

PAYING AGENT AGREEMENT

This Paying Agent Agreement is made and entered into as of July 3, 2018, by and between the CITY OF SUNRISE, FLORIDA (the “Issuer”) and U.S. BANK NATIONAL ASSOCIATION, a banking association duly organized and existing under the laws of the United States of America (the “Bank”).

WITNESSETH:

WHEREAS, the Issuer desires to appoint the Bank as Paying Agent, Registrar, Authenticating Agent and Authorized Depository for its \$89,625,000 aggregate principal amount of Utility System Revenue Refunding Bonds, Series 2018 (the “Series 2018 Bonds”) pursuant to Ordinance No. 696-X duly enacted by the City Commission of the Issuer (the “City Commission”) on October 15, 1985, as amended and supplemented to date, and particularly as supplemented by Ordinance No. 626 duly enacted by the City Commission on December 12, 2017 and Resolution No. 18-2 duly adopted by the City Commission on January 9, 2018 (collectively, the “Bond Ordinance”); and

WHEREAS, the Bank desires to accept appointment as Paying Agent, Registrar, Authenticating Agent and Authorized Depository for the Series 2018 Bonds.

NOW, THEREFORE, the Issuer and the Bank agree as follows:

SECTION 1. Definition. The Bond Ordinance and the Series 2018 Bonds are herein called the “Supporting Documents” for the Series 2018 Bonds.

Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed thereto in the Bond Ordinance.

SECTION 2. Duties Generally. The Bank shall serve (i) as Paying Agent, Registrar and Authenticating Agent for the Series 2018 Bonds; and (ii) pursuant to this Agreement, as Authorized Depository for the Debt Service Account. The Bank agrees to do and perform only those duties of the Paying Agent, Registrar, Authenticating Agent and Authorized Depository in accordance with the provisions of the Supporting Documents and this Agreement and no duties shall be implied. The Bank has no discretionary or fiduciary duties of any kind. The Issuer shall, upon authentication and delivery of the Series 2018 Bonds, deliver or cause to be delivered to the Bank, counterparts or true and correct copies of the Supporting Documents for the Series 2018 Bonds.

SECTION 3. Authentication. The Bank shall, upon delivery to it by the Issuer of the Series 2018 Bonds, duly executed on behalf of the Issuer as provided in Chapter 279, Florida Statutes, and upon receipt of evidence satisfactory to it of the due authorization by the Issuer of the terms and the form of the Series 2018 Bonds, authenticate and, as required by the text or the Supporting Documents, register such Series 2018 Bonds in an aggregate principal amount specified in the text of the Series 2018 Bonds and Supporting Documents and deliver them in accordance with instructions received from the Issuer. Thereafter, the Bank shall authenticate and, as required by the text or the Supporting Documents for the Series 2018 Bonds, register such Series

2018 Bonds upon transfer, exchange or replacement and deliver them in accordance with the provisions of the Series 2018 Bonds and Supporting Documents relating thereto.

SECTION 4. Form.

(a) The text of the Series 2018 Bonds and Supporting Documents relating thereto delivered to the Bank pursuant to Section 2 of this Agreement establishes or shall establish (i) the designation of the Series 2018 Bonds, (ii) any limit upon the aggregate principal amount of the Series 2018 Bonds which may be authenticated and delivered under this Agreement (except for Series 2018 Bonds authenticated and delivered upon transfer or exchange or in replacement), (iii) the date or dates on which the principal of and premium, if any, on the Series 2018 Bonds are payable, (iv) the rate or rates at which the Series 2018 Bonds shall bear interest, the date or dates from which such interest shall accrue, the dates on which such interest shall be payable and the record dates for the determination of the Holders of the Series 2018 Bonds to whom interest is payable, (v) the place or places where the principal of and premium, if any, and interest, if any, on the Series 2018 Bonds are payable, (vi) the price or prices at which, the period or periods within which and the terms and conditions upon which the Series 2018 Bonds may be redeemed, in whole or in part, at the option of the Issuer or by mandatory redemption or otherwise, (vii) the denominations in which Series 2018 Bonds shall be issuable, (viii) any covenants or agreements of the Issuer and events, if any, which would give rise to the acceleration of the maturity of such Series 2018 Bonds, and (ix) all other terms of the Series 2018 Bonds. The terms and the form of the Series 2018 Bonds shall be established by such proceedings of the Issuer as may be required to authorize the Series 2018 Bonds. The Series 2018 Bonds may also have such additional provisions, omissions, variations and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with any law or with any rules made pursuant thereto or with the rules of any securities exchange, tax authority, or governmental agency as may, consistently herewith, be determined by the officers executing the Series 2018 Bonds.

