

EXHIBIT 23

1 AMENDED

2 BILL NO. 30 - 2013

3
4
5 Moved by: Wanda F. J. Williams

6
7
8 An Ordinance of the City Council of the City of Harrisburg authorizing the City to
9 enter into an Intergovernmental Cooperation Agreement delegating to the Pennsylvania
10 Economic Development Financing Authority ("PEDFA") ~~the City's~~ CERTAIN rights and
11 powers with respect to its on-street parking system, consisting of collection of meter
12 revenues, rate-setting, and other non-enforcement matters, and approving PEDFA
13 entering into a contract with the initial manager of the parking system to provide certain
14 functions if approved by the board of PEDFA, and related matters.

15
16
17 **WHEREAS**, the City of Harrisburg ("City") and the Harrisburg Parking Authority
18 ("HPA") currently own and operate parking garages, parking lots, parking meters, and
19 off-street parking in certain areas of the City; and

20
21 **WHEREAS**, the City has determined that it is in its best interests as part of the
22 Act 47 Recovery Plan process, for HPA and the City to transfer their interests in the
23 Parking System (as hereinafter defined) to the Pennsylvania Economic Development
24 Financing Authority ("PEDFA") pursuant to an Asset Transfer Agreement for the City of
25 Harrisburg Parking System ("Asset Transfer Agreement"), a copy of which is attached
26 hereto as Exhibit "A" and incorporated herein; and

27
28 **WHEREAS**, the City desires to provide for the transfer by the City to PEDFA of
29 on-street parking spaces, and the delegation by the City to PEDFA of parking meter
30 collection, meter rate-setting authority and other non-enforcement functions, each if

31 approved by PEDFA, and all for a term as provided in the Asset Transfer Agreement
32 (the parking garages, parking lots, parking meters, on-street parking spaces, parking
33 meter enforcement and parking meter rate-setting authority are collectively referred to
34 as the "Parking System;" and the lease, transfer and delegation of the components of
35 the Parking System are singly and collectively referred to as the "transfer" of the
36 components and of the Parking System, as further described in the Asset Transfer
37 Agreement); and

38

39 **WHEREAS**, an integral part of and precondition to the Asset Transfer Agreement
40 is the City's entry into an Intergovernmental Cooperation Agreement ("PEDFA
41 Intergovernmental Cooperation Agreement") with PEDFA delegating the rate setting
42 authority, revenue collection and non-enforcement functions in relation to on-street
43 parking and the City's approval of PEDFA immediately entering into a contract with the
44 initial manager of the Parking System to provide certain of these functions, as further
45 described in the PEDFA Intergovernmental Cooperation Agreement, a copy of which is
46 attached hereto as Exhibit "B" and incorporated herein; and

47

48 **WHEREAS**, in the judgment of the City Council, entering into the PEDFA
49 Intergovernmental Cooperation Agreement is in the best interests of the City;

50

51 **WHEREAS**, THE ASSET TRANSFER AGREEMENT ATTACHED AS EXHIBIT
52 "A" TO THIS ORDINANCE AND AS EXHIBIT "B" TO THE PEDFA

53 INTERGOVERNMENTAL COOPERATION AGREEMENT HAS UNDERGONE
54 SIGNIFICANT MODIFICATIONS SUBSEQUENT TO THE ATTACHED VERSION. IN
55 ORDER TO RETAIN CONSISTENCY BETWEEN THE VERSIONS OF THE PEDFA
56 INTERGOVERNMENTAL COOPERATION AGREEMENT APPROVED BY THIS
57 COUNCIL AND PEDFA'S BOARD, THE VERSION HAS NOT BEEN UPDATED TO
58 REFLECT THE CHANGES MADE SINCE INTRODUCTION OF THIS ORDINANCE;
59 AND.

60

61 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF
62 HARRISBURG, AND IT IS HEREBY ORDAINED BY AUTHORITY OF THE SAME, as
63 follows:

64

65 Section 1. The City Council of the City of Harrisburg hereby determines that
66 entering into the PEDFA Intergovernmental Cooperation Agreement is in the best
67 interests of increasing the commerce, health, safety, and prosperity of the City of
68 Harrisburg and do not unnecessarily burden or interfere with the operations of the City
69 of Harrisburg.

70

71 Section 2. City Council hereby approves the execution of the PEDFA
72 Intergovernmental Cooperation Agreement attached hereto as Exhibit "A" EXHIBIT "B"
73 subject to such changes, insertions, or omissions as may be approved by the City

74 signatories and the City Solicitor, and such execution shall be conclusive evidence of
75 such approval.

76

77 Section 3. The City shall take and maintain all necessary or appropriate actions
78 to implement the PEDFA Intergovernmental Cooperation Agreement, including, but not
79 limited to, adoption and implementation of ordinances, resolutions and contracts
80 consistent with the terms of the PEDFA Intergovernmental Cooperation Agreement.

81

82 Section 4. The proper officers, directors, agents and employees of the City are
83 hereby authorized, empowered and directed to do all such acts and things and to
84 execute all such documents as may be necessary to carry out and comply with the
85 terms of the PEDFA Intergovernmental Cooperation Agreement.

86

87 Section 5. The Mayor, City Controller, City Treasurer, City Solicitor and all other
88 appropriate City officials are authorized, directed, and instructed to take all steps
89 necessary or appropriate to effectuate the purposes of this Ordinance.

90

91 Section 6. In the event any provision, section, sentence, clause or part of this
92 Ordinance shall be held to be invalid, such invalidity shall not affect or impair any
93 remaining provision, section, sentence, clause or part of this Ordinance, it being the
94 intent of this City that such remainder shall be and shall remain in full force and effect.

95

96 Section 7. All ordinances and resolutions or parts thereof in conflict with the
 97 provisions herein contained are, to the extent of such conflict, hereby superseded and
 98 repealed.

99

100 Section 8. This Ordinance shall become effective at the earliest date permitted
 101 by the City's Charter; provided, however, that the approvals and authorizations granted
 102 herein are subject to the order by the Commonwealth Court of Pennsylvania entered on
 103 September 23, 2013 approving the Act 47 Recovery Plan.

104

105 Section 9. Approval of this Ordinance shall be conditioned upon (1)
 106 consummation of the long term leasing of certain parking garages and certain other
 107 assets owned by the City and the Harrisburg Parking Authority, part of the proceeds of
 108 which shall be paid to the City upon closing, as more fully described in the Harrisburg
 109 Strong Plan; and (2) the substantial performance by all stakeholders with their
 110 respective material obligations under the Harrisburg Strong Plan.

111

112 Seconded by: Bruno Weber

113

114

11-12-13
Wanda P.D. Williams
 President of City Council

Kel Pitts
 City Clerk

YEAS		NAYS
	KOPLINSKI	
✓	REID	
✓	SMITH	
✓	ZIMMERFORD	
✓	WEBER	
✓	WILSON	
✓	WILLIAMS	
YEAS	7	
NAYS	0	

Approved

Returned to City Council with objections

Wanda P.D. Williams
 11-13-13
 Date

PEDFA Intergovernmental Cooperation Agreement
(As Signed)

PEDFA INTERGOVERNMENTAL COOPERATION AGREEMENT

This Intergovernmental Cooperation Agreement ("Agreement") is made and entered into by and between the City of Harrisburg, Pennsylvania ("City") and the Pennsylvania Economic Development Financing Authority ("PEDFA") (hereinafter referred to collectively as "Parties").

WHEREAS, the City is a third class city incorporated under the Laws of the Commonwealth of Pennsylvania with its offices located at Martin Luther King Jr. Government Center, 10 North 2nd Street, Harrisburg, PA 17101.

WHEREAS, PEDFA, with its offices located at Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120, was created and is existing pursuant to the Pennsylvania Economic Development Financing Law, 73 Pa.C.S. Section 371, et seq.

WHEREAS, pursuant to Article IX, Section 5, of the Constitution of the Commonwealth of Pennsylvania, and the Pennsylvania Intergovernmental Cooperation Law, 53 Pa. C.S. §§2301 et seq. (collectively, the "Intergovernmental Legislation"), the City has determined, for good and valuable consideration, including direct and indirect up-front payments and periodic payments during the term of the Asset Transfer Agreement (hereinafter defined), to (i) transfer and delegate all of its functions, powers and responsibilities with respect to the City's on-street parking system to PEDFA (except for (a) parking enforcement powers which the City will transfer and delegate to the Department of General Services of the Commonwealth ("DGS") pursuant to the DGS Intergovernmental Cooperation Agreement, and (b) the City's reserved enforcement powers, which the City shall retain) in order to assure the provision of a first class parking system for the benefit of the City and its residents and visitors for the term specified herein and in the Asset Transfer Agreement, and (ii) to transfer, set over and assign to PEDFA, in connection with the transfer and delegation of the City's functions, powers and responsibilities with respect to the City's on-street parking system, all of the City's right, title and interest in and to the parking revenues derived from the City's on-street parking system, including Metered Parking Revenues and Parking Violation Revenues (as defined in the Asset Transfer Agreement).

WHEREAS, PEDFA, in its role pursuant to the Pennsylvania Economic Development Financing Law, desires to accept such transfer and delegation and operate or cause to be operated the designated on-street parking and will immediately contract or cause to be contracted with PK Harris Advisors, Inc., an affiliate of TriMont Real Estate Investments, Inc., or its affiliates or successors, as the initial asset manager of the Parking System (the "Asset Manager") to provide certain of such functions as provided in attached Exhibit A and the Asset Manager will immediately contract with the initial parking operator, or its affiliates or successors (the "Parking Operator").

WHEREAS, the Parties, together with the Harrisburg Parking Authority, are concurrently entering into that certain Asset Transfer Agreement, a copy of which is attached hereto as Exhibit B, to provide for the larger transaction of which the transfer of the on-street parking system is a part.

WHEREAS, the Parties to this Agreement desire to cooperate in on-street parking operations, including meter rate setting and other non-enforcement functions, within a portion of the City as described in attached Exhibit C and incorporated herein (the "Competing Parking Area") for the collective benefit of the City and its residents, and visitors to the City.

WHEREAS, Article IX, Section 5 of the Constitution of the Commonwealth of Pennsylvania authorizes and the Pennsylvania Intergovernmental Cooperation Law, Act 180 of 1972, as amended by Act 177 of 1996, 53 Pa.C.S. § 2301, et seq. (hereinafter the "Act"), endorses cooperative agreements for provision of public services, performance of government functions, and other government purposes by and between local governments of this Commonwealth and between local governments of this Commonwealth and the Commonwealth.

WHEREAS, the City has enacted an ordinance or a resolution consistent with the provisions of the Act (53 Pa.C.S. § 2305), and thus, is duly authorized to enter into this Agreement.

WHEREAS, PEDFA has adopted a resolution pursuant to the Pennsylvania Economic Development Financing Law, 73 Pa.C.S. Section 371, et seq. and its bylaws which duly authorizes its Chairman, Executive Director or other such officers to execute and deliver this Agreement.

AND NOW, THEREFORE, in consideration of the mutual covenants undertaken herein, and with the intent to be legally bound, the Parties hereby agree as follows:

1. Purpose, Objectives, and Organizational Structure. The purpose and objectives of the transfer and delegation are to increase the commerce, health, safety, and prosperity of the City and to implement the Act 47 Recovery Plan and the financial recovery of the City. The powers and scope of authority delegated by the City to PEDFA are the right to operate or cause to be operated on-street parking (excluding enforcement), including collecting meter revenues, and setting hours of operation for on-street parking within the Competing Parking Area.

2. Duties, Obligations, and Responsibilities.

A. General.

Management and Operation - PEDFA or its designee shall manage and operate or cause to be managed and operated the On-Street Parking consistent with the On-Street Parking System Operating Standards, which is attached hereto as Exhibit D and incorporated herein.

Parking Policy within the Competing Parking Area – PEDFA and/or its designee and the Asset Manager will work with the City to identify new residential permit parking areas (e.g. north of Forster), and PEDFA is granted the non-exclusive rights to enforce non-moving parking violations in residential permit parking areas.

PEDFA is hereby granted the authority to adjust meter rates as appropriate based on market demand fluctuations over time and in accordance with Exhibit E attached hereto and incorporated herein – the Schedule of On-Street Parking Fees, all covenanted to by PEDFA to meet rate covenants or debt service coverage covenants pursuant to any trust indenture pursuant to which PEDFA may issue its revenue bonds. PEDFA is hereby granted the right to increase meter and enforcement rates above those permitted in Exhibit E to the extent necessary to meet any rate covenants in any indenture securing bonds issued in connection with the transaction described in the Asset Transfer Agreement. PEDFA's ability to reduce overall meter and enforcement rates (but not individual rates) is restricted if such reduction

would impair its ability to meet the rate covenants and in the event of a bond default or breach of debt service coverage covenants.

B. Parking Fee and Period of Operation Adjustments.

(a) *Changes in Metered Parking Fees.*

(i) Adjustments in Metered Parking Fees. On or after January 1, 2014, PEDFA or its designee may adjust the metered parking fees; provided that increases shall not exceed the applicable metered parking fee cap, set forth in Exhibit E hereto, subject in each case to the requirements of the regular rate adjustment and the rate covenants requirements. Except in circumstances required to meet the rate covenants, any increase of the metered parking fee in excess of the applicable metered parking fee cap is subject to approval by the City.

(b) *Changes in Period of Operation.*

(i) Adjustments in Period of Operation. Following the initial adjustment date, PEDFA or its designee may adjust the period of operation for the parking spaces, provided, however, that PEDFA or its designee shall not increase the hours of operation for the metered parking spaces beyond 11 hours a day within the first five years of this Agreement.

(c) *Compliance with rate covenants.* Notwithstanding anything in this Agreement to the contrary, PEDFA or its designee can increase parking fees over any parking fee cap in amounts determined by PEDFA to be necessary, from time to time, to achieve compliance with any rate covenant in any indenture under which revenue bonds are issued and for the payment and security of which Parking Revenue is pledged.

C. Right of Entry and Access to the Public Way.

The City hereby grants to PEDFA and its designee a license to enter upon, in, under, over and across the public way, only to the extent and at such times as shall be necessary or desirable for PEDFA or its designee and through the Asset Manager or the Parking Operator, to access the on-street parking system in order to conduct or cause to be conducted parking system operations, including operating, maintaining, inspecting, constructing, repairing and managing the on-street parking system and all supporting structures and appurtenances thereto and interconnecting the same to any electric utility, telephonic or other communication lines, collecting parking revenue, and installing monitoring or observation technology or equipment reasonably necessary for parking system operations.

