the amount of up to \$16,725,000

J.P.Morgan

October 27, 2016

Ms. Connie Mundzak
Procurement Agent
Hillsborough County Aviation Authority
4160 George J. Bean Pkwy.
Administrative Offices Bldg., Ste. 2400
2nd Level, Red Side
Tampa, Florida 33607

Dear Ms. Mundzak:

On behalf of JPMorgan Chase Bank, N.A. ("JPMorgan"), we are pleased to propose for discussion indicative terms to the Hillsborough County Aviation Authority for a Tax-Exempt Non-Bank Qualified Direct Purchase Bond (Non-AMT) in an initial estimated amount of \$16,725,000, subject to the following terms and conditions described herein (the "Proposal").

The proposed indicative terms included in the enclosed Summary of Terms and Conditions are for discussion purposes only and do not represent an offer or commitment to lend on the part of JPMorgan and would be subject to due diligence, credit analysis and approval, and documentation of detailed terms and conditions satisfactory to JPMorgan and its legal counsel. Should any of the enclosed terms and conditions conflict with the Hillsborough County Aviation Authority's structuring parameters, we would be happy to discuss mutually acceptable alternatives.

Should you have any questions regarding any of the indicative terms, please do not hesitate to contact either of us at the numbers set forth below:

John T. McAuley
Executive Director
100 N. Tampa St.
Tampa, FL 33602
Work (813) 483-8253
john.t.mcauley@jpmorgan.com

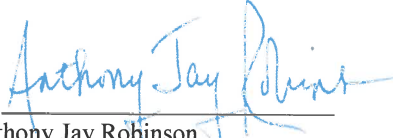
Anthony "Jay" Robinson
Senior Underwriting Associate
450 S. Orange Avenue, Suite 1000
Orlando, FL 32801
Work (407) 236-5472
jay.robinson@jpmorgan.com

JPMorgan has been the market leader in public finance credit for over 35 years and ranks among the largest providers of credit facilities in the municipal market today. Our deep familiarity with this sector is viewed as a strong benefit by the municipal clients with whom we do business. We believe that our experience in providing direct purchase bond financing, coupled with our long experience in deal execution, would ensure an efficient, cost-effective transaction. Client references are available upon request.

We look forward to further discussions with the Hillsborough County Aviation Authority and its financing team regarding this proposal.

Yours sincerely,
JPMORGAN CHASE BANK, N.A.

By: 
John T. McAuley
Executive Director

By: 
Anthony Jay Robinson
Senior Underwriting Associate

HILLSBOROUGH COUNTY AVIATION AUTHORITY
Direct Purchase Non-Bank Qualified Tax-Exempt Bond, Series 2016A (Non-AMT)
Summary of Terms and Conditions
August 27, 2016

This Summary of Terms and Conditions (the “Term Sheet”) is confidential and is intended as a statement of indicative terms only, and is provided to facilitate additional discussion. It is a proposal for your consideration only and not a commitment by JPMorgan Chase Bank, NA or its affiliates (“JPMorgan”) to provide the financing described in this Term Sheet or any other financing. The rates and fees set forth in this proposal are indicative and are subject to market conditions at all times until JPMorgan would commit to in writing and, in any event should not be regarded as indicative after the date of this Term Sheet. The terms in this proposal expire on December 7, 2016.

SECTION I DESCRIPTION OF THE BOND

- Issuer:** Hillsborough County Aviation Authority (the “Issuer”)
- Purchaser:** JPMorgan Chase Bank, N.A. and its successors and assigns (the “Purchaser” or the “Bank”).
- Facility / Amount:** Not-to-exceed \$16,725,000 Non-Bank Qualified Tax-Exempt Direct Purchase Bond, Series 2016 (Non-AMT) (the “Bond” or the “Facility”) issued as a single maturity Bond.
- The Bond would be purchased at 100% of Par on an ‘all or none’ basis. The Bond would not be designated by the Issuer as a “qualified tax-exempt obligation” under Section 265(b)(3) of the Internal Revenue Code. The Bond shall not be rated by any rating agency, shall not be initially registered to participate in DTC, shall not contain a CUSIP number and shall not be marketed during any period in which the Bond is held by the Purchaser pursuant to any Official Statement, Offering Memorandum or any other disclosure documentation. The Purchaser shall take physical delivery of the Bond at closing.
- Purpose:** Proceeds of the Bond would be used to refund the Series 2008B General Airport Revenue Bonds and to fund certain costs of issuance.
- Bond Maturity Date:** October 1, 2020

SECTION II INTEREST RATES, PAYMENTS AND FEES

Fixed Interest Rate: The Bond would accrue interest at a fixed rate per annum as set forth below, based upon the option selected by the Issuer. The following fixed interest rates are indicative as of October 27, 2016 and are subject to change daily until a written rate lock letter agreement is executed between the Issuer and the Bank:

Bond Maturity Date	Optional Redemption Date	Indicative Fixed Rate**
October 1, 2020	N/A; Standard Make Whole	1.39% per annum
October 1, 2020	October 1, 2018*	1.48% per annum

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

** An indicative non-bank qualified rate is provided. The interest rate is determined by the 3-year swap curve plus 22 bps for the standard make whole option and the 3-year swap curve plus 31 bps for the optional redemption, with both formulas based on the most current 3-year swap curve as reported on the ICE website.