(b) The Series 2018 Bonds will be issued in fully registered form, initially a single Term Bond, and will be issuable in the denominations specified in the text of such Series 2018 Bonds or in the Supporting Documents for the Series 2018 Bonds.

SECTION 5. Register. The Bank will maintain or cause to be maintained, a register for the registration, transfer and exchange of the Series 2018 Bonds and shall comply with the provisions of said Series 2018 Bonds and the applicable Supporting Documents relating to the transfer, exchange and replacement of the Series 2018 Bonds.

SECTION 6. Service Charges. No service charge shall be made against the Holder for any such transfer or exchange of any Series 2018 Bond unless otherwise provided by the provisions of such Series 2018 Bond or the Supporting Documents relating thereto.

SECTION 7. Payment of Series 2018 Bonds.

(a) The Bank shall serve as Paying Agent for the Series 2018 Bonds and establish and maintain the Debt Service Account of the Trust Fund as provided in the Supporting Documents.

(b) The Issuer hereby authorizes and directs the Bank, from the funds paid to it by the Issuer for such purpose, to make or cause to be made payment of interest, principal and premium, if any, on the Series 2018 Bonds in accordance with the Series 2018 Bonds and the Supporting Documents. The Issuer hereby agrees to deposit in the Debt Service Account sufficient funds to make principal and interest payments as follows: (i) payment by check must be received by the Paying Agent at least 5 business days prior to the payment date and (ii) payment by wire must be received by the Paying Agent no later than 11:30 a.m. CST on the payment date. The Bank has no obligation to draw upon any account or pursuant to any letter of credit, insurance policy or other agreement or take any other action to assist the Issuer to comply with its obligations except to the extent expressly set forth in this Agreement.

(c) No presentment shall be required for payment of an Amortization Installment on any Series 2018 Bond. Presentment shall be required for payment of the Series 2018 Bonds at maturity.

(d) In the event that any Series 2018 Bond shall not be presented to the Bank for payment after the principal becomes due at maturity, or the Bank shall not have been able to pay the interest on any Series 2018 Bond after the interest was due because of a failure of the Holder (or other payee designated by the order of the Holder) to cash any check or draft, the Bank shall, at the time required by the Supporting Documents, remit the unpaid sums to the Issuer. Prior to said remission, the Bank shall hold the unpaid sums as required by the Supporting Documents.

(e) In case any Series 2018 Bond shall become mutilated or be destroyed, stolen or lost, the Bank shall deliver a new Series 2018 Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Series 2018 Bond or in lieu of and in substitution for any such Series 2018 Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Bank in connection therewith; and, in the case of a Series 2018 Bond destroyed, stolen or lost, upon filing by the owner with the Bank of evidence satisfactory to the Bank that such Series 2018 Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Bank of an appropriate bond of indemnity in form, substance and amount as may be required by law and as is satisfactory to the Bank. All Series 2018 Bonds so surrendered to the Bank shall be canceled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Series 2018 Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Series 2018 Bond prior to payment, provided that the owner shall first provide the Bank with a bond of indemnity as set forth above.

SECTION 8. Notices to Certain Persons. The Bank shall give all notices to the Holders of Series 2018 Bonds as required by the Supporting Documents.