(i) The rights granted to PEDFA do not create a priority in favor of PEDFA over any other user of the public way and are subject to the Operating Standards attached hereto as Exhibit D and all provisions of law, including applicable City permit requirements, relating to the conduct of a private business or franchise in that part of the public way that is part of an actual parking space in the public way.

(ii) PEDFA will not be responsible for the installation, removal, and repair of signage not relating to the parking system (such as signs regarding no standing/stopping, bus/taxi zones, traffic control, etc.)

3. Duration. The duration of the term of the delegation is concurrent with the term of the Asset Transfer Agreement.
4. Resources.
 - The manner and extent of financing of the parking transaction of which the delegation is a part are as set forth in the Asset Transfer Agreement;
 - The organizational structure necessary to implement the delegation is as set forth in the Asset Transfer Agreement;
 - The manner in which real and personal property shall be acquired, managed, licensed and disposed of by PEDFA or its designee are as set forth in the Asset Transfer Agreement; and
 - No entity shall be created by this transfer and delegation, but the authority delegated herein shall be exercised by PEDFA or its designee (as defined in the Asset Transfer Agreement).
5. Insurance. The manner in which insurance shall be provided for all property impacted by this Agreement are set forth in the Asset Transfer Agreement.
6. Additional Parties. Any other local government may join in this Agreement upon written approval of the existing Parties hereto, and by following the Official Action Required, below.
7. Termination of Agreement. The Parties agree that neither Party to this Agreement may withdraw at any time from this Agreement until the date the Asset Transfer Agreement is terminated.
8. Notice. Any and all notices required between the Parties to this Agreement shall be deemed to have been duly given when said notice is either hand-delivered or mailed by United States Certified Mail, Return Receipt Requested, to the administrative office address of record set forth at the outset of this Agreement. Any Party may change its address of record by written notice of said change to all other Parties.
9. Exhibits. The following documents are attached hereto as exhibits, and are incorporated herein by reference:
 - A. Asset Management Agreement between PEDFA and the Asset Manager
 - B. Asset Transfer Agreement
 - C. Competing Parking Area
 - D. On-Street Parking System Operating Standards

E. Schedule of On-Street Parking Fees

10. Entire Agreement. This Agreement, along with the Exhibits incorporated herein by reference, comprise the entire agreement between the Parties related to the subject matter of this Agreement, and supersedes any prior agreement, oral or written, between the Parties on the subject matter hereof.
11. Amendment. This Agreement may only be amended in writing, by duly authorized representatives of the Parties, and approved by official action of the Parties.
12. Assignment and Delegation by PEDFA. PEDFA may assign any rights or benefits, and delegate any duties or obligations, that are set forth in this Agreement.
13. Severability. If any provision of this Agreement is determined to be legally invalid by a court of competent jurisdiction, such invalidity shall not affect the other provisions of the Agreement, and this Agreement shall continue to the full extent possible.
14. Non-Waiver. Failure by a Party to declare a breach of this Agreement for default of its terms does not constitute a waiver of any ongoing or subsequent breach or any other right under this Agreement.
15. Governing Law. This Agreement, and all rights and obligations of the Parties hereto, are governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.
16. Official Action Required. Pursuant to the Act (53 Pa.C.S. § 2305), each Party to this Agreement is required to enact an ordinance or adopt a resolution authorizing the terms and execution of this Agreement.
17. Authority. The signatories below are duly authorized to enter into this Agreement as the representative of the respective Parties to this Agreement as follows:

City, Ordinance No. 30-2013 passed at a meeting of its Council on November 12, 2013.

PEDFA, Resolution passed at a meeting of its Board on December 4, 2013.

18. Commonwealth Held Harmless.

The City and its successors and assigns shall indemnify, defend, and hold harmless PEDFA and the Commonwealth of Pennsylvania and their employees and agents, from and against any and all losses, costs (including litigation costs and counsel fees), claims, suits, actions damages, and expenses, including but not limited to any claim or action alleging any loss of life, bodily injury, personal injury, invasion of privacy, discrimination, emotional damages or property damage, occasioned wholly or in part by the City's act or omission or the act or omission of the City's agents, contractors (including subcontractors and suppliers), officers, employees, servants or independent contractors related in any way to this Agreement and the City's performance under it.

If any claims, lawsuits, disputes, arbitrations, mediations or other actions are initiated against PEDFA and/or the Commonwealth of Pennsylvania by the City or a third party or parties pertaining

to the above, and it is determined by a court, arbitrator, administrative body or the Board of Claims that the City has breached and/or violated the terms of this Agreement by bringing claims, lawsuits, disputes, arbitrations, mediations or other actions against PEDFA and/or the Commonwealth of Pennsylvania or by the City failing to hold harmless and/or indemnify PEDFA and/or the Commonwealth of Pennsylvania, then the City shall be required to pay for the reasonable expenses and/or reasonable value of bringing and/or defending such actions by PEDFA and/or the Commonwealth of Pennsylvania, including without limitation attorneys' fees, disbursements and court costs in an amount to be determined by the court, arbitrator, administrative body or the Board of Claims. Pursuant to the Commonwealth Attorneys Act (71 P.S. § 732-101, et seq.), the Office of Attorney General (OAG) has the sole authority to represent the Commonwealth in actions brought against the Commonwealth. The OAG may, however, in its sole discretion and under such terms as it deems appropriate, delegate its right of defense.

Should the OAG delegate its right of defense to PEDFA through the Department of Community and Economic Development (DCED), the choice of selecting outside counsel to represent PEDFA or utilizing DCED attorneys employed by DCED and/or the Office of General Counsel shall solely be made by the Governor's General Counsel. The reasonable value of attorneys' fees shall be paid to PEDFA, even if the Governor's General Counsel assigns DCED or other Commonwealth attorneys. The Governor's General Counsel shall set the hourly rate for attorneys assigned to defend any legal action brought against PEDFA or the Commonwealth of Pennsylvania.

The City acknowledges that PEDFA and the Commonwealth of Pennsylvania enjoy sovereign immunity as provided in 1 Pa.C.S. § 2310 and further that PEDFA and the Commonwealth of Pennsylvania do not waive sovereign immunity by entering into this Agreement.

19. Effective Date. This Agreement shall become effective on the Closing Date under the Asset Transfer Agreement.
20. Inurement. This Agreement shall be binding upon and inure to the benefit of all successors in interest to the Parties hereto.
21. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto have hereby caused this Agreement to be executed by their duly authorized representatives.

CITY OF HARRISBURG

By: Linda Hampton
Mayor

Attest:

By: William B. Ford
City Controller ~~Receiver~~

(Assistant) Secretary

[Signature]
City Solicitor

(SEAL)

PENNSYLVANIA ECONOMIC
DEVELOPMENT FINANCING
AUTHORITY

Attest:

Wanda R. Williams
~~Assistant Secretary~~ Council President

By: _____
Executive Director

APPROVED AS TO FORM AND LEGALITY

OFFICE OF GENERAL COUNSEL

OFFICE OF ATTORNEY GENERAL

By: _____

By: _____

Date: _____, _____

Date: _____, _____

IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto have hereby caused this Agreement to be executed by their duly authorized representatives.

CITY OF HARRISBURG

Attest:

By: _____
Mayor

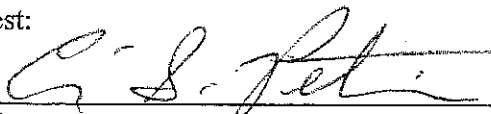
(Assistant) Secretary

By: _____
~~City Controller~~ Receiver

(SEAL)

PENNSYLVANIA ECONOMIC
DEVELOPMENT FINANCING
AUTHORITY

Attest:


Assistant Secretary

By: 
Executive Director

APPROVED AS TO FORM AND LEGALITY

OFFICE OF GENERAL COUNSEL

By: 

Date: 12/9/13

OFFICE OF ATTORNEY GENERAL

By: 

Date: 12/13/13

EXHIBIT A
TO PEDFA INTERGOVERNMENTAL COOPERATION AGREEMENT
MANAGEMENT AGREEMENT BETWEEN PEDFA AND THE ASSET MANAGER

[attached]

ASSET MANAGEMENT AGREEMENT

THIS ASSET MANAGEMENT AGREEMENT (this "**Agreement**"), is dated as of December 1, 2013 (for reference purposes only), by and between the **PENNSYLVANIA ECONOMIC DEVELOPMENT FINANCING AUTHORITY** (the "**Authority**"), having an address at c/o Department of Community and Economic Development, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, Pennsylvania 17120, and **PK HARRIS ADVISORS, INC.**, a Georgia corporation ("**Asset Manager**") having an address at Monarch Tower, 3424 Peachtree Road NE, Suite 2200, Atlanta, Georgia 30326.

WITNESSETH:

WHEREAS, the City of Harrisburg (the "**City**") and the Authority have entered into an Intergovernmental Cooperation Agreement dated as of December 1, 2013 (the "**PEDFA Intergovernmental Cooperation Agreement**"), pursuant to which the City has agreed to transfer to the Authority its on-street parking operations, including on-street parking spaces and the delegation by the City to the Authority of parking meter collection, meter rate-setting authority and other non-enforcement functions, all as more particularly set forth in the PEDFA Intergovernmental Cooperation Agreement; and

WHEREAS, the City and the Commonwealth of Pennsylvania Department of General Services ("**DGS**") have entered into an Intergovernmental Cooperation Agreement dated as of December 1, 2013 (the "**DGS Intergovernmental Cooperation Agreement**"), pursuant to which the City has agreed to transfer to DGS certain on-street parking enforcement rights and operations, all as more particularly set forth in the DGS Intergovernmental Cooperation Agreement; and

WHEREAS, in accordance with the terms of that certain Trust Indenture by and between the Authority and U.S. Bank National Association, as trustee (the "**Trustee**") dated as of December 1, 2013 (the "**Indenture**") relating to the issuance by the Authority of various series of parking revenue bonds (the "**Bonds**"), the Authority, Harrisburg Parking Authority (the "**Parking Authority**") and the City are parties to an Asset Transfer Agreement dated as of December 1, 2013 (the "**Asset Transfer Agreement**") pursuant to which the City has agreed to transfer to the Authority, and the Authority has agreed to accept, certain assets consisting of on-street parking meters and related rights (the "**On-Street Parking System**"), all as more particularly described in the Asset Transfer Agreement; and

WHEREAS, in accordance with the terms of the Asset Transfer Agreement, the Parking Authority, as Lessor, and the Authority, as Lessee, are parties to that certain Lease dated as of December 1, 2013 (the "**Lease**") pursuant to which the Parking Authority has agreed to lease to the Authority, and the Authority has agreed to lease from the Parking Authority, certain assets consisting of parking garages and parking lots as more fully described on Exhibit "A" attached

hereto and made a part hereof, located on and including one or more parcels of land (collectively, the “**Off-Street Parking System**,”), all as more particularly set forth in the Lease; and

WHEREAS, Asset Manager has been selected as the asset manager for the On-Street Parking System and the Off-Street Parking System; and

WHEREAS, in accordance with the terms of the DGS Intergovernmental Cooperation Agreement, DGS and Asset Manager are parties to that certain Parking Enforcement Engagement Agreement dated the date hereof (the “**Parking Enforcement Engagement Agreement**”) pursuant to which DGS has engaged Asset Manager to conduct certain rights and obligations relating to the management and conduct of parking enforcement services, all as more particularly set forth in the Parking Enforcement Engagement Agreement; and

WHEREAS, the On-Street Parking System and the Off-Street Parking System may be collectively referred to herein as the “**Parking System**”; and

WHEREAS, the Parking System includes on-street metered parking spaces, as well as off-street parking spaces comprising part of the Off-Street Parking System from time to time (collectively, the “**Parking Spaces**”), but excluding Unmetered Parking Spaces (as such term is defined in the Asset Transfer Agreement); and

WHEREAS, the Authority desires to engage Asset Manager to provide asset management and related services with respect to the Parking System, and Asset Manager desires to provide such services and accept such engagement; and

WHEREAS, capitalized terms used but not defined herein shall, unless otherwise indicated herein, have the means ascribed thereto in the Asset Transfer Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. **Appointment; Term.**

(a) The Authority hereby engages Asset Manager, and Asset Manager hereby accepts such engagement, to provide asset management services and to assist the Authority with respect to the Parking System.

(b) The initial term of this Agreement shall be for a period of approximately ten (10) years, commencing on the “Closing Date” (as defined in the Asset Transfer Agreement) (the “**Commencement Date**”) and continuing through and including December 31, 2023 (the “**Initial Term**”). Thereafter, subject to the provisions of Section 1(c) hereof, and provided that the Asset Manager is not in default of its obligations hereunder, this Agreement shall automatically renew from year-to-year until either party gives written notice of non-renewal at least ninety (90) days prior to the expiration of the Initial Term or the then-current renewal term, unless terminated earlier as provided in this

Agreement. The Initial Term and any renewal term under and subject to the terms of this Agreement shall collectively be referred to as the "Term." The term "Operating Year" shall mean a calendar year (i) with the first Operating Year commencing on the Commencement Date and ending on December 31, 2013, and (ii) the period beginning on January 1 of each calendar year thereafter and ending on December 31 of each succeeding full calendar year, commencing January 1, 2014.

(c) The parties hereto expressly intend that this Agreement constitute a qualified management contract pursuant to Internal Revenue Procedure 97-13 and any successor guidance hereafter promulgated by the Internal Revenue Service. Accordingly, notwithstanding Section 1(b) of this Agreement, Asset Manager and the Authority agree that the Initial Term shall terminate and not automatically renew, unless the Authority, prior to the expiration of the Initial Term, is provided with an opinion of nationally recognized bond counsel (upon which Asset Manager is expressly permitted to rely) for the issuance of tax-exempt municipal bonds, to the effect that such automatic renewal does not adversely affect the tax exempt status of the Bonds.

