

PROJECTS AGREEMENT

THIS PROJECTS AGREEMENT, dated as of the 1st day of July, 2014, by and between **the TULSA COUNTY INDUSTRIAL AUTHORITY** (the "Authority") and the **BOARD OF COUNTY COMMISSIONERS OF TULSA COUNTY, OKLAHOMA** (the "County").

W I T N E S S E T H :

WHEREAS, The Authority has been created by a Trust Indenture, dated as of March 1, 1965, designating the members of the governing body of the County as Trustees of the Authority for the use and benefit of the County under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2001, Sections 176 to 180.3, inclusive, as amended and supplemented, the Oklahoma Trust Act and other applicable statutes of the State of Oklahoma; and

WHEREAS, the County adopted a Resolution on January 29, 2014 (the "Resolution"), which was approved by the qualified electors of the County at an election held April 11, 2014 levying and assessing a sales tax of twenty-six thousandths of one percent (.026%) to be used for the purpose of acquiring, constructing, furnishing, equipping, remodeling, and repairing an expansion of the David L. Moss Criminal Justice Center (the "Project") and/or the payment of principal and interest on any indebtedness, including refunding indebtedness, incurred by or on behalf of the County for such purpose (the "Sales Tax"); and

WHEREAS, the Authority intends to issue its not to exceed \$9,700,000 Tulsa County Industrial Authority Capital Improvements Revenue Bonds, Series 2014, (the "Bonds") to pay the costs of the Project and the costs and expenses of issuing the Bonds; and

WHEREAS, in order to better secure the payment of the Bonds, and the performance of the County under this Projects Agreement, it is necessary that this Projects Agreement be entered into; and

WHEREAS, all things required to have been done to make this Projects Agreement a valid and binding agreement by and between the County and the Authority have been done, happened and been performed.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS EXPRESSED HEREIN AND THE ISSUANCE OF THE BONDS BY THE AUTHORITY AND OTHER GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED BY THE PARTIES HERETO, THE COUNTY AND THE AUTHORITY AGREE AS FOLLOWS:

SECTION 1. The Authority shall issue the Bonds and use the net proceeds from the sale thereof to acquire, construct, furnish, equip, remodel and repair the Project, as more fully set forth in a Bond Indenture dated as of July 1, 2014 (the "Indenture"), between the Authority and BOKF, NA dba Bank of Oklahoma (the "Trustee").

SECTION 2. In consideration of the issuance of the Bonds and implementation of the Project by the Authority, the County shall deposit in its special sales tax fund each month as received, proceeds derived from the Sales Tax as received from the Oklahoma Tax Commission, and the County agrees, subject to availability and appropriation of funds, to transfer, as received, all proceeds of the Sales Tax to the Trustee on behalf of the Authority for immediate deposit in the Authority's Revenue Fund created under the Indenture (but in no event later than the 15th of such month). Such Sales Tax proceeds shall be

used by the Trustee on behalf of the Authority pursuant to the terms and provisions of the Indenture, including specifically for the payment of principal and interest on the Bonds when due (whether upon the scheduled due date, upon purchase, or acceleration, or otherwise), which purpose is hereby acknowledged to be consistent with the authorized and proper use of such Sales Tax proceeds.

SECTION 3. The County agrees, subject to availability of funds, to make payments from available funds of the County in excess of the Sales Tax, at least ten days prior to such times and in such amounts as may be necessary to pay the principal and interest of the Bonds, in the event that the Sales Tax appropriated by the County and received by the Authority is insufficient at any time to pay the principal of the Bonds when due, (whether upon the scheduled due date, upon redemption, purchase or acceleration or otherwise) and all accrued interest thereon. The Sales Tax transferred pursuant to Section 2 hereof and the payments made by the County pursuant to Section 3 hereof, shall hereinafter be referred to as the Project Payments. All such Project Payments shall not be subject to set-off or counterclaim by the County and shall be used as set forth in the Indenture and shall be in such amounts as are necessary for the payment when due (whether upon the scheduled due date, upon redemption, purchase, or acceleration, or otherwise) of (a) principal of and interest on the Bonds coming due at such time and (b) all other amounts due under the Indenture. In any case where the date fixed for any payment from the County to the Trustee on behalf of the Authority shall not be a Business Day (as defined in the Indenture), then such payment may be made on the next succeeding Business Day. In the event that Project Payments are not deposited in the Authority's Bond Fund at least ten days prior to the time that payments are due into the Bond Fund, the Trustee on behalf of the Authority shall give written notice of such failure to deposit to the Authority and to the County, and the County will have five calendar days to deposit such funds. Failure to deposit such funds within such five calendar day period shall constitute an event of default hereunder.