SECTION 9. Authorized Depository. Pursuant to this Agreement, the Bank has been appointed and has agreed to serve in the capacity of Authorized Depository for the Debt Service Account and to accept deposits, apply and withdraw the funds therein in accordance with the terms and provisions of the Supporting Documents and to keep proper records with respect to the foregoing. The Bank shall invest and reinvest monies held by it pursuant to the directions of the Issuer, upon which directions the Bank may conclusively rely without inquiry or investigation; provided that the Issuer agrees that no investment direction shall be given to the Bank which is not

permitted by the Supporting Documents. The Bank will not provide supervision, recommendations or advice relating to either the investment of Debt Service Account funds or the purchase, sale, retention or other disposition of any investment described herein. The Bank shall not be liable or responsible for loss in the value of any investment made pursuant to this Agreement, or for any loss, cost or penalty resulting from any sale or liquidation of any such investment. The Bank shall keep such records pertaining to the investment of moneys in the Debt Service Account and the reinvestment of such moneys and income therefrom so as to reflect: (i) the dates and amounts of each investment; (ii) the price of each investment; and (iii) the dates and amounts of income and principal (or sales proceeds) received on each investment, in order that the Issuer may comply with Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") including Section 148(f) thereof, relating to rebate. The Bank shall have no duty to calculate the Issuer's liability for rebate unless the Bank separately agrees in writing to perform such service, but promptly, upon request, shall provide to the Issuer, or its designee, copies of the Bank's investment records relating to the Debt Service Account for which the Bank has been requested by the Issuer to serve as Authorized Depository. The Bank may rely on the applicable Supporting Documents and shall incur no liability for relying thereon.

SECTION 10. Resignation. The Bank may at any time resign as Paying Agent, Registrar, Authenticating Agent and Authorized Depository for the Series 2018 Bonds, provided that such resignation shall meet any conditions or requirements of the Supporting Documents relating to such Series 2018 Bonds.

SECTION 11. Removal. The Bank may be removed, with or without cause, as Paying Agent, Registrar, Authenticating Agent and Authorized Depository for the Series 2018 Bonds, provided that such removal shall meet any conditions or requirements of the Supporting Documents.

SECTION 12. Appointment of Successor. Prior to the effective date of any such resignation or removal of the Bank, or if the Bank shall become unable to act as such or shall cease to be qualified to serve in any capacity specified herein, a successor Paying Agent, Registrar, Authenticating Agent or Authorized Depository for any Series 2018 Bonds, as the case may be, shall be appointed, provided that such appointment shall meet any conditions or requirements of the Supporting Documents relating to such Series 2018 Bonds.

SECTION 13. Liability.

(a) The Bank shall not be responsible or accountable to anyone, either by reason of its authentication of any Series 2018 Bond or for any other reason whatsoever, with respect to the validity of the Series 2018 Bonds, or for any act done or omitted by it or for anything whatever in connection with this Agreement or the applicable Supporting Documents, except to the extent that a court of competent jurisdiction determines that the Bank's gross negligence or willful misconduct directly caused a loss to the Issuer. No provision of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Bank need not examine the ownership of any Series 2018 Bond, but shall be protected in acting upon receipt of Series 2018 Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the registered owner or agent of the registered owner.

(b) To the extent permitted by law, the City agrees to indemnify the Bank for, and to hold it harmless against, any loss, liability or expense incurred without negligence or willful misconduct on its part, arising out of or in connection with acceptance or administration of this Agreement, including the reasonable costs and expenses of defending itself against such claim or liability in connection with the exercise or performance of any of its powers or duties hereunder. Nothing herein is intended to serve as a waiver of sovereign immunity by any party to which sovereign immunity may be applicable nor shall anything included herein be construed as consent to be sued by third parties in any matter arising out of this Agreement. Notwithstanding any provision in this Agreement, the Bank's rights to immunities and protection from liability hereunder and its rights to payment of its fees, expenses and indemnities shall survive the termination of this Agreement.

SECTION 14. Conflict of Interest. The Bank may become a creditor, directly or indirectly, of the Issuer or any of its institutions or agencies, make any loan or loans thereto, hold any form of indebtedness thereof (including the Series 2018 Bonds), own, accept or negotiate any drafts, bills of exchange, acceptances or obligations thereof, make disbursements thereof and enter into any commercial or business arrangement therewith without limitation, all without any liability for such dealing, to the extent, with regard to all of the foregoing actions, consistent with the provisions of Article VII, Section 10, of the Constitution of the State of Florida.

