

COMMONWEALTH OF VIRGINIA

No. R-1

CITY OF ALEXANDRIA
TAX REVENUE BOND,
SERIES 201_MATURITY DATE
_____, 20__INTEREST RATE
[2.17%]DATED DATE
_____, 20__REGISTERED OWNER: VIRGINIA RESOURCES AUTHORITY, as Manager of the
VIRGINIA TRANSPORTATION INFRASTRUCTURE
BANKPRINCIPAL AMOUNT: _____ DOLLARS
(\$_____)

CITY OF ALEXANDRIA, VIRGINIA (the "City"), for value received, acknowledges itself indebted and promises to pay to the registered owner of this Bond or legal representative, the principal amount stated above on the maturity date set forth above and to pay interest on the principal amount of this Bond from time to time outstanding at the rate specified above per annum, as set forth below.

The outstanding principal balance of this Bond shall bear interest from the date of each advance of principal until payment of the entire principal amount. No payments of principal or interest are due on this Bond until after the end of the Capitalized Interest Period (as defined in the hereinafter defined Financing Agreement). Commencing on the first _____ or _____ following the end of the Capitalized Interest Period interest on this Bond shall be payable as shown on Schedule I attached hereto. Each installment shall be applied first to the interest due and payable on this Bond, and then to the principal. If principal advances up to \$_____ are not made, the principal amount due on this Bond shall not include the unadvanced amount and shall be reduced as provided in the Financing Agreement. Principal of this Bond shall be paid in the amounts and on the dates set forth on Schedule I, subject to the adjustment of Schedule 1 by the Lender (as defined in the Financing Agreement) as provided in the Financing Agreement.

The principal balance of this Bond shall be equal to the sum of the amounts advanced by the registered owner, as shown on the certificate of principal advances appearing at the end of this Bond, less the aggregate amount of the payments and any prepayments of principal which may have been made on this Bond. No notation is required to be made on this Bond of the payment or prepayment of principal. HENCE, THE FACE AMOUNT OF THIS BOND MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING AND DUE HEREUNDER.

Both principal of and interest on this Bond are payable in lawful money of the United States of America. Interest on this Bond is calculated based on a year of 360 days and twelve

30-day months. The principal of and interest on this Bond are payable by wire transfer sent to the registered owner hereof (or such other means as agreed upon by the City and the registered owner) without presentation and surrender hereof except for the final payment of principal and interest which shall be payable upon presentation and surrender hereof at the office of the City's Director of Finance, as Bond Registrar and Paying Agent ("Bond Registrar" or "Paying Agent").

This Bond has been duly authorized by the City Council of the City (the "City Council") and is issued for the purpose of providing funds to finance a portion of the costs of the development of a new infill Metrorail station located at Potomac Yard within the City along the existing Metrorail Blue and Yellow lines (the "Project").

This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the Commonwealth of Virginia, and, more particularly, issued pursuant to the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Code of Virginia of 1950, as amended and an ordinance passed by the City Council on _____, 2015 (the "Ordinance"). This Bond is issued as evidence of a loan from the Virginia Transportation Infrastructure Bank to the City and is governed by the terms of a Financing Agreement dated as of _____, 20__ (as modified, altered, amended or supplemented from time to time, the "Financing Agreement") between the Virginia Resources Authority, as Manager of the Virginia Transportation Infrastructure Bank and the City.

Each capitalized term used in this Bond and not defined herein has the meaning given to it in the Financing Agreement.

Subject to the City's obligation to make Mandatory Prepayments from Annual Potomac Yard Net Revenues, principal of, premium if any, and interest on this Bond shall be payable solely from the Tier I Special Assessment Tax District Revenues, and except to the extent such payment shall be made from the proceeds of this Bond or the bonds or notes to be issued by the City to redeem the Bond or the income, if any, derived from the investment thereof. The Tier I Special Assessment Tax District Revenues are pledged to secure the payment of the principal of, premium if any, and interest on this Bond, on parity with the pledge of Tier I Special Assessment Tax District Revenues to the payment of Parity Bonds. This Bond shall not be deemed to create or constitute a pledge of the faith and credit of the Commonwealth of Virginia or of any political subdivision thereof, including the City. Neither the faith and credit of the Commonwealth of Virginia nor the faith and credit of any county, city, town or other subdivision of the Commonwealth of Virginia, including the City, are pledged to the payment of the principal of, premium if any, or interest on this Bond. The issuance of this Bond shall not directly or indirectly or contingently obligate the Commonwealth of Virginia or any county, city, town or other subdivision of the Commonwealth of Virginia to levy any taxes whatever therefor or to make any appropriation for their payment except from the Tier I Special Assessment Tax District Revenues and any other funds or property pledged for such purpose under the provisions of the Ordinance.