2. Asset Manager's General Responsibilities

- (a) Asset Manager's general responsibilities under this Agreement are as follows:
- i. To be responsible for moderate-term to long-term strategic planning relating to the Parking System, with direct oversight of and contracting responsibility with the parking operator responsible for the day-to-day operations of the Parking System (other than certain enforcement obligations which have been granted to Asset Manager by DGS pursuant to the Parking Enforcement Engagement Agreement);
 - ii. To prepare or oversee the preparation of operating budgets, capital budgets, annual budgets and business plans for the operation and maintenance of the Parking System, including reasonable and necessary expenses of maintenance, repair and operation of the Parking System (including, without limitation, parking management fees, insurance premiums, administrative and engineering expenses relating to maintenance, repair and operation of the Parking System, legal expenses, administration expenses and any other expenses included in such operating budgets, annual budgets and business plans);
 - iii. To make recommendations to the Authority with respect to the establishment of reserves for ongoing operations, maintenance, repair and replacement for the Parking System;

- iv. To make recommendations to the Authority with respect to risk management policies and procedures with respect to the Parking System;
- v. To assist in the planning and implementation of development and redevelopment programs with respect to the Parking System; provided, however, Asset Manager will not have responsibility for (i) design or construction management with respect to development or redevelopment of the Parking System or any new parking facilities, (ii) the installation, removal, and repair of signage not relating to the Parking System (such as signs regarding no standing/stopping, bus/taxi zones, traffic control and similar signage), or (iii) any other obligation or responsibility not expressly delegated to or assumed by Asset Manager pursuant to the terms of this Agreement;
- vi. To retain, at reasonable rates, legal counsel, architects, accountants, insurance consultants, engineers, environmental specialists and other professionals, agents and consultants;
- vii. Subject to any approvals that may be required pursuant to the terms of the Indenture and/or the Asset Transfer Agreement, to consummate transactions on behalf and in the name of the Authority, or through the Qualified Designee, or all actions that Asset Manager deems advisable or appropriate thereto, including without limitation, executing such documents or instruments as may be advisable or appropriate within the scope of the matters expressly delegated to and assumed by Asset Manager pursuant to the terms of this Agreement;
- viii. To maintain and operate, or cause the Operator to maintain and operate, the Parking System in accordance with the Asset Transfer Agreement, the Operating Standards, the Long Term Capital Plan and applicable Law (as such terms are defined in the Asset Transfer Agreement);
- ix. To supervise, manage, maintain and, subject to required approvals, if any, pursuant to the Indenture, the Asset Transfer Agreement or the Lease, dispose of assets, including without limitation, directing the expenditure of funds by the Authority for the maintenance of the Parking System and for improvements thereto, approving operating budgets, supervising parking operator(s), and calculating amounts as described in the Indenture,
- x. To negotiate and enter into agreements with respect to or affecting the Parking System (including, but not limited to, leases, easements,

licenses, maintenance, management, operating and service agreements and construction contracts) pursuant to a procedure, process or system to be developed and implemented from time to time by the Authority, Asset Manager and Operator (each working cooperatively and in good faith);

- xi. Subject to required approvals, if any, pursuant to the Indenture, the Asset Transfer Agreement or the Lease, to make all sale, exchange, expansion and other capital decisions with respect to the Parking System and, in connection therewith, dispose of any property, plant and equipment ("PP&E") if (i) the PP&E is inadequate, unprofitable, obsolete or worn out, (ii) fair market value is received in return, or (iii) the market value of all PP&E disposed of in any operating year does not exceed five percent (5%) of the total market value of all PP&E included within the Parking System;
- xii. To oversee the accounting and reporting functions as are required for the proper management of the Parking System, to create and maintain financial statements that will include revenue and expense information, contract for audits and prepare or cause to be prepared such reports as may be required by the Authority or pursuant to the Indenture, the Asset Transfer Agreement or the Lease in connection with the operation of the Parking System, review the accounting of income and expenses and report on the financial status of the Parking System;
- xiii. To perform the duties as required for disbursements pursuant to Section 5 of the Indenture, including monthly disbursements pursuant to the Annual Operating Budget, Capital Reserve Fund account disbursements, and calculations associated with the monthly Revenue Fund disbursements as described in Section 5.2 of the Indenture;
- xiv. To comply with the Americans with Disabilities Act provisions attached to this Agreement as Exhibit "I";
- xv. To the extent provided for in the Annual Operating Budget, and only using funds provided pursuant to the Indenture, to pay, or cause the Operator (as hereinafter defined) to pay, when due, all charges (including all applicable taxes and fees) relating to utilities, including gas, electricity, light, heat, power, telephone, water, sewer and all other utilities and other services used in the Parking System or supplied to the Parking System during the Initial Term and any renewal thereof (the "Utilities");

- xvi. With the cooperation and assistance of the Authority, to coordinate, or cause the Operator to coordinate, all Parking System operations with the Utilities and Persons having service lines, pipelines, transmission lines and other equipment, cables, systems and other apparatus in, on, under, over or adjacent to the Parking System;
 - xvii. With the cooperation and assistance of the Authority, to coordinate, or cause the Operator to coordinate, all Parking System operations with any Affected Property (as such term is defined in the Asset Transfer Agreement);
 - xviii. To charge, or cause the Operator to charge, the users of the services of the Parking System in accordance with procedures established pursuant to this Agreement and the Asset Transfer Agreement, and to take, or cause the Operator to take, all commercially reasonable steps pursuant to the Parking Enforcement Engagement Agreement (as defined in the Asset Transfer Agreement) or the Parking Enforcement Agreement (as defined in the Asset Transfer Agreement), as applicable, to enforce collection of any overdue charges by any remedy available at law or equity. The Asset Manager shall not permit, and shall cause the Operator to refrain from permitting, the use of the Parking System without making a charge based on established rates, fees and charges; and
 - xix. To promptly investigate and make a full written report to the Authority as to all alleged accidents and/or alleged claims for damages of which Asset Manager becomes aware related to the operation, management, administration, and maintenance of the Parking System, including any personal injury and/or property damage claimed by any third party; and Asset Manager shall promptly forward to the Authority any complaint, summons, subpoena, or other legal documents served upon Asset Manager and cooperate with the Authority in any proceedings pertaining to the same.
- (b) In carrying out and performing Asset Manager's general responsibilities, specific duties, and other obligations under this Agreement, except as expressly limited hereunder, Asset Manager shall have the authority to take any and all actions to the extent Asset Manager considers such action advisable or appropriate.
 - (c) In carrying out and performing Asset Manager's general responsibilities, specific duties, and other obligations under this Agreement, Asset Manager agrees:

- i. To comply with the Nondiscrimination/Sexual Harassment Standards set forth on Exhibit "E", attached hereto, as from time to time modified pursuant to the Indenture, the Asset Transfer Agreement or the Lease, and to cause comparable nondiscrimination/sexual harassment provisions to be inserted into all project contracts (including any management agreement with the initial operator and any such successor operators of the Parking System);
- ii. To comply with the Pennsylvania Right to Know Law, §§ 65 P.S. 67.101-3104 and to comply with the provisions set forth in Exhibit "F" attached hereto and to cause such provisions to be part of any management agreement with the initial operator and any such successor operators of the Parking System;
- iii. To refrain from hiring and/or contracting with a Person (as such term is defined in the Indenture) who has been suspended or debarred by the Commonwealth of Pennsylvania under its Contractor Responsibility Program, Management Directive 215.9, as amended from time to time, or has been convicted by a court of competent jurisdiction of a crime for which a term of imprisonment of one year or more could have been imposed, and any Person controlled by a Person which has been so suspended, debarred or convicted;
- iv. To agree to the Contractor Responsibility provisions attached to this Agreement as Exhibit "G";
- v. To agree to the Contractor Integrity provisions attached to this Agreement as Exhibit "H" and, in connection therewith, Asset Manager hereby represents, warrants and covenants, to the best of its knowledge, that it currently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its obligations hereunder; and
- vi. To refrain from doing or permitting (and require the Operator to refrain from doing or permitting) anything to be done that would cause interest paid by the Authority on the Bonds to lose its exemption from federal income taxation in accordance with Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code") based upon the use of the Parking System in accordance with Section 142(a)(3) of the Code.

3. Asset Manager's Specific Duties. The Asset Manager shall perform (or cause to be performed) the following specific duties:

(a) Annual Capital Budget.

(i) Asset Manager shall prepare and submit to the Authority for approval on or before the thirtieth (30th) day prior to the beginning of each Operating Year during the Initial Term hereof, and any renewal term (if applicable), a capital budget prepared in accordance with GAAP (as such term is defined in the Indenture), applied on a consistent basis (the "Annual Capital Budget") for the Parking System, formulated in accordance with the provisions of the Indenture detailing (A) planned capital expenditures relating to the Parking System over a period of up to ten (10) years and the portion of capital expenditures expected to be funded from the Capital Reserve (as such term is defined in the Indenture), (B) any construction management fee (the "Construction Management Fee") to be paid to any Person in such Operating Year, and (C) the expected beginning balance in the Capital Reserve Fund, the amounts expected to be transferred monthly by the Trustee from the Revenue Fund and the expected year-end balance in the Capital Reserve Fund. The Annual Capital Budget shall be sufficient to permit the Parking System to be maintained and operated in accordance with the Operating Standards;

(ii) Asset Manager shall cause the Annual Capital Budget to be reviewed by an Engineering Firm (as defined in the Indenture);

(iii) Asset Manager shall provide copies of the Annual Capital Budget to the Authority, the Qualified Designee, the Trustee, the City, the Credit Facility Providers (as such term is defined in the Indenture) and the Parking Authority on or before the thirtieth (30th) day prior to the commencement of each Operating Year;

(iv) If the Authority, or the Qualified Designee, shall provide written notice on or prior to the twentieth (20th) day prior to the commencement of an Operating Year that the proposed Annual Capital Budget is not approved, the Asset Manager shall prepare, or cause to be prepared, an amended Annual Capital Budget, which shall be provided to the Authority, the Qualified Designee, the Trustee, the City, the Credit Facility Providers and the Parking Authority on or prior to the tenth (10th) day prior to the commencement of such Operating Year. If the Authority provides written notice to the Asset Manager prior to commencement of an Operating Year that such revised Annual Capital Budget is not approved, such revised Annual Capital Budget shall not go into effect; and

(v) The Asset Manager may prepare, or cause to be prepared, amendments or supplements to the Annual Capital Budget at any time; provided, however, an amended or supplemental Annual Capital Budget must be approved by the Authority or the Qualified Designee.

(b) Annual Operating Budget.

(i) the Asset Manager shall prepare, or cause the Operator to prepare, on or before the thirtieth (30th) day prior to the beginning of each Operating Year, a budget for such Operating Year (the “**Annual Operating Budget**”);

(ii) such Annual Operating Budget shall be prepared on the basis of monthly requirements, so that it will be possible to determine the Current Expenses (as defined in the Indenture) for each month during the Operating Year and shall include the Performance Management Fee and the Operator Performance Fee in each Operating Year;

(iii) the Asset Manager shall provide copies of each Annual Operating Budget to the Authority, the Qualified Designee, the Trustee, the City, the Credit Facility Providers and the Parking Authority, on or before the thirtieth (30th) day prior to the beginning of each Operating Year;

(iv) if the Authority or the Qualified Designee provides written notice to the Asset Manager on or prior to the twentieth (20th) day prior to the commencement of an Operating Year that the proposed Annual Operating Budget is not approved, the Asset Manager shall prepare, or cause to be prepared, an amended Annual Operating Budget, which shall be provided to the Authority, the Qualified Designee, the Trustee, the City, the Credit Facility Providers and the Parking Authority on or prior to the tenth (10th) day prior to the commencement of such Operating Year. If the Authority provides written notice to the Asset Manager prior to commencement of an Operating Year that such revised Annual Operating Budget is not approved, such revised Annual Operating Budget shall not go into effect; and

(v) if for any reason the Annual Operating Budget shall not have been prepared or approved before the first day of any Operating Year, the budget for the preceding Operating Year shall, until the approval of the new Annual Operating Budget, be deemed to be in force and shall be treated as the Annual Operating Budget hereunder;

(vi) the Asset Manager may prepare, or cause to be prepared, an amended or supplemental Annual Operating Budget at any time for the remainder of the current Operating Year, provided, however, that (A) except as provided in (ix) below, an amended and supplemental Annual Operating Budget must be approved by the Authority or the Qualified Designee, and (B) if the amended or supplemented Annual Operating Budget shows an increase in expenses of greater than five percent (5%) of originally budgeted expenses for the remainder of the Operating Year, the Asset Manager must secure a certificate of a Consultant (as such term is defined in the Indenture) demonstrating that notwithstanding such increase, the increase does not cause the

Authority to be in violation of the Rate Covenant (as such term is defined in the Indenture), or that the amendment or supplement causes rates and charges from the operation of the Parking System to be increased so as to comply with the Rate Covenant; and the Asset Manager shall provide copies of any such amended or supplemental Annual Operating Budget to the Authority, the Qualified Designee, the Trustee, the City, the Credit Facility Providers and the Parking Authority;

(vii) the revenues and expenses provided in the Annual Operating Budget in each Operating Year shall be projected to be sufficient to meet the Rate Covenant for such Operating Year;

(viii) the Annual Operating Budget shall be prepared on a cash basis;
and

(ix) The Asset Manager shall have the authority to adopt modifications to the Annual Operating Budget for the remainder of the Operating Year up to 5% of the total annual amount of the Annual Operating Budget originally adopted for such Operating Year.

(d) Forecasts. Asset Manager shall, prior to the beginning of each Operating Year, prepare a forecast (the "**Forecast**") of projected Revenues and expenses (including capital expenditures based on the Long Term Capital Plan) for the five (5) year period commencing with such Operating Year, including an estimate of the Authority's ability to meet the Rate Covenant in each Operating Year of the Forecast (the Rate Covenant in each Operating Year of the Forecast being referred to herein as the "**Prospective Rate Covenant**"). The Forecast shall be based on existing parking rates, subject to adjustments permitted under the Asset Transfer Agreement, the Lease or other governing documents related to rates and charges, and operating costs as adjusted by the Consumer Price Index and other factors deemed appropriate by the Asset Manager, the actual Debt Service Requirement in each year of the Forecast, and project capital expenditures based on the Long Term Capital Plan. The Forecast shall include the Capital Reserve Balance at the end of each Operating Year of the five-year period. The Asset Manager shall deliver to the Authority, the Trustee and the Credit Facility Providers, on or before the thirtieth (30th) day following delivery of the annual financial statements required pursuant to Section 4 of this Agreement, a certificate of an Authorized Asset Manager Representative, demonstrating whether (i) (A) the Rate Covenant was met for the most recently completed Operating Year, (B) the Rate Covenant is projected to be met for the current Operating Year, and (C) the Prospective Rate Covenant is projected to be met for the five-year period commencing with the current Operating Year, or (ii) the Net Revenue Covenant (as defined in the Indenture) was met for the most recently completed Operating Year, as applicable.

