

October 27, 2016

Hillsborough County Aviation Authority  
Tampa International Airport  
4160 George J. Bean Pkwy  
Administrative Offices Bldg., Ste. 2400  
2nd Level, Red Side  
Tampa, Florida 33607

Ladies and Gentlemen:

We are pleased to express our interest in considering the credit accommodation described below. This letter is not intended to constitute a commitment or offer to lend on the part of Wells Fargo Bank, National Association, but only to summarize, for discussion purposes, the credit accommodation we are interested in considering at this time.

**Obligor:** Hillsborough County Aviation Authority (the "Obligor").

**Issue:** Hillsborough County Aviation Authority Tampa International Airport Revenue Refunding Bonds, Series 2016A (the "Bonds")

**Par Amount:** Up to \$17,000,000 in principal.

**Use of Proceeds:** The Bonds will be used to re-finance outstanding Tampa International Airport Revenue Bonds, 2008 Series B.

**Purchaser/Bank:** Wells Fargo Municipal Capital Strategies, LLC, a wholly owned subsidiary of Wells Fargo Bank, N.A., Wells Fargo Bank, N.A., or any other wholly owned subsidiary of Wells Fargo Bank, N.A. ("Wells Fargo" or the "Bank").

**Financing Documents:** The Bonds will be issued pursuant to that certain Trust Agreement dated October 1, 1968, as amended through 2015 (the "Senior Trust Agreement") and that certain 2016A Supplemental Trust Agreement to be dated the date of issuance (the "Supplemental Trust Agreement").

**Tax Treatment:** Interest on the Bonds shall be excludable from gross income for federal income tax purposes. The Obligor shall take all steps necessary to maintain such tax exempt status for the Bonds. The Bank shall be provided an opinion of tax counsel satisfactory to the Bank which concludes that interest on the Bonds is excludable from gross income for federal income tax purposes.

**Security:** First lien on airport system revenues after the payment of operating expenses on parity with outstanding senior lien

airport revenue bonds issued pursuant to the Senior Trust Agreement.

**INTEREST RATES AND OTHER KEY PROVISIONS:**

**Fixed Rate:** The Bonds shall initially bear interest at a Fixed Rate equal to the sum of (i) the Bank Cost of Funds Rate prevailing on the Rate Set Date and (ii) the Spread to Bank Cost of Funds Rate.

The Fixed Rate will be subject to adjustment as described below.

**Bank Cost of Funds Rate:** The executable swap rate at which Wells Fargo would pay fixed and receive 1- month LIBOR to a third party, as determined by Wells Fargo on the Rate Set Date, corresponding to the Amortization.

**Indicative Fixed Rate:**

**Option 1: Prepayable any time**

Bank Cost of Funds	Spread to Bank Cost of Funds	Indicative Rate*
1.26%	.36	1.62%

**Option 2 : Prepayable any time on or after 10/1/18**

Bank Cost of Funds	Spread to Bank Cost of Funds	Indicative Rate*
1.03	.44	1.47%

**Option 3: Not Prepayable**

Bank Cost of Funds	Spread to Bank Cost of Funds	Indicative Rate*
.94	.47	1.41%

\*Please note that these are indicative rates only, as of October 26, 2016 market close. The Bank Cost of Funds will adjust based on movements in the LIBOR swap market while the Spread to Bank Cost of Funds may increase or decrease to neutralize the Bank's return based on movements in the LIBOR swap market. The actual Fixed Rate shall be determined on the Rate Set Date.