**Bond Payments /
Amortization:**

Interest would be payable semi-annually each April 1 and October 1, commencing on April 1, 2017.

Principal would be payable annually each October 1, commencing on October 1, 2018 based on the following amortization schedule:

Principal	
Payment Date	Amortization
October 1, 2018	\$5,000,000
October 1, 2019	\$9,580,000
October 1, 2020	\$1,945,000
Total	<u>\$16,525,000</u>

The Purchaser acknowledges that there may be adjustments to the amortization schedule above. The finalization of the amortization schedule would be a condition precedent to the Purchaser's acceptance of any written rate lock letter agreement.

Failure to make the Interest and Principal payments on (or before) their due dates would constitute an Event of Default.

Notwithstanding the foregoing, the Bond would be required to be repaid in full at the Bond Maturity Date.

Prepayment:

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

Day Basis/Year:

30/360.

Base Rate:

The higher of (i) the Bank's Prime Rate and (ii) 2.5% plus the one month Adjusted LIBOR Rate, as such terms would be more particularly described in the related bond documents.

Default Rate:

Upon an Event of Default, Interest would be computed at the Base Rate + 4.00%.

SECTION III**OTHER BOND TERMS AND PROVISIONS****Security:**

The Bond would be issued under the Senior Trust Agreement on a parity basis with the Issuer's outstanding senior lien General Airport Revenue Bonds. The Bond would be secured by a senior lien on the Revenues derived by the Issuer from the operation of the Airport System, after the payment of Operating Expenses in accordance with the terms of the Senior Trust Agreement. The Bond would not be secured by a pledge of the Issuer's passenger facility charges or customer facility charges.

Drawdown:

The proceeds of the Bond would be fully drawn on the date of issuance.

Required Documents:

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

Conditions Precedent: Usual and customary representations and warranties and other conditions prior to the issuance of the Bond for like situated issuers and for the type and term of the Facility, including absence of default, absence of material litigation and absence of material adverse change from the Issuer's financial conditions and operations as reflected in the financial statements of the Issuer dated September 30, 2015.

Additional conditions precedent would include delivery of acceptable bond documentation, evidence of compliance with applicable additional bonds tests, and legal opinions, including an opinion of bond counsel as to the validity and enforceability of the obligations of the Issuer under the Bond Documents, status as senior parity lien bonds upon Pledged Revenues, and that interest payable on the Bond is exempt from federal and State of Florida income taxation and such interest is not a specific preference item for purposes of federal income or corporate alternative minimum taxes.

Financial Covenants: The Purchaser would require the existing 1.25x Rate Covenant and Additional Bonds Test as defined in Senior Trust Agreement.

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

1. Receipt of audited financial statement within 180 days of the fiscal year end.
2. Additional information as reasonably requested by the Bank.

Tax Gross-Up: In the event that the Bond subsequently loses its tax exemption or become subject to the federal alternative minimum tax as a result of violations of the tax covenants, the Purchaser would require an adjustment to the Interest Rates payable on the Bond to account for such loss of tax exemption or becoming subject to the federal alternative minimum tax.

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

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

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

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

SECTION IV

OTHER BANK REQUIREMENTS

Municipal Advisor Disclosure:

The Issuer acknowledges and agrees that (i) the transaction contemplated herein is an arm's length commercial transaction between the Issuer and the Bank and its affiliates, (ii) in connection with such transaction, the Bank and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of the Issuer, (iii) the Bank and its affiliates are relying on the Bank exemption in the Municipal Advisor Rules,

(iv) the Bank and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Bank, or any affiliate of the Bank, has provided other services or advised, or is currently providing other services or advising the Issuer on other matters), (v) the Bank and its affiliates have financial and other interests that differ from those of the Issuer, and (vi) the Issuer has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

Expenses:

The Issuer would pay or reimburse the Purchaser for all its out-of-pocket costs and expenses and reasonable attorneys' fees where not prohibited by applicable law and incurred in connection with (i) the development, preparation and execution of the Bond, and (ii) in connection with the enforcement or preservation of any rights under any agreement, any amendment, supplement, or modification thereto, and any other loan documents both before and after judgment.

Legal Counsel:

The Bank would engage Locke Lord LLP as the Bank's legal counsel. Mark-David Adams would be acting in the capacity of attorney representing the Bank. The Bank would agree to cap such legal fees at \$5,500, based on the scope of the financing as presented.

Mark-David Adams
Locke Lord LLP
525 Okeechobee Boulevard, Suite 1600
West Palm Beach, FL 33401
Phone: (561) 820-0281
Fax: (561) 655-8719
Email: mark.adams@lockelord.com

Information Sharing:

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

Website Disclosure:

As a best practice to maintain transparency, final bond documentation may be posted by the Issuer on a national public bond market repository provided that certain information be redacted by the Issuer as directed by the Bank. Items that should be redacted include pricing, financial ratio covenants, signatures/names, account numbers, wire transfer and payment instructions and any other data that could be construed as sensitive information.

Confidentiality:

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

Bank Credit Decision:

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