(e) Capital Repair and Annual Capital Budget. Subject to the availability of sufficient funds as provided in the Indenture, including Revenues, the Asset Manager

shall be responsible to cause to be made all capital repairs, replacements, and improvements with respect to the Parking System required to be completed during the Term in accordance with the terms of this Agreement and the Long Term Capital Plan. The Asset Manager shall engage an Engineering Firm to perform a physical assessment of the Parking System (including inspection of all major components) and submit a report of its findings (the "**Parking System Condition Report**") to the Authority and the Advisory Committee. The Parking System Condition Report shall be signed and sealed by a Professional Engineer and shall describe any defects, that were found and any improvements required to comply with the Long Term Capital Plan. The initial Parking System Condition Report shall be delivered to the Authority and the Advisory Committee on or before December 31, 2015, and subsequent Parking System Condition Reports shall be delivered to the Authority and the Advisory Committee on or before December 31 of each third (3rd) year thereafter. The Parking System Condition Report due December 31, 2048, and each Parking System Condition Report delivered thereafter, shall state whether, in the opinion of the Professional Engineer, each component of the Parking System will be functionally or physically obsolete at the expiration of the Term. The Asset Manager may, but shall not be obligated to, obtain a Parking System Condition Report more frequently if required in its reasonable judgment.

(f) Long Term Capital Plan

(i) The Asset Manager shall prepare and deliver to the Authority and the Advisory Committee a long term capital plan (the "**Long Term Capital Plan**") based on the Parking System Condition Reports (a copy of which shall be attached to the Long Term Capital Plan), covering projected capital expenditures for repair, renovation and replacement of the Parking System in each of the next ten (10) Operating Years (including years that may follow the expiration of the Term of the Asset Transfer Agreement) in order to permit the Parking System to be operated and maintained in a First Class Manner during the entire ten (10) year period. Consistent with the Rate Covenant and Prospective Rate Covenant, the Long Term Capital Plan will also detail the expected sources of moneys to fund the Long Term Capital Plan, including currently available funds in the Capital Reserve Fund, proceeds of Additional Bonds and reasonable expectations of revenues projected to be generated. The Long Term Capital Plan will specify the current Operating Year's Capital Reserve Requirement (as defined in the Indenture) and the projected deposit for the next four (4) years. The Long Term Capital Plan shall satisfy the requirements of the Indenture and the Lease. The Long Term Capital Plan and the revisions every three (3) years shall include a certificate signed and sealed by a Professional Engineer, stating that in the opinion of the Professional Engineer, the implementation of the proposed or revised Long Term Capital Plan, as the case may be, together with operation and maintenance of the Parking System in accordance with the Operating Standards, will enable the Parking System to be operated and maintained in a First Class Manner during the full ten (10) year period covered by the Long Term Capital Plan (including years that may follow the expiration of the Term of the Asset Transfer Agreement).

(ii) On or before March 31, 2014, the Asset Manager shall prepare or cause to be prepared the initial Long Term Capital Plan and deliver it to the Authority and the Advisory Committee. The Advisory Committee will have thirty (30) days to review and comment upon the initial Long Term Capital Plan. The Asset Manager and the Operator will adopt (with the approval of the Authority or the Qualified Designee) the initial Long Term Capital Plan (including any changes made after review of the advisory input and comments from the Advisory Committee) not later than May 31, 2014. A revised Long Term Capital Plan shall be prepared and delivered on or before March 31, 2016 (based on the Parking System Condition Report required to be delivered on or before December 31, 2015), and every three (3) years thereafter. The Long Term Capital Plan due March 31, 2049, and each Long Term Capital Plan adopted thereafter, shall provide for the performance of the following: (a) replacement, prior to the expiration of the Term, of all components of the Parking System, other than Parking Garages, projected by the Professional Engineer to be functionally or physically obsolete at the expiration of the Term; and (b) the demolition, leaving a clear buildable lot, during the first Operating Year after the expiration of the Term, of up to one Parking Garage, if any, project by the Professional Engineer to be functionally or physically obsolete at the expiration of the Term, and in any event, not more than one. The Asset Manager may cause the Long Term Capital Plan to be revised at any time as conditions warrant. Copies of every revision of the Long Term Capital Plan shall be delivered to the Authority and the Advisory Committee.

(g) Adverse Actions. If the Asset Manager becomes aware of any violation or potential violation by the City or the Parking Authority of the Non-Compete Covenant or the Non-Impair Covenant in Article 13 of the Asset Transfer Agreement, it will notify the Authority and the Qualified Designee of any such violation or potential violation, and, at such time as Asset Manager has determined what remedies should be pursued with respect to any such violation, it will notify the Authority, the Qualified Designee, and the Advisory Committee of such determination.

(h) Existing Parking System(s). Notwithstanding anything to the contrary contained in this Agreement, in no event shall Asset Manager or Operator have any obligation, responsibility or liability for the status, condition, defects, operation, repair, replacement, installation, upgrade, removal, replacement or modification of any component, equipment, machinery or systems of the Parking System, or the compliance thereof with applicable Law, the Operating Standards or the terms of this Agreement, as of the Commencement Date, unless and then only to the extent specifically set forth in the Annual Operating Budget, Annual Capital Budget or Long Term Capital Plan, as applicable, prepared and approved pursuant to, and subject to, the terms of this Agreement from and after the Commencement Date of this Agreement.

4. **Financial Statements and Other Reporting.**

(a) The Asset Manager shall maintain or cause to be maintained a standard and modern system of accounting in accordance with sound accounting practice and as required by Law, and furnish or cause to be furnished to the Authority, the Trustee, the Credit Facility Providers, the Parking Authority and the City such information respecting the business, assets and financial condition of the Parking System as the Authority, the Trustee, the Credit Facility Providers, the Parking Authority or the City may reasonably request and, without request, furnish to the Authority, the Trustee, the Credit Facility Providers, the Parking Authority and the City:

(i) Within one hundred twenty (120) days after the close of each Operating Year, copies of audited financial statements for the Parking System, together with an unqualified opinion thereon of an independent certified public accountant not unacceptable to the Trustee;

(ii) Within forty-five (45) days of the end of each fiscal quarter, copies of the unaudited financial statements of the Parking System to include (a) an executive summary of the status and performance of the Parking System; (b) financial statements, including income statement, balance sheet and statement of cash flow for the Parking System; (c) a summary of the operating results and performance of the Parking System; and (d) the financial information required pursuant to the Indenture; and

(iii) Such other reports and information as Asset Manager determines is appropriate for the Authority to comply with the Authority's obligations under Section 7.2 of the Asset Transfer Agreement.

(b) All financial statements referred to herein shall be complete and correct in all material respects and shall be prepared in reasonable detail and on a basis in accordance with GAAP, applied consistently throughout all accounting periods, and shall be accompanied by a certificate of an authorized officer of the Asset Manager certifying that the accompanying financial statements are true and correct. The Authority shall furnish, or cause to be furnished, to Asset Manager, upon request, such information as shall be reasonably required by Asset Manager to discharge its duties hereunder. Asset Manager shall confer with the Authority or the Qualified Designee on a quarterly basis to review the status of the Parking System.

(c) Asset Manager will post, or cause the Operator to post, on the publicly available website maintained by the Operator for the Parking System, the financial statements and such other operating reports as Asset Manager deems appropriate or as requested by the Authority or the Qualified Designee.

(d) Asset Manager will prepare and submit at the time required therein, all information required under the Authority's Continuing Disclosure Agreement dated as of December 1, 2013 with respect to the Bonds.

5. Advisory Committee

The Asset Manager will perform the duties with respect to the Advisory Committee (as defined in the Asset Transfer Agreement) as expressly assigned to Asset Manager in the Asset Transfer Agreement and specifically in Schedule 14 to the Asset Transfer Agreement.

6. Operating Standards.

(a) The Asset Manager and the Operator shall jointly develop Operating Standards complying with the terms of the Asset Transfer Agreement. The Operating Standards shall include a certificate signed and sealed by a Professional Engineer, stating that in the opinion of the Professional Engineer, the Operating Standards comply with the requirements of Schedule 2 of the Asset Transfer Agreement and that maintenance and operation of the Parking System and performance of the Parking System Operations in accordance with the Operating Standards will constitute maintenance, operation and performance in a First Class Manner.

(b) On or before March 31, 2014, the Asset Manager and the Operator shall jointly prepare the initial Operating Standards and deliver them to the Authority and the Advisory Committee. The Asset Manager and Operator may cause the Operating Standards to be revised at any time as conditions warrant in accordance with the provisions of Section 7 of this Agreement. Copies of every revision of the Operating Standards shall be delivered to the Authority and the Advisory Committee.

(c) The Operating Standards and all revisions shall be submitted to the Advisory Committee for advisory input and comment. The Advisory Committee will have thirty (30) days to review and comment upon the Operating Standards. The Asset Manager and the Operator will adopt the initial Operating Standards (including any changes made after review of the advisory input and comments from the Advisory Committee) not later than May 31, 2014. The Asset Manager will deliver copies of the final adopted Operating Standards (including the required certificate signed and sealed by a Professional Engineer) to the Authority and the Advisory Committee.

7. Modifications of Operating Standards (Schedule 2 to Asset Transfer Agreement).

(a) Proposed modifications to the Off-Street Operating Standards elements of the Operating Standards attached as Schedule 2 to the Asset Transfer Agreement shall be provided by the Asset Manager to the Advisory Committee for advisory input, which

advisory input shall be provided by the Advisory Committee within sixty (60) days of submission of the proposed modifications. Proposed modifications of the Operating Standards shall include a certificate signed and sealed by a Professional Engineer, stating that in the opinion of the Professional Engineer, maintenance and operation of the Parking System and performance of the Parking System Operations in accordance with Operating Standards that comply with the requirements set forth in Schedule 2 to the Asset Transfer Agreement, as modified by the proposed modifications, will constitute maintenance, operation and performance in a First Class Manner. Modifications shall be subject to approval by the Parking Authority, which approval will not be unreasonably withheld, conditioned or delayed as provided in the Asset Transfer Agreement. The Parking Authority is required to respond in writing to the Asset Manager and the Advisory Committee with respect to any proposed modifications of the Off-Street Operating Standards elements of such Schedule 2 within 60 days of notice from the Asset Manager of the proposed changes (including comments or recommendations of the Advisory Committee, if any) and if the Parking Authority disapproves of a proposed modification, the notice of disapproval is required to be given in writing and is required to specify in detail the Parking Authority's reasons for disapproval and any changes that would make the proposal acceptable to the Parking Authority. If the Parking Authority fails to respond with approval or disapproval as required herein within the 60-day period, the Asset Manager may give another notice to the Parking Authority stating that the failure of the Parking Authority to approve or disapprove the proposed modifications within 15 days of the second notice shall constitute approval. The Parking Authority's failure to give notice of approval or disapproval as required in Section 5.3 of the Asset Transfer Agreement within said 15-day period shall be deemed approval of the proposed modification. Copies of any final modifications shall be delivered to the Parking Authority and the Advisory Committee.

(b) Proposed modifications to the On-Street Operating Standards elements of Schedule 2 to the Asset Transfer Agreement shall be provided by the Asset Manager to the Advisory Committee for advisory input, which shall be provided by the Advisory Committee within sixty (60) days of submission. Modifications shall be subject to approval by the City, which approval will not be unreasonably withheld, conditioned or delayed as provided in the Asset Transfer Agreement. The City is required to respond in writing to the Asset Manager and the Advisory Committee with respect to any proposed modifications of the On-Street Operating Standards elements of Schedule 2 to the Asset Transfer Agreement within 60 days of notice from the Asset Manager of the proposed changes (including comments or recommendations of the Advisory Committee, if any) and if the City disapproves of a proposed modification, the notice of disapproval is required to be given in writing and is required to specify in detail the City's reasons for disapproval and any changes that would make the proposal acceptable to the City. If the City fails to respond with approval or disapproval as required herein within the 60-day period, the Asset Manager may give another notice to the City stating that the failure of the City to approve or disapprove the proposed modifications within 15 days of the second notice shall constitute approval. The City's failure to give notice of approval or

disapproval as required in Section 5.3 of the Asset Transfer Agreement within said 15-day period shall be deemed approval of the proposed modification. Copies of any final modifications shall be delivered to the City and the Advisory Committee.

(c) In no event shall any modifications of the Operating Standards increase Asset Manager's responsibilities, duties, obligations, liabilities or workload hereunder without the prior written consent of the Asset Manager and such amendment to this Agreement as Asset Manager may reasonably require.

8. Intentionally Omitted.

9. Parking Taxes; Parking Lease City Payments.

- (a) Asset Manager shall cause the Operator to collect from customers of the Parking System (other than pursuant to the Parking Lease, or any replacement, amendment, or supplement thereto), as parking and gross receipts taxes and other taxes, an amount equal to twenty percent (20%) (or such lesser percentage as may be equal to the City's then imposed parking tax) of each payment made by such user for using the Parking System.
- (b) With respect to the Parking Lease (or any replacement, amendment, or supplement thereto), Operator shall set aside an amount equal to the Parking Lease City Payments (as defined in the Indenture).
- (c) Asset Manager shall cause Operator to pay directly to the City the amounts set forth in subsections (a) and (b) above collected by Operator.

10. Parking Operator

(a) Operation of the Parking System shall, at all times during the Initial Term and any renewal thereof, be under the direction and supervision of the Asset Manager who shall supervise and manage an Operator with the expertise, qualifications, experience, competence, skills and know-how to perform the Parking System operations in accordance with this Agreement. The Operator shall at all times be subject to the direction and supervision of the Asset Manager. The Asset Manager may select a replacement Operator in accordance with the requirements of the Indenture and the Leasehold Mortgage, based on the following factors: (i) the ability of the proposed Operator to manage or operate the Parking System in a manner that complies with the Operating Standards; (ii) the financial strength and integrity of the proposed Operator; (iii) the background and reputation of the proposed Operator; and (iv) the absence of status as a Disqualified Contractor.

(b) Identity of Operator. Initially, the parking operator for the Parking System will be SP Plus Corporation, formerly known as Standard Parking Corporation (the

“Operator”). The Operator will be retained by Asset Manager pursuant to a separate agreement between the Asset Manager and the Operator (the “Parking Services Agreement”). In the event of termination of the Parking Services Agreement, the Asset Manager will notify the Authority of its selection of a replacement Operator meeting the criteria set forth in Section 10(a) above and will enter into an agreement with the replacement Operator in accordance with the provisions of, and subject to any approvals required by, the Indenture and/or the Asset Transfer Agreement.