SECTION 4. The Authority agrees that all proceeds of the Sales Tax and other Project Payments received by it shall be utilized exclusively for the purposes set out in the Resolution and Section 2 of this Agreement and for no other purposes.

SECTION 5. It is hereby acknowledged that under applicable Oklahoma law, the County may not become obligated beyond its fiscal year (July 1 through June 30) and therefore, the covenants made herein by the County shall be on a year-to-year basis. Payment of the Sales Tax proceeds and other Project Payments as set out herein is subject to the availability of funds and annual appropriations thereof by the County. The Bonds issued by the Authority shall in no way be or become an obligation of the County.

SECTION 6. This Agreement shall be for a term commencing on the date hereof and ending on June 30, 2014. This Agreement may be renewed for successive annual periods commencing July 1, 2014, at the option of the County, upon written notice of the exercise of each such option from the County to the Authority given prior to the expiration of the then current term and the taking by the County of such official action as shall be required by applicable laws to effect such renewal and annual appropriation described in Section 2 hereof. Notice of such renewal shall be provided to the Trustee, not later than July 31 of each year.

SECTION 7. It is understood and agreed that this Projects Agreement is a third party beneficiary contract for the benefit of the holders of the Bonds and may be pledged and assigned by the Authority as security for the Bonds.

SECTION 8. The County is not in default in the performance, observance or fulfillment of any material obligation, covenant or condition contained in any material agreement or instrument to which the

County is a party or by which the County or any of its property is bound or in any of the obligations, covenants or conditions contained in this Agreement.

The financial statements of the County as and for the period ended June 30, 2013, supplied to the Authority fairly present the financial status and operating results of the County as of such date and for the period covered thereby and there has not been any material adverse change in the financial condition of the County since such date; and to the best knowledge of the County, the Annual Report of the County dated June 30, 2013, heretofore delivered to the Authority does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

The County hereby agrees to supply to the Authority, and any holder of the Bonds who requests the same, the comprehensive annual financial report and other financial statements prepared by the County no later than December 1 annually, and such other financial information of the County as the Authority may from time to time reasonably request.

SECTION 9. Any notice or other communication required or permitted hereunder shall be sufficiently given if delivered personally or sent by registered or certified mail, postage prepaid, return receipt requested, and addressed as listed below, or to such other address as the party concerned may substitute by written notice to the other:

If to the Authority:

Tulsa County Industrial Authority
Tulsa County Administration Building
Tulsa, Oklahoma 74103

If to Tulsa County:

Tulsa County
Board of County Commissioners
Tulsa County Administrative Building
Tulsa, Oklahoma 74103

SECTION 10. It is the intention of the parties that the laws of the State of Oklahoma shall govern the validity of this Agreement, the construction of its terms and interpretation of the rights and duties of the parties.

SECTION 11. No amendment or modification hereof shall be deemed valid unless first reduced to writing and signed and dated by both parties hereto and unless written consent of the Bondholders has been obtained as more fully set forth in the Indenture. Fully executed copies of this Agreement shall be deemed for all purposes as duplicate originals.

SECTION 12. Should any section, clause or provision of this Agreement be invalid or void for any reason, such invalid or void section, clause or provision shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain in full force and effect.

SECTION 13. The headings of the several sections of this Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this Agreement.

SECTION 14. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns. The County hereby acknowledges that this Agreement will be pledged to the Trustee for the holders of the Bonds, and the County consents to such pledge.

IN WITNESS WHEREOF, the Authority has caused this Projects Agreement to be signed by its Chairman of Trustees, attested by its Assistant Secretary of Trustees and has caused the seal of the Authority to be impressed hereon, and the County has caused this Projects Agreement to be signed by the Chairman of the Board of County Commissioners, attested by the County Clerk and has caused the seal of the County to be impressed hereon all as of the date first above written.

TULSA COUNTY INDUSTRIAL AUTHORITY

ATTEST:

By: _____
Chairman of Trustees

Assistant Secretary of Trustees
(SEAL)

**BOARD OF COUNTY COMMISSIONERS
TULSA COUNTY, OKLAHOMA**

ATTEST:

By: _____
Chairman

County Clerk
(SEAL)