<b>Rate Lock Rate Set Date:</b>	The Obligor shall have the option to lock-in the rate up to 60 days upon the execution of an acceptable rate lock letter. Otherwise, the rate will be set 5 days prior to closing.
<b>Closing Date:</b>	Week of December 12, 2016.
<b>Final Maturity Date:</b>	The Bonds will mature on October 1, 2020.
<b>Amortization:</b>	The Bonds will be subject to annual amortization payments on October 1, 2018, October 1, 2019 and October 1, 2020 per the RFP, as amended if necessary.
<b>Day Count Computation Basis:</b>	30/360
<b>Payment of Interest:</b>	Interest on the Bonds shall be payable semi-annually on each April 1 and October 1, commencing April 1, 2017.
<b>Optional Redemption:</b>	Option 1: The Bonds may be prepaid at any time. Option 2: The Bonds may be prepaid at any time after 10/1/18. Option 3: The Bonds are not subject to redemption prior to the Maturity Date (see attached Make Whole language)
<b>Default Rate:</b>	Greatest of Prime + 4%, Fed Funds + 5%, or 10%

#### **DOCUMENTATION AND COVENANTS:**

<b>Disclosure Documents:</b>	The Obligor will not be required to prepare or deliver an official statement or offering document.
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#### **Conditions Precedent to Considering Credit Accommodation:**

The Bonds will be governed by the Senior Trust Agreement and the Supplement Trust Agreement for the benefit of the Bondholders, which will provide that: (i) the Bonds purchased by the Bank will not carry a published rating and will not be offered pursuant to an Offering Statement or a Placement Agent; (ii) delivery of a physical bond in minimum denominations of \$250,000 and identified by a CUSIP Number assigned to the Bonds; and (iii) subsequent transfers of the Bonds will be restricted to "qualified institutional investors"

that are also commercial banks with \$5,000,000,000 in capital and surplus that deliver an investor letter to the Authority.

**Reporting Requirements:**

The Obligor shall provide to the Bank its annual budget and its annual audit at the same time such items are delivered to the Trustee in accordance with Sections 7.10 and 7.13 of the Senior Trust Agreement.

**Covenants:**

In addition to the covenants set forth in the Senior Trust Agreement and the proposed Supplement Trust Agreement, the Supplement Trust Agreement shall provide a covenant to the effect that is, in the event that a credit enhancer, liquidity provider or holder of a bond secured by airport system revenues is able to declare such bond due and payable prior to its regularly scheduled maturity whether by means of acceleration, mandatory redemption, mandatory tender or otherwise, then the Bank shall be afforded the same such right.

**EMMA and Rating Agency Disclosure:**

To maintain transparency with its existing bondholders and the rating agencies, Wells Fargo requests that the Obligor a) post the Supplemental Trust Agreement on the MSRB's EMMA site following the closing of the transaction, provided that pricing and certain other information contained therein, as directed by the Bank, shall be redacted prior to such posting and b) deliver relevant financing documents to the rating agencies prior to closing.

Instructions on EMMA posting can be found at:  
<http://msrb.org/msrb1/EMMA/pdfs/CDSubmissions.pdf>

**Taxability:**

In the event a determination of taxability shall occur as a result of Obligor's [acts and/or omissions] in addition to the amounts required to be paid with respect to the Bonds under the Financing Documents, the Obligor shall be obligated to pay to the Bank an amount equal to a) the positive difference, if any, between the amount of interest that would have been paid during the period of taxability if the Bonds had borne interest at the Taxable Rate and the interest actually paid to the Bank as the owner of the Bonds and b) any payments, including any taxes, interest, penalties or other charges, such Bondholder or former Bondholder shall be obligated to make as a result of the determination of taxability.

**Taxable Rate:**

The product of (i) the Fixed Rate and (ii) 1.54.

**Events of Default:** As set forth in the Senior Trust Agreement and the Supplemental Trust Agreement.

**Remedies Upon Event of Default:** As set forth in the Senior Trust Agreement and the Supplemental Trust Agreement; provided that upon the occurrence of an Event of Default the interest rate on the Bonds shall increase to the Default Rate.

**OTHER FEES AND EXPENSES:**

**Bank Counsel Fee:** Capped at \$15,000 plus disbursements. Fees and expenses payable to Bank counsel may be increased if the transaction is not closed within 60 days, the security and/or structure of the transaction changes materially, or if other complexities develop once documentation has commenced.