(c) Operating Account(s). The Asset Manager shall require the Operator to establish one or more account(s) (in such quantity, of such type, in such name and for such purposes as may be determined by the Authority, the Asset Manager and the Operator consistent with the requirements of the Indenture, collectively, the “Operating Account(s)”) which shall be held by the Operator in the name of the Operator until applied as directed by the Asset Manager or as set forth in the Parking Services Agreement. The Authority shall cause the Trustee to transfer from the Revenue Fund, as provided in the Indenture, on the first Business Day of each month to the credit of the Operating Account or to the Authority or Asset Manager for their expenses, as applicable, an amount equal to (a) the amount shown by the Annual Operating Budget to be necessary to pay Current Expenses for the ensuing month, and (b) an amount certified in writing to the Trustee by the Asset Manager with supporting certification from the Operator as being reasonably necessary to pay Current Expenses which are expected for such month, after taking into account the amount on deposit in the Operating Account, it being recognized that the Annual Operating Budget may have to be amended accordingly.

(d) The Asset Manager shall prohibit the Operator from applying sums on deposit in the Operating Account(s) for any purpose except the payment of the Current Expenses. The Parking Services Agreement shall provide that in making payments from the Operating Account for Current Expenses, the Operator will be deemed to certify that obligations in the stated amounts have been incurred with respect to the Parking System and that each item thereof was properly incurred in maintaining, repairing and operating the Parking System, has not been paid previously and that such payments are properly budgeted in the Annual Operating Budget.

(e) Asset Manager shall cause the Operator to offer employment to employees of the Parking Authority and the City upon and subject to the terms set forth in the Asset Transfer Agreement.

11. License to Enter the Public Way.

(a) The Asset Manager and the Operator are authorized, as representatives and agents of the Authority, pursuant to the license granted by the City to the Authority in Section 3.3(b) of the Asset Transfer Agreement, to enter upon, in, under, over and across the Public Way (as such term is defined in the Asset Transfer Agreement), to the

extent and at such times as shall be necessary or desirable for the Asset Manager or its representatives (including the Operator) to access the Parking System in order to conduct Parking System operations, including operating, maintaining, inspecting, constructing, repairing, and managing the Parking System and all supporting structures and appurtenances thereto and interconnecting the same to any electric utility, telephonic or other communication lines, collecting revenues, and installing monitoring or observation technology or equipment reasonably necessary for Parking System operations. All provisions of Law, including applicable City permit requirements, relating to the conduct of a private business or franchise in that part of the Public Way apply to Asset Manager and the Operator, provided that the Authority shall use commercially reasonable efforts to assist the Asset Manager and/or the Operator in the exercise of such rights so as to permit Asset Manager and/or the Operator to fulfill their obligations under this Agreement, the Parking Services Agreement, the Parking Enforcement Engagement Agreement and the Parking Enforcement Agreement, as applicable.

(b) The Authority shall cooperate with the Asset Manager and/or the Operator, and use commercially reasonable efforts to implement and enforce on behalf of the Asset Manager and/or the Operator the provisions of Section 3.10 (Utilities) of the Asset Transfer Agreement, so as to permit Asset Manager and/or the Operator to fulfill its/their obligations under this Agreement.

12. Insurance

(a) Asset Manager shall, as a Current Expense (as such term is defined in the Indenture) under the Indenture, provide or cause the Operator to provide and maintain insurance with respect to the Parking System, in amounts and with coverage as set forth on Exhibit "D" attached hereto.

(b) Asset Manager shall notify the Authority, the Trustee and the Credit Facility Providers of any damage to or any destruction of any portion of the Parking System in accordance with the terms of the Indenture. Insurance proceeds received in respect of such occurrence shall be deposited in a separate account in the Capital Reserve Fund, and shall be applied in accordance with the terms of the Indenture and the Leasehold Mortgage.

13. Management Fee, Expenses.

(a) For its services pursuant to this Agreement, Asset Manager shall be paid management fees (the "Management Fees") as follows:

i. A base Asset Management Fee of \$16,667 per month increased by five percent (5%) at the beginning of each Operating Year, payable as a Current Expense under the Indenture.

ii. A Performance Management Fee of \$4,166.67 per month increased by five percent (5%) at the beginning of each Operating Year which shall be paid as provided in the Indenture within thirty (30) days following each Interest Payment Date subject to payment of all debt service due under the Indenture and delivery of a certificate by the Asset Manager confirming such. To the extent that there are insufficient amounts under the Indenture to pay the Performance Management Fee in any monthly period, the Performance Management Fee will accrue and be paid in later periods as amounts under the Indenture are available. To the extent that Performance Management Fees are earned hereunder but not paid within any six (6) month period following an Interest Payment Date, such earned but unpaid Performance Fee(s) will be carried over to the subsequent six (6) month period and paid to the extent amounts under the Indenture are available. If there is any unpaid Performance Management Fee carried over from a prior six (6) month period at then end of the subsequent six (6) month period, the unpaid carryover Performance Management Fee will not continue to be carried over. Failure to pay the Performance Management Fee in any period as a result of insufficient funds under the Indenture is not a default under the terms of this Agreement.

iii. Intentionally Omitted.

iv. A Setup, Document Review and Due Diligence Fee at closing equal to \$75,000 for the Asset Manager and \$40,000 for its consultant plus reimbursement of expenses for the Asset Manager and consultant to include legal, travel and other out of pocket expenses.

(b) In addition to the Management Fees, Asset Manager shall be provided funds for its Current Expenses incurred by it in the performance of its duties hereunder pursuant to the Annual Operating Budget. Such expenses shall be paid monthly in amounts set forth in the Annual Operating Budget, and as provided by the Indenture. Such expenses shall not include any personnel or overhead expenses or "mark-up" of actual expenses.

(c) Payments of any Management Fees and Asset Manager's Current Expenses shall be made solely from Revenues (as defined in the Indenture) deposited from time to time in the Revenue Fund created under the Indenture, and shall be subject to the payment priorities set forth in the Indenture.

(d) If applicable, Asset Manager shall deliver to the Trustee, the Authority and each Credit Facility Provider within the time period set forth in the Indenture, a certificate setting forth the amount to be paid to the Asset Manager as a "Performance Management Fee" pursuant to this Agreement and to the Operator as an "Operator Performance Fee" pursuant to the Parking Enforcement Agreement. Such certificate shall include the basis upon which such amount was calculated. Following receipt of such certificate, the Authority shall cause the Trustee to transfer to the Asset Manager and the Operator, from moneys on deposit under the Indenture (to the extent sufficient), the amounts set forth in such certificate.

14. Authorized Representative.

(a) The Asset Manager and Authority shall each designate an authorized representative or representatives to act on their behalf for purposes of carrying out their duties and responsibilities pursuant to this Agreement, and any instruction, direction, or notification given in connection with this Agreement shall be given by such authorized representative and confirmed promptly in writing. The Asset Manager or Authority, as the case may be, shall from time to time certify to the other party the name or names of the person or persons authorized to act on behalf of the Asset Manager or Authority, as the case may be, and shall furnish to the other party a specimen of the signatures of such person or persons. Any individual so certified shall be deemed to be the authorized representative of the Asset Manager or Authority, as the case may be. When any individual so certified shall cease to have authority to act on behalf of the Asset Manager or Authority, as the case may be, the Asset Manager or Authority, as the case may be, shall promptly give notice of that fact to the other party, but until such notice is received, Authority or the Asset Manager, as applicable, may continue to recognize such individual as an authorized representative of the other party. The initial authorized representative, and specimen of her/his signature for Authority are set forth on Exhibit "J" attached hereto and for the Asset Manager are set forth on Exhibit "K" attached hereto.

(b) The Authority and the Asset Manager hereby recognize and agree that, pursuant to that certain Servicing Agreement dated of even date herewith (the "**Servicing Agreement**") between the Authority and the Capital Region Economic Development Corporation ("**CREDC**"), the Authority has designated CREDC as the "Qualified Designee" (as such term is defined in the Asset Transfer Agreement), pursuant to which (i) CREDC will administer and manage on behalf of the Authority the relationship among the Authority, the Asset Manager and the Operator with respect to the Parking System, and (ii) the Authority will otherwise delegate certain other duties and responsibilities to CREDC for a term and on the terms and conditions set forth in the Servicing Agreement. The Authority hereby acknowledges, agrees and confirms that CREDC is acting on behalf of and with the express authorization of the Authority with respect to all matters set forth in the Servicing Agreement, that, notwithstanding the delegation of any duties or responsibilities by the Authority to CREDC under or pursuant to the Servicing Agreement, the Authority shall remain primarily liable and responsible for the terms and provisions of this Agreement. As the Authority's Qualified Designee, CREDC shall have the power to provide approvals, directions, requests, consents, authorizations, notices, act on behalf of PEDFA and otherwise take actions and legally bind PEDFA with respect to matters under this Agreement as if PEDFA had itself acted, and the Asset Manager and, so long as the Servicing Agreement remains in effect, the Operator shall be entitled to rely without further inquiry on such actions by CREDC as binding on PEDFA. PEDFA agrees that any actions, communications, requests, deliveries, notices, or other actions taken by Asset Manager and/or Operator under this Agreement to or with CREDC shall be deemed to have been given to or performed for PEDFA.

15. **Record Keeping** The Asset Manager and the Operator shall each maintain at its principal place of business, a complete and accurate set of files, books and records of all business activities and operations. Such records and accounts shall reflect all items of revenue and expense allocable to the management, operation, maintenance, and disposition of the Assets, as well as information regarding the status of each the Assets. Such records and accounts shall be maintained following the end of the Operating Year to which they relate for seven (7) years or the time period required by Law, whichever is longer.

16. **Audit of Books and Records**. At its option, the Authority may at any time cause the books and financial operations of the Project to be audited by an independent auditor to be selected by Authority. Asset Manager agrees to cooperate with such auditor and to make any of its facilities available to such auditor during normal business hours upon prior written notice. Any audit shall be performed at the expense of the Authority.

17. **Consultant Review**. The Asset Manager shall engage recognized reputable third party consultants with experience in reviewing parking assets and operations, at the times provided in the Indenture, to determine the physical condition of the Parking System and to provide an estimate of capital needs (both near- and long-term). The Asset Manager shall also engage, from time to time, structural engineers, insurance consultants and financial consultants as it deems necessary. Payments to consultants engaged by Asset Manager hereunder shall be deemed Current Expenses, payable from the Operating Fund.

18. **Standard of Care**. Asset Manager shall discharge its duties pursuant to this Agreement with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent professional asset manager acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, and in accordance with this Agreement. Asset Manager represents and warrants that it possesses the requisite skill and expertise to serve as an asset manger and to perform the duties and obligations set forth in this Agreement.

19. **Compliance with Laws**.

(a) Asset Manager shall not knowingly engage in any action that would violate, in any material respect, any law, rule, regulation or statement of policy of any governmental authority having jurisdiction over the Parking System.

(b) Asset Manager shall not be liable for (or alterations, improvements or other remedial measures necessary to cure) violations of environmental, building or other laws and regulations unless solely and directly caused by the gross negligence or intentional misconduct of Asset Manager, its employees, contractors or agents first occurring after the Commencement Date; provided, however, that Asset Manager shall (i) exercise its good faith, reasonable efforts to comply with such regulations (subject to payment pursuant to the terms of this Agreement), and (ii) promptly notify the Authority of violations or hazards discovered by Asset Manager. Asset Manager shall not be

obligated to initiate a process of discovery requiring environmental testing or inspections not normally performed in the routine operation of the Parking System, unless required by applicable law or specifically requested to do so by the Authority in writing and at the Authority's expense.

20. **Assumed Contracts.** Asset Manager shall perform or cause the Operator to perform the duties as described in the contracts identified on Exhibit "C" relating to the Parking System.

21. **Availability of Funds.** All of the duties and obligations of Asset Manager to be performed by Asset Manager will be performed by Asset Manager with the funds made available to it under the applicable funds and accounts of the Indenture. The performance of the responsibilities of Asset Manager is conditioned upon the Authority, or the Trustee on behalf of the Authority, making available to Asset Manager sufficient funds, but solely from Revenues, to perform such responsibilities. Asset Manager shall have no duty or obligation under any circumstance to pay or fund any sums hereunder from Asset Manager's own funds.

22. **Representations and Warranties of Authority.** The Authority hereby represents and warrants to Asset Manager that: (a) the Authority is a public instrumentality and public body corporate and politic organized under the Pennsylvania Economic Development Financing Law, as amended; (b) the Authority is fully authorized under the instruments and laws governing the Authority to enter into and perform this Agreement; (c) the execution and performance of this Agreement by the Authority will not conflict with, or result in a breach of the terms, conditions, or provisions of, or constitute a default under, or result in any violation of, any agreement or instrument to which the Authority is subject; and (d) the person(s) executing this Agreement on behalf of Authority have been duly authorized to execute and deliver this Agreement on behalf of Authority.

23. **Representations and Warranties of Asset Manager.** Asset Manager hereby represents and warrants to the Authority that: (a) Asset Manager is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) Asset Manager is fully authorized under the instruments and laws governing Asset Manager to enter into and perform this Agreement; (c) the execution and performance of this Agreement will not conflict with, or result in a breach of the terms, conditions, or provisions of, or constitute a default under, or result in any violation of, any agreement or instrument to which Asset Manager is a party or may be subject; and (d) the person(s) executing this Agreement on behalf of Asset Manager have been duly authorized to execute and deliver this Agreement on behalf of Asset Manager.

24. **Authority Covenants.** The Authority (for itself and the Qualified Designee) covenants to Asset Manager that, so long as no Indenture Event of Default (as defined in the Indenture) shall have occurred and be continuing under the Indenture, in no event, without the prior written consent of Asset Manager, shall the Authority agree to any amendment to the Asset Transfer Agreement, Indenture, Ground Lease or any other transaction document that would materially increase the duties, obligations or liabilities of the Asset Manager or the Operator or materially affect the economic terms from those set forth in this Agreement, or the Parking Services Agreement or Parking Enforcement Agreement, as applicable ("Material Change"). In connection with any Material Change, Asset Manager and/or Operator may request that its compensation under its respective agreement(s) be reasonably adjusted to reflect any such additional duties or obligations or affected economic terms. If Asset Manager and/or Operator makes such request to the Authority and the Authority (acting reasonably and in good faith) does not grant such request, Asset Manager or Operator, as applicable, shall have the right to terminate its respective agreement(s). In connection with any proposed amendment to the foregoing documents, the Authority shall promptly provide to Asset Manager advance written notice of any proposed amendment, copies of any documents, instruments or other information relating to any such proposed amendment, and shall consult and cooperate in good faith with Asset Manager and Operator in connection therewith.