SECTION 15. Signatures. Unless herein otherwise specifically provided, any order, notice, request or other instrument of the Issuer made or given by it under any provision of the Bond Ordinance or this Agreement shall be sufficient if signed in accordance with any list of authorized signatures of the Issuer which shall be furnished by it to the Bank and as to which the Bank shall not have received written notice of the rescission thereof, or by any other member or official of the Issuer who shall have been designated in writing in accordance with such list. The Bank shall be fully justified and protected in relying and acting upon any instructions received by it and signed in the manner provided in the preceding sentence, or upon the advice of counsel, who may be counsel for the Issuer and shall be satisfactory to the Bank, and shall be fully justified and protected in relying and acting upon and dealing with any Series 2018 Bond, assignment, power of attorney, certificate, order, instruction, notice or other instrument or paper believed by the Bank in good faith to be genuine and duly authorized and properly executed.

SECTION 16. Fees and Expenses. In consideration of the services rendered by the Bank as Paying Agent, Registrar, Authenticating Agent and Authorized Depository, the City agrees to and shall pay to the Bank its fees and expenses as set forth in the attached Exhibit A, including all reasonable out-of-pocket expenses, disbursements, advances and the reasonable fees, expenses, and disbursements of its agents and attorneys incurred or made in connection with the Bank's investigating and defending itself against any claim or liability hereunder.

SECTION 17. Surrendered Bonds. All Bonds paid, redeemed, prepaid or otherwise retired, all mutilated Series 2018 Bonds surrendered in exchange for other Series 2018 Bonds and all Series 2018 Bonds surrendered in any exchange or transfer of Series 2018 Bonds shall be cancelled, held, destroyed or delivered by the Bank to the Issuer in accordance with the applicable Supporting Documents. The Bank shall deliver such certificates of cancellation or destruction to the Issuer as provided in the Supporting Documents.

SECTION 18. Notices. If the Bank shall receive any notice or demand addressed to the Issuer by the Holder of any Series 2018 Bond, the Bank shall promptly forward such notice or demand to the Issuer. The Bank shall give such notice to the Issuer and the Holders of Series 2018 Bonds as it is required to give by the Supporting Documents. Any notices or other communications from the Issuer to the Bank with respect to this Agreement shall be addressed to:

U.S. Bank National Association
200 S. Biscayne Boulevard
Suite 1870
Miami, Florida 33131
Attn.: Corporate Trust Department

and any communications from the Bank to the Issuer with respect to this Agreement shall be addressed to:

The City of Sunrise
10770 W. Oakland Park Boulevard
Sunrise, Florida 33351
Attn.: Director of Finance and Administrative Services

With a copy to the City Attorney at the same address.

SECTION 19. Amendments. This Agreement may be amended by the parties hereto without the consent of the holder or holders of any Series 2018 Bond. No modification of this Agreement shall be valid unless made by a written agreement, executed and approved by the parties hereto.

SECTION 20. Assignment. This Agreement shall not be assigned by either party without the written consent of the other party.

SECTION 21. Severability. Should any section or part of any section of this Agreement be declared void, invalid or unenforceable by any court of law for any reason, such determination shall not render void, invalid or unenforceable any other section or other part of any section of this Agreement.

SECTION 22. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida.

SECTION 23. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

SECTION 24. Patriot Act Compliance. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity the Bank will ask for documentation to verify its formation and existence as a legal entity. The Bank may also ask

to see financial statements, licenses, and identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF SUNRISE, FLORIDA

By: _____
Michael J. Ryan
Mayor

ATTEST:

Felicia M. Bravo
City Clerk

U.S. BANK NATIONAL ASSOCIATION

By: _____
Marie Mortenson
Assistant Vice President

EXHIBIT A

Bank's Fees: a one-time, up-front fee of \$5,750.