**Other Fees and Expenses:** Obligor shall pay to the Bank an amendment fee for each amendment to the Financing Documents in a minimum amount of \$2,500 plus associated legal expenses.

**GOVERNING LAW/JURY TRIAL:**

**Governing Law:** This term sheet and the Financing Documents shall be governed by the laws of the State of Florida.

**Jury Trial:** To the extent permitted by law, the Obligor agrees to waive a jury trial in any proceeding involving the Bank.

**Transfers:** While the Bank is purchasing the Bonds for its own account without a current intention to transfer them, the Bank reserves the right in its sole discretion to sell the Bonds or assign, pledge or participate interests in the Bonds without the consent of the Obligor.

**Confidentiality:** This Term Sheet is confidential and proprietary, and terms herein may not be disclosed without our prior written consent, except to your professional advisors in connection with this Financing who agree to be bound by such confidentiality requirements, or as may be required by law.

Notwithstanding anything herein to the contrary, any party hereto may disclose to any and all persons, without limitation of any kind the tax treatment or tax structure of this transaction. Furthermore, the parties to this transaction may disclose, as

required by federal or state laws, any information as required to comply with such federal or state laws.

**AGREEMENT BY THE OBLIGOR:**

**Closing:**

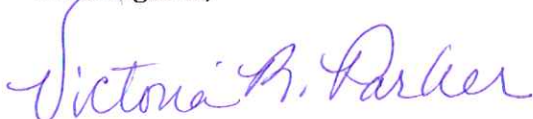
This proposal is submitted in response to your Request for Proposals dated October 7, 2016. The contents of this proposal and any subsequent discussions between us, including any and all information and analysis with respect to product is provided to you in reliance upon your compliance with the guidance of the staff of the SEC's office of Municipal Securities in order for a request for proposal to be consistent with the exemption for responses to requests for proposals or qualifications provided under the Municipal Advisor Rules of the SEC.

In submitting this proposal (a)Wells Fargo is not acting as an advisor to Hillsborough County Aviation Authority("you") and does not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to the information and material contained in this proposal; (b) Wells Fargo is acting for its own interests; and (c) you should discuss any information and material contained in this proposal with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

This Term Sheet is not a commitment. It represents willingness by the Bank to seek credit approval for a proposed transaction based upon the terms and conditions outlined in this Term Sheet, subject to documentation acceptable to the Bank.

We anticipate the credit process will take approximately 10 business days from receipt of this document and possession of all materials necessary to undertake a full credit analysis.

Best Regards,

A handwritten signature in purple ink that reads "Victoria R. Parker".

Victoria R. Parker  
Senior Vice President  
Wells Fargo Bank, N.A.  
(813)225-4432  
[vicki.parker@wellsfargo.com](mailto:vicki.parker@wellsfargo.com)

## EXHIBIT A

### CALCULATION OF BREAKAGE FEE

The Breakage Fee applicable to non-delivery of the Bond, in whole or in part, for any reason, shall be calculated as set forth in this Exhibit A.

1. Capitalized terms used in this Exhibit A and not otherwise defined herein have the meanings assigned thereto in the Trust Agreement.

The following defined terms are used in this Exhibit A:

*“Breakage Fee”* means the premium required to be paid by the Authority in connection with any Termination, calculated as provided in this Exhibit A.

*“Calculation Agent”* means Wells Fargo Bank, National Association or its affiliates or such other entity designated by the Bank.

*“Day Count Fraction”* is the anticipated basis on which interest is to be computed on the Bond. The Day Count Fraction utilizes 30-day months and 360-day years.

*“Interest Payment Frequency”* is the anticipated frequency of interest payments under the Bond. The Interest Payment Frequency is semi-annually, with interest to be paid on each April and October 1, commencing on April 1, 2017.

*“Maturity Date”* is October 1, 2020.

*“Reference Rate”* means [Reference Rate%] per annum.

*“Scheduled Date”* means each date specified on Schedule 1 hereto in the columns labeled Scheduled Date.

*“Schedule of Principal Amounts”* is the anticipated principal amount of the Bond scheduled to be outstanding on the date the Bond is funded and on the Scheduled Date. The Schedule of Principal Amounts for the Scheduled Dates is specified in Schedule 1 to this Exhibit A.

*“Termination”* means the failure to deliver and close the purchase of the Bond on the Closing Date for any reason other than the Bank’s failure to comply with the Terms and Conditions, in whole or in part.

*“Termination Date”* means the Closing Date.

2. In connection with any Termination, a premium shall be paid by the Authority to the Bank if the Breakage Fee is a positive number. No Breakage Fee shall be payable for a Termination if the Breakage Fee for that Termination is a negative number. Breakage Fees will be determined by the Calculation Agent, on the Business Day next preceding the Termination Date, as follows:

*“Breakage Fee”* for any Termination is the difference of:

(i) the sum of the present values of a series of amounts computed for each Scheduled Date after the Termination Date through the Maturity Date, each of which amounts is equal to the product of (A) the Affected Principal Amount for the Affected Principal Period ending on that Scheduled Date, times (B) the Reference Rate times (C) the Day Count Fraction for such Affected Principal Period,

*minus*

(ii) the sum of the present values of a series of amounts computed for each Scheduled Date after the Termination Date through the Maturity Date, each of which amounts is equal to the product of (A) the Affected Principal Amount for the Affected Principal Period ending on that Scheduled Date, times (B) the Termination Rate, times (C) the Day Count Fraction for such Affected Principal Period,

*where:*

(1) the Calculation Agent computes such present values by discounting each such series of amounts described in clauses (i) and (ii) above from their respective Scheduled Date to the Termination Date using a series of discount factors corresponding to those Scheduled Dates as determined by the Calculation Agent from the swap yield curve that the Calculation Agent would use as of the Termination Date in valuing a series of fixed rate interest rate swap payments similar to such series of amounts;

(2) the *“Affected Principal Amount”* for an Affected Principal Period is the principal amount of the Bond reflected in the Schedule of Principal Amounts scheduled to be outstanding during that Affected Principal Period determined as of the relevant Termination Date by reference to such Schedule of Principal Amounts before giving effect to any Termination on that Termination Date, and for any Termination, multiplying each such principal amount times the Termination Fraction;

(3) the *“Affected Principal Period”* is each period from and including a Scheduled Date to but excluding the next succeeding Scheduled Date; *provided, however*, if the Termination Date is not a Scheduled Date, the initial Affected Principal Period shall be the period from and including the Termination Date to but excluding the next succeeding Scheduled Date and the Affected Principal Amount for such initial Affected Principal Period shall be the amount stated in the Schedule of Principal Amounts Outstanding for the Scheduled Date next preceding the Termination Date;



(4) the “*Termination Fraction*” means, for each Scheduled Date, a fraction the numerator of which is the amount of the credit to be applied pursuant to the applicable provisions of the Agreement to reduce the amount of the payment otherwise due on such date and the denominator of which is the amount of the payment otherwise due on such date (without regard to such credit); and

(5) the “*Termination Rate*” for any Termination Date is the fixed rate the Calculation Agent determines is representative of what swap dealers would be willing to pay to the Calculation Agent (or, if required to be cleared under the Commodity Exchange Act or a Commodity Futures Trading Commission rule or regulation promulgated thereunder, to a swap clearinghouse) as fixed rate payors semiannual in return for receiving one month LIBOR based payments monthly under interest rate swap transactions that would commence on such Termination Date, and mature on, or as close as commercially practicable to, the Maturity Date.

3. The Calculation Agent shall determine the Breakage Fee hereunder in good faith using such methodology as the Calculation Agent deems appropriate under the circumstance, and the Calculation Agent’s determination shall be conclusive and binding in the absence of manifest error.

**SCHEDULE 1**

**PRINCIPAL PAYMENTS**

<u>Scheduled Date</u>	<u>Schedule of Principal Amounts</u>
October 1, 2018	\$ _____
October 1, 2019	\$ _____
October 1, 2020	\$ _____