25. **Other Activities.** Asset Manager shall assign or cause the Operator to assign qualified personnel and shall devote such time as it shall deem reasonably advisable or appropriate to enable Asset Manager to fully perform its obligations hereunder. It is understood that Asset Manager provides asset management services for other clients. It is further understood that Asset Manager may take action on behalf of other clients, itself or its affiliates that differs from action taken on behalf of the Authority, so long as such actions do not adversely affect the operations of the Parking System.

26. **Termination Rights.**

(a) At the sole option of the Authority, this Agreement may be terminated upon written notice of such termination to Asset Manager if any of the following events shall have occurred: (a) Asset Manager shall have violated any provision of this Agreement or breached any representation or warranty set forth herein, and, after written notice from the Authority of such violation, shall have failed to cure such default within thirty (30) days (or, if such default is not reasonably susceptible of being cured within 30 days, shall have failed to promptly commence the cure of such default, if such default is capable of being cured and thereafter diligently prosecuted to completion the cure of such default); (b) a petition shall have been filed against Asset Manager for an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, and such petition shall not have been dismissed within 90 days of filing; or a court having jurisdiction shall have appointed a receiver, liquidator or similar official of Asset Manager for any substantial portion of its property, or ordered the winding up or liquidation of its affairs, and such appointment or order shall not have been

rescinded or vacated within ninety (90) days of such appointment or order; or (c) Asset Manager shall have commenced a voluntary proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, which proceeding shall not have been dismissed within ninety (90) days of the commencement thereof, or (d) Asset Manager shall have made any general assignment for the benefit of creditors. Upon any such termination, Asset Manager shall reasonably cooperate in the transfer of its duties (and of all relevant documentation and other information) to a new asset manager or managers identified by the Authority.

(b) This Agreement shall terminate upon the termination of the Asset Transfer Agreement or if the Asset Manager is required to be replaced under the terms of the Indenture, or upon request, upon the exercise of remedies under the Indenture.

(c) Asset Manager shall have the right to terminate this Agreement upon not less than ninety (90) days written notice to the Authority if Asset Manager is not paid or reimbursed for any amounts due to it pursuant to the terms of this Agreement, or in Asset Manager's sole discretion, with or without cause (provided that no termination by Asset Manager without cause shall be effective until the Authority has retained a replacement asset manager meeting the requirements of Section 3.5(b) of the Asset Transfer Agreement).

(d) Concurrently with the effective date of the termination of this Agreement, Asset Manager shall deliver to the Authority (or shall relinquish Asset Manager's control over) all funds in all accounts related to the Parking System, including the Operating Account; and Asset Manager's signature and other rights concerning such accounts shall terminate (and Asset Manager shall reasonably cooperate to accomplish the termination of such rights). Within thirty (30) days after termination, Asset Manager shall deliver to the Authority:

(i) A final accounting, reflecting the balance of income and expenses pertaining to the Parking System as of the date of termination.

(ii) All original contracts, receipts or deposits, unpaid bills and other papers or documents in Asset Manager's custody or control necessary to the management of the Parking System.

(e) Asset Manager shall be entitled to retain copies of or have reasonable access upon request to all documents referred to herein, reasonably necessary in connection with the winding up of Asset Manager's obligations under this Agreement.

(f) In the event of any termination of this Agreement other than pursuant to Section 26(a) above, Asset Manager shall be paid or reimbursed, solely from Revenues, for all amounts due and owing to it hereunder through the date of termination.

27. **Asset Manager Hold Harmless.** From and after the Commencement Date, Asset Manager shall save and hold harmless the Authority from and against any and all claims by the Authority in respect of or arising solely and directly from the gross negligence or intentional misconduct of Asset Manager or its employees resulting in a breach of Asset Manager's obligations hereunder that continues beyond any applicable notice and/or cure period; *provided, that*, in no event shall Asset Manager have any liability for any indirect, incidental, consequential or punitive damages incurred by the Authority. The obligations of Asset Manager hereunder shall survive the expiration or earlier termination of this Agreement.

28. **Miscellaneous.**

(a) **Amendments.** This Agreement (including the Exhibits, which are deemed an integral part hereof) may be amended only by a written instrument signed by the Authority and Asset Manager. No delay on the part of any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege under this Agreement, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege under this Agreement.

(b) **Severability.** If any one or more of the covenants, agreements, provisions or terms of this Agreement shall be held contrary to any express provision of law or contrary to policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement and in no way shall affect the validity or enforceability of the other provisions of this Agreement.

(c) **Successors and Assigns.** The Asset Manager may assign this Agreement to any entity meeting the requirements of Section 3.5(b) of the Asset Transfer Agreement owned or controlled by the Asset Manager without the necessity of the consent of the Authority (and the Asset Manager shall promptly notify the Authority of any such assignment). The Asset Manager expressly acknowledges and agrees that, subject to the terms of the Indenture and the Asset Transfer Agreement, this Agreement may, without the consent of (but with prior written notice to) the Asset Manager, be assigned by the Authority to the Trustee for the security of the holders of the Bonds and, subject to the terms of the Indenture and the Asset Transfer Agreement, may be subsequently assigned, without the consent of (but with prior written notice to) the Asset Manager, to a successor, trustee, or any other entity providing financing or serving as a trustee for the benefit of entities or individuals which provide financing of the Parking System, or with respect to any refinancing of the Bonds, or any other financing, or an entity which exercises remedies under or succeeds to the rights under the Financing Documents. The Asset Manager expressly agrees that upon such assignment, it will provide the services

hereunder for the benefit of such assignee upon the terms and conditions set forth in this Agreement or will enter into a new agreement with such assignee containing substantially the same terms and conditions as are set forth in this Agreement. Subject to the foregoing, this Agreement shall be binding upon the Authority and upon Asset Manager and their respective successors and assigns.

(d) Limited Liability of Authority. The liability of the Authority under this Agreement and the Trustee, as assignee of the Authority under this Agreement, shall be limited as set forth in the Indenture. The Asset Manager expressly recognizes such limitation of liability and that no obligations shall be paid hereunder or under the Indenture, other than as set forth in the Indenture, and further recognizes that payment of obligations to the Asset Manager hereunder or with respect to the Parking System is further subject to, and limited by, the provisions of the Indenture.

(e) Notices. Unless expressly provided otherwise herein, all notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing (including by telecopy or electronic mail) and shall be deemed to have been duly given, made and received (i) when delivered against receipt or upon actual receipt of registered or certified mail, postage prepaid, return receipt requested, (ii) if sent by an internationally reputable overnight air courier, one business day after mailing, (iii) in the case of telecopy notice, when received in legible form or (iv) in the case of electronic mail, with a copy sent as provided in clause (i) or (ii) of this sentence, when transmitted, in each case addressed as set forth below:

if to the Authority to:

Pennsylvania Economic Development Financing
Authority
c/o Department of Community and Economic
Development
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, Pa 17120
Attn: Executive Director
E-mail: sdrizos@pa.gov

with a copy to:

Office of Chief Counsel
Department of Community and Economic Development
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, Pa 17120

if to the Asset Manager, to:

PK Harris Advisors, Inc.
Monarch Tower
3424 Peachtree Road NE, Suite 2200
Atlanta, Georgia 30326
Attn: John Gass
With a copy to: Greg Winchester
Facsimile: 404-954-5382
Email: jgass@trimontrea.com
gwinchester@trimontrea.com

with a copy to:

Richard A. Fineman, Esquire
Nachmias Morris & Alt, P.C.
20 Ash Street, Suite 200
Conshohocken, Pennsylvania 19428
Facsimile: (610) 629-6659
Email: rfineman@nmapc.net

Any party may alter the address or telecopy number to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section 28(e) for the giving of notice.

(f) No Third Party Beneficiaries. Except for the rights of assignment set forth in Section 28(c) hereof, this Agreement is not intended, and shall not be deemed, to confer any rights or remedies upon any person other than the parties that are signatories hereto and their respective successors and permitted assigns or to otherwise create any third party beneficiary hereto. Notwithstanding the foregoing, but subject to the terms of the Indenture and the Asset Transfer Agreement, the parties hereby agree that the Trustee may, in its name or (to the extent required by law) in the name of the Authority, enforce all rights of the Authority against the Asset Manager under and pursuant to this Agreement for and on behalf of the owners of the Bonds, whether or not the Authority is in default under the Indenture. The Authority shall cooperate with the Trustee in enforcing the covenants and obligations of the Asset Manager hereunder.

(g) Integration, Incorporation by Reference. This Agreement must be read in conjunction with the Indenture, the Asset Transfer Agreement, the PEDFA Intergovernmental Cooperation Agreement and the Lease and, except where expressly referred to herein, there are no further or other agreements or understandings, written or oral, in effect between or among the parties relating to the subject matter hereof. All Exhibits hereto shall be deemed incorporated herein by the references thereto made herein.

(h) Governing Law. This Agreement and the rights of the parties hereto shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

(i) Inspection. The Authority or its designee shall have the right to inspect the Parking System during reasonable times during normal business hours and upon reasonable notice, and, upon the request of Asset Manager and/or Operator, accompanied by a representative of Asset Manager and/or Operator, as applicable.

(j) Rights of Harrisburg Parking Authority under Asset Transfer Agreement The Asset Manager will reasonably cooperate with the Authority in providing the Harrisburg Parking Authority with all rights under the Asset Transfer Agreement to include furnishing of information, right to audit and right to inspect.

(k) Estoppel Certificates. Each party hereto, at any time and from time to time during the term of this Agreement, shall promptly, but in no event later than ten (10) business days after written request by the other party hereto or by Trustee or Bondholder Representative, execute, acknowledge and deliver to such requesting party or to any person designated by such requesting party, a certificate stating: (i) that this Agreement is unmodified and in full force and effect (or if there have been modifications, that this Agreement is in full force and effect as modified, and identifying the modification agreements); (ii) the date to which any sum due and payable pursuant to this Agreement has been paid; (iii) whether or not there is any other existing default by either party hereto with respect to which a notice of default has been served, and if there is any such default, specifying the nature and extent thereto; (iv) whether or not there are any setoffs, defenses or counterclaims against enforcement of the obligations to be performed hereunder existing in favor of the party executing such certificate; and (v) any other information relating to this Agreement reasonably requested by the requesting party.

(l) Liability of Asset Manager. Notwithstanding anything to the contrary set forth or implied herein, Authority agrees to look solely to Asset Manager for the duties, obligations, responsibilities and liabilities of Asset Manager hereunder and then only to the extent of any funds made available to Asset Manager under the applicable funds and account of the Indenture, unless caused solely and directly by Asset Manager's breach of this Agreement or the gross negligence, willful misconduct, malfeasance or fraud of Asset Manager, its employees, contractors and/or agents. Notwithstanding anything to the contrary contained herein, in no event shall the affiliates, partners, members, shareholders, officers, directors, employees, lenders, contractors, agents or representatives (or any permitted successor or assign of any of the foregoing), as such, be liable or responsible for any duty, obligation, responsibility or liability of Asset Manager hereunder. Without in any way limiting the foregoing, in no event shall Asset Manager or any of its affiliates, partners, members, shareholders, officers, directors, employees, lenders, contractors, agents or representatives (or any permitted successor or assign of any of the foregoing), as such, be liable or responsible for any punitive, exemplary,

incidental, indirect, special or consequential damages claimed by Authority, arising under or in connection with this Agreement, including, without limitation, damages for loss of profits, whether based upon contract, tort, breach of warranty or any other legal or equitable grounds.

(m) Force Majeure. Any delays in the performance of any obligations by either party to this Agreement shall be excused to the extent that such delays are caused by Force Majeure (as such term is defined in the Asset Transfer Agreement), and any time periods required for performance shall be extended accordingly.

(n) Relationship of Parties. The relationship between Authority and Asset Manager under this Agreement shall be that of principal and agent, respectively. In taking any action under this Agreement, Asset Manager shall be acting only as agent for Authority, and nothing in this Agreement shall be construed as creating a partnership, joint venture or any other relationship requiring Asset Manager to bear any portion of losses arising out of or connected with the Parking System, and Asset Manager shall not be considered an employee of Authority. Neither party shall have the power to bind or obligate the other except as expressly set forth in this Agreement.

(o) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute one and the same agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the parties, intending to be legally bound, have executed this Agreement as of the day and year first above written.

Pennsylvania Economic Development Financing Authority

By: _____
Name:
Title:

PK Harris Advisors, Inc.

By: _____
Name:
Title:

Exhibit A

Parking Garages and Parking Lots

Exhibit B
Operating Standards

Exhibit C
Assumed Contracts

Exhibit C

Exhibit D

Insurance Requirements

Exhibit E

Nondiscrimination/Sexual Harassment Standards

Exhibit F

Pennsylvania Right to Know Law

Exhibit G

Contractor Responsibility Provisions

Exhibit H

Contractor Integrity Provisions

Exhibit I

Americans with Disabilities Act Provisions

Exhibit J

Authority Authorized Representative

Exhibit K

Asset Manager Authorized Representative

**EXHIBIT B
TO PEDFA INTERGOVERNMENTAL COOPERATION AGREEMENT**

ASSET TRANSFER AGREEMENT

[attached]

**ASSET TRANSFER AGREEMENT
FOR THE CITY OF HARRISBURG PARKING SYSTEM**

Dated as of

December __, 2013

by and among

HARRISBURG PARKING AUTHORITY, as Transferor

and

PENNSYLVANIA ECONOMIC DEVELOPMENT FINANCING AUTHORITY, as Transferee

and

CITY OF HARRISBURG, PENNSYLVANIA

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THIS ASSET TRANSFER AGREEMENT (the "Agreement") is made and entered into as of the ___ day of December, 2013, by and among the Harrisburg Parking Authority, a Pennsylvania parking authority, organized and existing under the laws of the Commonwealth of Pennsylvania (the "Transferor"), and the Pennsylvania Economic Development Financing Authority, a public body corporate and politic and an instrumentality of the Commonwealth of Pennsylvania ("Commonwealth"), organized and existing under the laws of the Commonwealth (the "Transferee"), and the City of Harrisburg, Pennsylvania, a third class city incorporated under the laws of the Commonwealth (the "City").

RECITALS

WHEREAS, the Transferor owns the Off-Street Parking System which serves residents and visitors to the City; and

WHEREAS, the City owns the On-Street Parking System in or about the areas in which the Off-Street Parking System is located; and

WHEREAS, the Transferor was organized by the City under and pursuant to the laws of the Commonwealth; and

WHEREAS, the Transferor currently operates the Off-Street Parking System and the On-Street Parking System and the City currently owns the On-Street Parking System; and

WHEREAS, the Transferor and the City mutually desire to provide for the continued operation of the Off-Street Parking System and the On-Street Parking System in a manner which provides upfront moneys to the Transferor and safe, efficient and profitable operation of the Parking System for the Transferor, the City and its residents and visitors; and

WHEREAS, the sale and transfer of the Parking System as provided in or pursuant to this Agreement will provide immediate funds to the Transferor and the City and permit efficient operation of the Parking System; and

WHEREAS, the Transferee is willing to lease from the Transferor and the Transferor is willing to Lease to the Transferee, the underlying ground on which the Off-Street Parking System is located, the garage structures and other improvements thereon, and acquire all right, title and interest in substantially all of the other assets of the Off-Street Parking System, as provided in this Agreement, and that certain Lease Agreement, dated as of the same date as this Agreement, by and between Transferor, as Lessor, and Transferee, as Lessee (the "Lease"); and

WHEREAS, in consideration of the acquisition price to be paid to the Transferor and in accordance with the terms of the PEDFA Intergovernmental Cooperation Agreement with the Transferee, the City is willing, pursuant to Article IX, Section 5, of the Constitution of the Commonwealth of Pennsylvania, and the Pennsylvania Intergovernmental Cooperation Law, 53 Pa. C.S. §§2301 *et seq.* (collectively, the "Intergovernmental Legislation") to transfer and delegate all of its functions, powers and responsibility with respect to the On-Street Parking System to the Transferee (except (i) the Parking Enforcement Powers which the City is delegating to DGS pursuant to the DGS Intergovernmental Cooperation Agreement, and (ii) the City's Reserved

Enforcement Powers, which the City is retaining) in order to assure the operation of the Parking System in a First Class Manner for the benefit of the City and its citizens and visitors; and

WHEREAS, the Transferee has initially designated the Capital Region Economic Development Corporation, a non-profit corporation organized under the laws of the Commonwealth ("CREDC"), as a Qualified Designee, to serve as Transferee's representative for purposes of acting on behalf of the Transferee as contemplated pursuant to the terms of this Agreement and the documents executed pursuant hereto.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Parties (as defined herein), intending to be legally bound hereby, agree as follows:

ARTICLE 1

DEFINITIONS AND INTERPRETATION

Section 1.1. Definitions. Unless otherwise specified or the context otherwise requires, for the purposes of this Agreement the following terms have the following meanings:

"Acquisition Price" means the aggregate consideration to be paid by the Transferee pursuant to Section 2.1(a).

"Additional Coverages" has the meaning ascribed thereto in Section 11.2(g).

"Advisory Committee" means the respective designee of each of the Qualified Designee, the Asset Manager, the Off-Street Operator, the On-Street Operator, the Transferor, the City's Mayor, the City Council, AGM, the County, and the Department of General Services (so long as the Parking Lease is in effect) which, is expected to provide advisory input to the Transferee as to (i) proposed expansion or contraction of the Parking System; (ii) compliance with the Franchise; (iii) residential permit parking; (iv) enforcement of on-street parking; (v) changes in technology and proposed capital improvements; (vi) community relations and outreach; (vii) establishment of rates and budgets; and (viii) the Operating Standards and Long Term Capital Plan.

"Affected Property" means any public or private property, including any sign pole, street lamp, and other structure, including connecting hardware, that supports a Metering Device but was initially designed to serve other purposes, a building, park, highway, street, road, roadway, railroad, rail or other transit way, sidewalks, plazas, walkways, connectors (above and below grade) and any ancillary facilities related to any of the foregoing, under the jurisdiction and control of the City, any other Governmental Authority or any other Person that is located above, below, within the boundaries of, connects or intersects with, crosses over or under or is adjacent to any Metered Parking Spaces, Unmetered Parking Spaces, or Parking Facility or any part thereof.

"Affiliate" when used to indicate a relationship with a specified Person, means a Person that, directly or indirectly, through one or more intermediaries has a ten percent (10%) or more voting or economic interest in such specified Person or controls, is controlled by or is under common control with (which shall include, with respect to a managed fund or trust, the right to direct or cause the direction of the management and policies of such managed fund or trust as manager, advisor,

supervisor, sponsor or trustee pursuant to relevant contractual arrangements) such specified Person, and a Person shall be deemed to be controlled by another Person, if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise (for purposes of this definition, a managed fund or trust shall be deemed to be an Affiliate of the Person managing, supervising, sponsoring or advising such fund or trust and a limited partner in a managed fund or trust shall be deemed to be an Affiliate of such fund or trust and of the Person managing, supervising, sponsoring or advising such fund or trust).

“Agreement” means this Asset Transfer Agreement (including all Schedules referred to herein), as amended from time to time in accordance with the terms hereof.

“Annual Capital Budget” has the meaning given it in Section 7.1(c).

“Annual Operating Budget” has the meaning ascribed thereto in Section 7.1(c).

“Approval”, “Approved”, “Approves”, “Approved by the Transferor” and similar expressions mean approved or consented to by the Transferor or City in accordance with the provisions of Section 1.14.

“Assets” means the assets of the Parking System as set forth on Schedule 1.

“Asset Manager” means the Initial Asset Manager, or any other subsequent Person serving as an asset manager for the Parking System and Parking System Operations in accordance with this Agreement, the Lease and the Indenture. The term does not include a Qualified Designee.

“Asset Management Agreement” means any agreement, contract, or commitment by which the Transferee, directly or indirectly, engages an Asset Manager, that qualifies and is consistent with the conditions set forth under Rev. Proc. 97-13 or any successor revenue procedure, regulation or other official pronouncement of the Internal Revenue Service so as to not result in private business use under § 141(b) of the Internal Revenue Code. Any agreement between Transferee and its Qualified Designee is not an Asset Management Agreement. The Transferee and the Initial Asset Manager will enter into that certain Asset Management Agreement to be dated as of December 1, 2013.

“Assignee” means any Person who obtains the Transferee Interest pursuant to a Transfer permitted in Article 15.

“Assumed Contracts” means those Parking System Contracts that will be assigned to the Transferee at the Time of Closing and are listed on Schedule 1(A-3).

“Assumed Liabilities” has the meaning ascribed thereto in Section 2.1.

“Assignment and Assumption Agreement” has the meaning ascribed thereto in Section 16.7(c).

“Audit and Review” and similar expressions mean, with respect to any matter or thing relating to the Parking System, the Parking System Operations or this Agreement, the performance by or on behalf of the Transferor of such reviews, investigations, inspections and audits relating to such matter or thing as the Transferor may reasonably determine to be necessary in the circumstances, conducted in each case in accordance with applicable United States industry accepted practices, if any, or as required by Law, but in accordance with the provisions of this Agreement and authorized by this Agreement.

“Authority Notes” means those four certain Pennsylvania Economic Development Financing Authority Surplus Notes issued by the Transferee pursuant to Section 2.13 of the Indenture, in the aggregate principal amount determined as provided in Section 2.1, for the benefit of the Transferor, substantially in the form of the “Authority Note” attached as Schedule 18, together with all replacements thereof.

“Authorization” means any approval, certificate of approval, authorization, consent, waiver, variance, exemption, declaratory order, exception, license, filing, registration, permit, notarization or other requirement of any Person that applies to the Parking System or is reasonably required from time to time for the Parking System Operations.

“Available Positions” means the positions (and hours) set forth on Schedule 7.

“Available Supervisory Positions” means the positions (and hours) set forth on Schedule 7.

“Business Day” means any Day that is not a Saturday, a Sunday or a Day observed as a holiday by the City, the Commonwealth or the United States government or a day on which banks in the city in which the corporate trust offices of the Indenture Trustee are located, are required or authorized by law (including executive order) to close.

“Capital Improvement” means (i) any improvement to the structural, electrical, electronic, or mechanical components of the Parking Facilities, (ii) technology upgrades to Metering Devices, (iii) any maintenance, repair or replacement expenditure in excess of \$100,000, Adjusted for Inflation, in the aggregate during any month, with respect to the Parking System; (iv) any other repairs, replacements, improvements, or other work to the Parking System set forth in the Annual Capital Budget; and (v) and the Required Capital Improvements.

“Capital Reserve Fund” has the meaning ascribed thereto in the Indenture.

“Capital Reserve Requirement” means the greater of \$15,000,000 or the “Measured Capital Reserve Requirement” as that term is defined in the Indenture.

“City” has the meaning ascribed thereto in the preamble to this Agreement.

“City Council” means the governing body of the City, authorized under the Zoning Ordinance and the MPC to grant conditional uses and adopt ordinances amending the Zoning Ordinance.

“City Documents” means the Asset Transfer Agreement, the PEDFA Intergovernmental Cooperation Agreement, the DGS Intergovernmental Cooperation Agreement, and the 2013 Harrisburg-Downtown Parking Cooperation Agreement.

“City Ordinances and Resolutions” means (i) Ordinance No. 30-2013, An Ordinance of the City Council of the City of Harrisburg Authorizing the City to Enter Into an Agreement Delegating to the Pennsylvania Economic Development Financing Authority Certain Rights and Powers With Respect to Its On-Street Parking System Consisting of Collection of Meter Revenues, Rate-Setting, and Other Non-Enforcement Matters, and Approving the Pennsylvania Economic Development Financing Authority Entering Into a Contract With the Initial Manager of the Parking System to Provide Certain Functions If Approved by the Board of PEDFA; and Related Matters; (ii) Ordinance No. 31-2013, An Ordinance of the City Council of the City of Harrisburg Authorizing the City to Enter into an Intergovernmental Cooperation Agreement Delegating to the Pennsylvania Department of General Service (“DGS”) Certain Enforcement Powers with Respect to On-Street Parking and Approving DGS Entering into a Contract with the Initial Manager of the Parking System to Provide Certain Enforcement Functions, and Related Matters; and (iii) Ordinance No. 32-2013, An Ordinance of the City Council of the City of Harrisburg Authorizing the City and Harrisburg Parking Authority to Enter Into an Asset Transfer Agreement with the Pennsylvania Economic Development Financing Authority, the Transfer of City-Owned Off-Street Parking Assets and Other Rights to the Harrisburg Parking Authority, and Related Matters.

“City Payments” means the payments from Revenues by the Trustee on behalf of the Transferee to the City pursuant to Section 3.3 and in accordance with the Indenture in the initial amount of \$900,000 for the 2013 Operating Year (prorated for 2013 and any other partial year), increasing on the first day of each Operating Year to the amount shown in Schedule 12.

“Claim” means any demand, action, cause of action, suit, proceeding, arbitration, lien, claim, judgment or settlement or compromise relating thereto which may give rise to a right to a payment obligation.

“Closing” has the meaning ascribed thereto in Section 2.2(a).

“Closing Consideration” has the meaning ascribed thereto in Section 2.1.

“Closing Date” has the meaning ascribed thereto in Section 2.2(a).

“Closing Period” means the period from the date hereof up to and including the Time of Closing.

“Commercial Parking Lot” means a parcel of real property or portion thereof owned by any Person, except for the City, any public authority of the City, Transferor, any other governmental entity, or the Harrisburg Redevelopment Authority, used in whole or in part for the principal purpose of temporary or permanent storage by the public of vehicles for a stated consideration.

“Commercial Parking Structure” means a building or portion thereof owned by any Person, except for the City, any public authority of the City, Transferor, any other governmental entity, or the Harrisburg Redevelopment Authority, which encloses a space used in whole or in part for the

principal purpose of temporary or permanent storage by the public of vehicles for a stated consideration.

“Competing Parking Action” has the meaning ascribed to it in Section 13.1.

“Competing Parking Area” means the area of the City described on Schedule 4.

“Consent” means any approval, consent, ratification, waiver, exemption, franchise, license, permit, novation, certificate of occupancy or other authorization, of any Person, including any Consent issued, granted, given, or otherwise made available by or under the authority of any Governmental Authority or pursuant to any applicable Law.

“Contractor” means any entity with whom a Person contracts to perform work or supply materials or labor in relation to the Parking System, including any subcontractor of any tier, supplier or materialman directly or indirectly employed pursuant to a subcontract with a Contractor.

“Covenant Dispute Notice” has the meaning given it in Section 13.5.

“Covenant Notice” has the meaning given it in Section 13.4.

“CREDC” has the meaning ascribed to that term in the Recitals.

“Credit Facility Providers” has the meaning ascribed to that term in the Indenture.

“Day” means a calendar day, beginning at 12:01 a.m. Prevailing Eastern Time.

“Debt Service Reserve Fund” has the meaning ascribed thereto in the Indenture.

“DGS” means the Commonwealth Department of General Services.

“DGS Intergovernmental Cooperation Agreement” means the agreement between the City and DGS, providing for the irrevocable delegation of the Parking Enforcement Powers by the City to DGS.

“Disqualified Contractor” means a Person which has been suspended or debarred by the Commonwealth under its Contractor Responsibility Program, Management Directive 215.9, as amended or as replaced by a successive directive, rule, regulation or statute from time to time, or has been convicted by a court of competent jurisdiction of a crime for which a term of imprisonment of one year or more could have been imposed, and any Person controlled by a Person which has been so suspended, debarred or convicted.

“Emergency” means a situation that is urgent and calls for immediate action, which, if such action is not taken, is reasonably likely to result in or create a serious risk of imminent harm or physical damage to any or all of the Parking System or any natural Person.

“Encumbrance” means any mortgage, lien, judgment, execution, pledge, charge, security interest, restriction, easement, servitude, option, reservation, lease, claim, trust, deemed trust or

encumbrance of any nature whatsoever, whether arising by operation of law, judicial process, contract, agreement or otherwise created.

“Enforcement Operator” means the Person appointed by the Parking Enforcement Delegation Agency in accordance with this Agreement and the DGS Intergovernmental Cooperation Agreement to conduct Parking Enforcement Powers as described in Section 3.4(d).

“Enforcement Policies and Procedures” means the policies and procedures established by DGS, the City, the Asset Manager, and the Enforcement Operator for the administration and enforcement by the Enforcement Operator of parking rules and regulations that are designed to deter parking violations, including procedures for the issuance and collection of parking tickets and citations for non-moving violations of the parking rules and regulations with respect to the On-Street Parking System, by such means as permitted by Law, as set forth in Schedule 3, but excluding all Reserved Enforcement Powers.

“Engineering Firm” means an independent firm of professional engineers that has exhibited experience with the kinds of Parking Facilities and Metering Devices within the Parking System and having a recognized reputation for skill and experience in the design, construction, reconstruction, maintenance and repair of public parking garages and metering devices engaged by the Asset Manager pursuant to the Asset Management Agreement; provided, however, the engineering firm cannot be related to or affiliated with the Transferee, Qualified Designee, Operator or Asset Manager.