As provided in and subject to the provisions regarding the effectiveness of such pledge in the Financing Agreement, the City Council hereby undertakes a non-binding obligation to appropriate such amounts as may be requested from time to time pursuant to Section 5.2 of the Financing Agreement, to the fullest degree and in such manner as is consistent with the

Constitution and laws of the Commonwealth of Virginia. The City Council, while recognizing that it is not empowered to make any binding commitment to make such appropriations in future fiscal years, hereby states its intent to make such appropriations in future fiscal years, and hereby recommends that future City Councils do likewise.

During the Capitalized Interest Period, no payments on this Bond will be due other than Mandatory Prepayments. During the Capitalized Interest Period, unpaid interest will accrue and be added to the principal amount of the loan semi-annually on each _____ and _____. During the Debt Service Ramp-Up Period, on each _____ and _____, the Borrower shall pay \$50,000 plus accrued interest and any Mandatory Prepayments that are payable. After the expiration of the Debt Service Ramp-Up Period, the Lender shall determine the principal amount of the Bond outstanding and shall amortize the outstanding principal amount to the Maturity Date such that scheduled debt service on this Bond is substantially equal for each Fiscal Year. The Lender shall reamortize Annual Debt Service upon a Mandatory Prepayment as provided in the Financing Agreement.

This Bond is subject to optional and mandatory prepayment as provided in the Financing Agreement.

If any Event of Default occurs, the principal of this Bond may be declared immediately due and payable in accordance with the terms of the Financing Agreement. The City shall pay the Lender a late payment charge as specified in the Financing Agreement for any payment not made within 10 days after its due date.

The City may issue Parity Bonds or Subordinate Debt (or both) under the terms of the Financing Agreement.

This Bond may be transferred only by an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative in a form satisfactory to the Bond Registrar. Such transfer shall be made in the registration books kept by the Bond Registrar upon presentation and surrender hereof and the City shall execute, and the Bond Registrar shall authenticate and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner hereof or such owner's attorney or legal representative. Any such exchange shall be at the expense of the City, except that the Bond Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The City may designate a successor Bond Registrar and/or Paying Agent, provided that written notice specifying the name and location of the principal office of any such successor shall be given to the registered owner of the Bond. Upon registration of transfer of this Bond, the Bond Registrar shall furnish written notice to the transferee of the name and location of the principal office of the Bond Registrar and/or the Paying Agent.

The Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner.

This Bond shall not be valid or obligatory for any purpose unless and until authenticated at the foot hereof by the Bond Registrar.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to the issuance of this Bond have happened, exist or been performed in due time, form and manner as so required and that the indebtedness evidenced by this Bond is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

[Signature Page Follows]

IN WITNESS WHEREOF, the City Council of the City of Alexandria, Virginia, has caused this Bond to be signed by the facsimile signature of its Mayor, a facsimile of its seal to be affixed and attested by the facsimile signature of its Clerk and this Bond to be dated _____, 20__.

CITY OF ALEXANDRIA, VIRGINIA

By _____
Mayor, City of Alexandria, Virginia

[SEAL]

ATTEST:

Clerk, City Council,
City of Alexandria, Virginia

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE OF ASSIGNEE)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: _____

the within Bond and does hereby irrevocably constitute and appoint

_____, attorney, to transfer said Bond on the books kept for registration of said Bond, with full power of substitution in the premises.

Dated _____

Signature Guaranteed:

(NOTICE: Signature(s) must be guaranteed.)

Registered Owner
(NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the books kept for registration of this Bond in every particular, without alteration or change.)

CERTIFICATE OF AUTHENTICATION

The undersigned Bond Registrar hereby certifies that this is the Bond of the City of Alexandria, Virginia described in the within-mentioned Ordinance.

Authentication Date: _____, 20__

By: _____

Director of Finance,
City of Alexandria, Virginia

Certificate of Advances

The principal sum payable under this Bond, not to exceed \$_____, shall be an amount equal to the aggregate of all principal advances noted below. The aggregate amount of all principal advances under this Bond shall be certified by an authorized representative of the registered owner of this Bond.

[illegible]

Schedule I

<u>Date</u>	<u>Principal</u>
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Total: