



August 27, 2015

*Via Electronic Mail*

Wesley Bradish  
RBC Capital Markets  
1801 California Street, Suite 3850  
Denver, CO 80202

**RE: \$24,845,000\* (estimated) Capital Improvement CBA  
City of Fort Pierce, Florida**

Dear Wes:

Capital One Public Funding, LLC ("COPF") is pleased to present you with this term sheet for the above-referenced financing. Please note that COPF has not obtained final credit approval for this financing; rather this proposal is intended to set forth the basic terms under which COPF believes it could, if appointed, provide financing for this project.

<b>Type of Financing:</b>	Capital Improvement CBA ("the Obligation").
<b>Financed Amount:</b>	\$24,845,000* (estimated)
<b>Borrower:</b>	City of Fort Pierce, Florida (the "City")
<b>Lender:</b>	Capital One Public Funding, LLC ("COPF").
<b>Project/Use of Proceeds:</b>	Proceeds of the Obligation will be used to refund the 2004 and 2008 Bonds.
<b>Structure/Security:</b>	The tax-exempt Obligation will be payable from and secured by the City's covenant to budget-and-appropriate from legally-available non-ad valorem revenues in amounts sufficient to repay this obligation.
<b>Financing Term/Payment Structure:</b>	Semi-annual interest payments and annual principal payments beginning September 1, 2016 through 2032. The average life shall be approximately 10.994 years.
<b>Interest Rate:</b>	The Obligation shall have a fixed rate of <b>3.35%</b> for the duration of the term. The rate may be subject to change in the event of interest rate movements if not accepted by the City by September 10, 2015 and not closed by October 9, 2015 unless extended by COPF at its sole discretion.
<b>Documentation:</b>	Financing documentation, including opinions attesting to the validity and tax-exempt status of the interest of the Obligation, shall be prepared by "Red Book" bond counsel. The opinions shall be in a form satisfactory to COPF.
<b>Costs of Issuance:</b>	The City shall be responsible for the costs of issuance including financial advisor, placement agent and bond counsel. No fees will be due to COPF. COPF shall be responsible for the costs of its legal review, if any.

- Prepayment:** The Obligation shall be subject to optional prepayment, beginning in 2024 on any payment date with 30 days notice at a price of par plus accrued interest to the redemption date.
- Credit Decision:** COPF shall obtain a final credit decision for this transaction within fourteen business days of approval of this proposal/term sheet and receipt of requested credit information.
- Material Adverse Change:** COPF has the right to terminate this proposal upon the occurrence of a material adverse change that would adversely affect the terms of the Obligation contemplated in this term sheet, including but not limited to any material change in terms from those agreed upon, or a material adverse change in the City's financial condition.
- COPF Role:** The City acknowledges and agrees that: (i) the information contained in this Term Sheet is for discussion purposes only and sets forth certain proposed terms and conditions of an arm's-length commercial transaction between the City and COPF and does not constitute advice, an opinion or a recommendation by COPF; (ii) the City will make its own determination regarding whether to enter into the proposed transaction and the terms thereof, and will consult with and rely on the advice of its own financial, accounting, tax, legal and other advisors; (iii) COPF is acting solely for its own account in connection with the proposed transaction, and is not acting as a municipal advisor, financial advisor, agent or fiduciary to the City or any other person or entity (including to any financial advisor or placement agent engaged by the City) and the City, its financial advisor and placement agent are free to retain the services of such advisors (including as it relates to structure, timing, terms and similar matters and compliance with legal requirements applicable to such parties) as it deems necessary or appropriate; (iv) COPF has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto; (v) neither COPF nor any of its affiliates is acting as a broker, dealer, underwriter or placement agent with respect to the transactions contemplated hereby; (vi) the only obligations COPF has to the City with respect to the transaction contemplated hereby expressly are set forth in this Term Sheet; and (vii) COPF is not recommending that the City take an action with respect to the transaction contemplated by this Term Sheet. Before taking any action with respect to the contemplated transaction, City should discuss the information contained herein with the City own legal, accounting, tax, financial and other advisors, as it deems appropriate. If the City would like a municipal advisor in this transaction that has legal fiduciary duties to you, the City is free to engage a municipal advisor to serve in that capacity. The information provided is pursuant to and in reliance upon the "bank exemption" provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq.
- No Bond Rating, DTC, Offering Document or CUSIP:** The Bond shall be delivered in physical, non-book-entry, certificated form and registered in the name of COPF. The Bonds shall not be (i) assigned a separate rating by any Rating Agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of official statement, private placement memorandum or other offering document or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service.

**Proposal Expiration:**

This proposal shall expire if not accepted by the City by September 10, 2015 unless extended by COPF at its sole discretion. Once accepted, this proposal shall expire if the financing has not closed by October 9, 2015, unless extended by COPF at its sole discretion.

Thank you for your consideration. We would enjoy the opportunity to work with you and the County on this project and look forward to your favorable response. Please feel free to contact me at 877/698-2018 or via e-mail at [Jeffrey.sharp@capitalone.com](mailto:Jeffrey.sharp@capitalone.com) with any questions.

Sincerely,



**Jeffrey D. Sharp**  
**Senior Vice President/ Director of Business Development**

cc: **Jonathan Lewis, Capital One Public Funding, LLC**  
**Brenda Barnes, Capital One Public Funding, LLC**

**ACCEPTED BY:** City of Fort Pierce, Florida

\_\_\_\_\_  
By

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date