“Environment” means soil, surface waters, ground waters, land, stream sediments, surface or subsurface strata and ambient air.

“Environmental Laws” means any Laws applicable to the Parking System or Parking System Operations regulating or imposing liability or standards of conduct concerning or relating to the regulation or use of Hazardous Substances, or the protection of human health or the Environment.

“Excluded Assets” has the meaning ascribed thereto in Section 2.1.

“Excluded Liabilities” has the meaning ascribed thereto in Section 2.1.

“First Class Manner” means, with respect to each component of the Parking System, operation and maintenance in compliance with Law and in an efficient and commercially reasonable manner in accordance with prevailing parking industry best practices (including best practices relating to cleanliness, attractiveness and safety) as implemented by prudent owner/operators of parking facilities comparable in scope, size, type, condition, location, nature and purpose.

“Force Majeure” means any event beyond the reasonable control of the Transferee (and including the Asset Manager or Operator), the Transferor, or the City, as applicable, that delays, interrupts or limits the performance of a Party’s obligations hereunder including an intervening act of God or public enemy, war, invasion, armed conflict, act of foreign enemy, blockade, revolution, act of terror, sabotage, civil commotions, condemnation, interference by civil or military authorities, nuclear or other explosion, radioactive or chemical contamination or ionizing radiation, fire or other casualty, tornado, flooding, earthquake or other natural disaster, riot or other public disorder, epidemic, quarantine restriction, strike, labor dispute or other labor protest, stop-work order or

injunction issued by a Governmental Authority, governmental embargo, except to the extent that the consequence of such event is otherwise specifically dealt with in this Agreement or arises by reason of (i) the negligence or willful misconduct of the Parties, (ii) any act or omission by the Parties in breach of the provisions of this Agreement, (iii) lack or insufficiency of funds or failure to make payment of monies or provide required security on the part of the Transferee or (iv) any strike, labor dispute or other labor protest involving any Person retained, employed or hired by the Transferee or its Representatives to supply materials or services for or in connection with the Parking System Operations or any strike, labor dispute or labor protest pertaining to the Transferee that is caused by or attributable to any act (including any pricing or other practice or method of operation) or omission of the Transferee or its Representatives.

“Governmental Authority” means any court, federal, state, local or foreign government, department, commission, board, bureau, agency or other regulatory, administrative, governmental or quasi-governmental authority and, unless expressly excluded, includes the City. The definition of Governmental Authority excludes the Transferee.

“Hazardous Substance” means any solid, liquid, gas, odor, radiation or other substance or emission which is a contaminant, pollutant, dangerous substance, toxic substance, hazardous waste, subject waste, hazardous material or hazardous substance which is or becomes regulated by applicable Environmental Laws or which is classified as hazardous or toxic under applicable Environmental Laws (including gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls, asbestos and urea formaldehyde foam insulation).

“Indemnified Party” has the meaning ascribed to it in Section 12.2(a).

“Indenture” means the Trust Indenture, between the Transferee and the Trustee, providing for the issuance of the Parking Bonds.

“Indenture Obligations” means the Authority Notes, the Parking Bonds, and all other obligations under the Indenture.

“Index” means the United States Bureau of Labor Statistics, Consumer Price Index, all Urban Consumers, Northeast Cities Index, all items, as found in Table 11 of the CPI Detailed Report published by the U.S. Department of Labor, Bureau of Labor Statistics and for calculations using this index, the CPI-U, NE Cities Index reported four months prior to the first day of each Operating Year shall be used to determine the amount of any increases based on the Index; provided, that if the Index is changed so that the base year of the Index changes, the Index shall be converted in accordance with the conversion factor published by the U.S. Department of Labor, Bureau of Labor Statistics; provided further that if the Index is discontinued or revised during the Term, such other index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

“Information” means any and all information relating to the Parking System Operations in the Transferee’s possession or control or available to the Transferee pursuant to the Asset Management Agreement, the Parking Services Agreement, or the Parking Enforcement Engagement Agreement.

“Initial Asset Manager” means PK Harris Advisors, Inc., a Georgia corporation, an affiliate of Trimont Real Estate Advisors, Inc.

“Initial Enforcement Operator” means Standard Parking Corporation.

“Initial Off-Street Operator” means Standard Parking Corporation.

“Initial On-Street Operator” means Standard Parking Corporation.

“Intergovernmental Legislation” has the meaning ascribed to it in the Preamble to this Agreement.

“Intergovernmental Transfer” has the meaning ascribed to it in Section 3.3.

“Law” means any order, writ, injunction, decree, judgment, law, ordinance, decision, binding opinion, ruling, policy, statute, code, rule or regulation of any Governmental Authority.

“Lease” has the meaning ascribed to it in the Preamble to this Agreement.

“Leasehold Mortgage(s)” has the meaning set forth in the Indenture for the term “Mortgage.”

“Leasehold Mortgagee” means the Trustee or its assignee of its interest as the holder of the Leasehold Mortgage.

“Leasehold Mortgagee’s Notice” has the meaning ascribed to it in Section 16.2(a).

“Lessor” means the Transferor and its permitted successors and assigns under the Lease.

“Long Term Capital Plan” has the meaning ascribed to it in Section 5.2(a).

“Loss” or “Losses” means, with respect to any Person, any loss, liability, damage, penalty, charge or out-of-pocket and documented cost or expense actually suffered or incurred by such Person, but excluding any punitive, special, indirect and consequential damages and any contingent liability until such liability becomes actual.

“Material Adverse Effect” means a material adverse effect on the business, financial condition or results of operations of the Parking System taken as a whole.

“Memorandum of Lease” has the meaning ascribed thereto in Section 2.7.

“Metered Parking Fee” means the fees established as consideration for the privilege of parking a motor vehicle at a Metered Parking Space all as set forth on Schedule 5, and as may be adjusted by the Transferee pursuant to the terms of this Agreement.

“Metered Parking Revenue” means, during the Term, the revenues derived from Metered Parking Fees, not including any Parking Violation Revenue related thereto.

“Metered Parking Spaces” means those parking spaces within the Competing Parking Area where during certain periods of time, the City, requires the payment of a fee for parking a motor

vehicle at that space or place for a limited period of time plus any such additional parking spaces designated within the Competing Parking Area pursuant to Sections 6.3 and 6.6. The locations of the existing Metered Parking Spaces are shown on Schedule 4.

“Metering Devices” means the parking meters, pay and display stations, electronic metering devices, and other similar devices that may be used from time to time in connection with the Parking System Operations, including any shelters used to guard the devices and patrons from the elements utilized by Transferee in its discretion, but excluding Affected Property.

“MPC” means the Pennsylvania Municipalities Planning Code (Act of 1968, P.L. 805, No. 247), as amended, and as the same may be amended, restated and codified from time to time.

“New Agreement” has the meaning ascribed thereto in Section 16.5(a).

“Non-Compete Covenant” has the meaning ascribed thereto in Section 13.1(a).

“Non-Impair Covenant” has the meaning ascribed thereto in Section 13.2(a).

“Notice of Loss” has the meaning ascribed thereto in Section 12.2(a).

“Off-Street Operator” means the Initial Off-Street Operator, or any other Person subsequently engaged by the Asset Manager pursuant to the Asset Management Agreement to operate the Off-Street Parking System.

“Off-Street Parking Facility Revenue” means the revenues derived from the Off-Street Parking System collected by the Transferee with respect to the operation of the Parking Garages and Parking Lots, excluding any Parking Violation Revenue related thereto.

“Off-Street Parking Fee” means the fees established as consideration for the privilege of parking a motor vehicle at the Parking Garages or Parking Lots all as set forth on Schedule 5, and as may be adjusted by the Transferee pursuant to the terms of this Agreement.

“Off-Street Parking Services” means the services to be provided by or on behalf of the Transferee, or the Off-Street Operator (pursuant to the Parking Services Agreement), with respect to the Off-Street Parking System under this Agreement.

“Off-Street Parking System” means the public parking system consisting of the Parking Facilities as described on Schedule 1(A-1), all improvements, including paving, structures, signage (including all parking garage entry and exit signage), fixtures, equipment, and personal property of any and every kind whatsoever forming a part of and used in connection with such garages and lots from time to time, and any property acquired pursuant to the City Island Option or otherwise becoming a part of the “Leased Premises” under the Lease, but excluding all rights (including oil, gas and mineral rights, air rights and development rights) retained by the Transferor as the fee simple owner of the Parking System Land and structures and improvements.

“On-Street Operator” means the Initial On-Street Operator, or any other Person subsequently engaged by the Asset Manager in accordance with the terms of this Agreement, the Lease and the Indenture to operate the On-Street Parking System.

“On-Street Parking Services” means the services to be provided by or on behalf of the Transferee, by the Asset Manager and the On-Street Operator (pursuant to Asset Management Agreement and the Parking Services Agreement), with respect to the On-Street Parking System under this Agreement.

“On-Street Parking System” means (i) the Metered Parking Spaces, (ii) the Metering Devices, normal meter poles, computer systems and software used in connection with the administration and operation of Metered Parking Spaces and the collection of Metered Parking Fees, and all improvements and personal property of any and every kind whatsoever forming a part of and used in connection with the operation and maintenance of the metering system associated with the Metered Parking Spaces (including all Metering Devices but excluding any interest in the streets, sidewalks, paving, sign poles, tripods, streetlights or similar real or personal property), (iii) any additional Metered Parking Spaces added from time to time, and (iv) for purposes of enforcement only, all of the Unmetered Parking Spaces, but excluding any interests in the streets, sidewalks, paving or similar real property.

“Operating Standards” has the meaning ascribed to it in Section 5.1.

“Operating Year” means (i) the period beginning on the Closing Date and ending on the next succeeding December 31; and (ii) thereafter the period from January 1 to December 31.

“Operator” has the meaning ascribed to it in Section 3.5(a).

“Other System Revenue” has the meaning ascribed thereto in Section 6.1(e).

“Parking Bonds” means the obligations, other than the Authority Notes, issued by the Transferee in connection with its payment to the Transferor of the Closing Consideration, together with any obligations issued to refund those obligations or issued to finance the Parking System pursuant to the Indenture.

“Parking Enforcement Delegation Agency” means the Commonwealth Department of General Services or any successor agency as a party to the DGS Intergovernmental Cooperation Agreement.

“Parking Enforcement Engagement Agreement” means any agreement entered into between the Parking Enforcement Delegation Agency and the Asset Manager relating to the management or conduct of the parking enforcement services under the grant of the Parking Enforcement Powers.

“Parking Enforcement Operations Agreement” means any agreement entered into between the Asset Manager and the Enforcement Operator relating to the conduct of the parking enforcement services pursuant to the Parking Enforcement Powers.

“Parking Enforcement Powers” means the power to (i) issue parking tickets or citations for non-moving violations only of the parking rules and regulations with respect to the Parking Spaces and other Laws of the City of Harrisburg with respect to the Parking System, and (ii) boot and tow vehicles in violation of the parking rules and regulations with respect to the Parking Spaces and other Laws of the City of Harrisburg with respect to the Parking System, in each case in accordance with the Enforcement Policies and Procedures set forth in Schedule 3, but excluding any Reserved

Enforcement Powers. The City retains the power to concurrently exercise Parking Enforcement Powers, but not to further delegate the Parking Enforcement Powers to any other person.

“Parking Facilities” means Parking Lots and Parking Garages.

“Parking Fees” means the Metered Parking Fee and the Off-Street Parking Fee.

“Parking Garages” means the parking garages described in Schedule 1(A-1) located on one or more parcels of Parking System Land.

“Parking Lease” means the Vehicle Parking Lease by and between the Transferee, as Lessor, and the Commonwealth acting through DGS, as Lessee, providing for the letting of spaces in the Off-Street Parking System.

“Parking Lots” means the parking lots described in Schedule 1(A-1) located on and including one or more parcels of Parking System Land.

“Parking Services Agreement” means any material agreement, contract or commitment to which the Asset Manager is a party relating to the Parking System Operations as in force from time to time (including the Parking Enforcement Engagement Agreement, the Parking Enforcement Operations Agreement, and any warranties or guaranties), but excluding the Lease, any Leasehold Mortgage and financing documents related thereto.

“Parking Services” means the On-Street Parking Services and Off-Street Parking Services.

“Parking Spaces” means the Metered Parking Spaces and off-street parking spaces comprising part of the Off-Street Parking System from time to time, but excluding Unmetered Parking Spaces.

“Parking System” means the On-Street Parking System and Off-Street Parking System.

“Parking System Condition Report” has the meaning ascribed to it in Section 4.1.

“Parking System Contracts” means the agreements to which the Transferor is a party relating to the use and operations of the Parking System, including the Assumed Contracts and the Parking System Contracts that are Excluded Liabilities and are listed on Schedule 6.

“Parking System Land” means those parcels of real property upon which the Parking Garages and Parking Lots are located and as further described in the Memorandum of Lease.

“Parking System Operations” means (i) the operation, management and maintenance of the Parking System, (ii) the issuance, processing and collection of parking tickets or citations for non-moving violations of parking rules and regulations with respect to the Parking Spaces pursuant to this Agreement, and (iii) all other actions relating to the Parking System that are performed by or on behalf of the Transferee pursuant to this Agreement.

“Parking Violations” means any ticket or citation issued by the City or by the Enforcement Operator (excluding moving violations) in the Competing Parking Area in accordance with the Enforcement Policies and Procedures.

“Parking Violation Revenue” means the revenues derived from any Parking Violations issued during the Term, any related fines imposed by the court (other than actual court costs) collected for Parking Violations or citations for violations of parking rules and regulations and other non-moving violations issued by an Enforcement Operator or police officer. The Schedule for Parking Fines is set forth on Schedule 3.

“Party” means a party to this Agreement and “Parties” means some or all of them as appropriate.

“PEDFA Intergovernmental Cooperation Agreement” means the agreement between the City and the Transferee providing for the transfer and delegation to Transferee of the City’s powers, functions and responsibilities (except the Parking Enforcement Powers and the Reserved Enforcement Powers) with respect to the On-Street Parking System and of the authority to set parking rates for the Parking System.

“Period of Operation” means, (i) with respect to each Metered Parking Space, the Days and the period or periods of time during each Day the parking of a motor vehicle in that Metered Parking Space is permitted and the payment of a Metered Parking Fee for use of that Metered Parking Space is required as described in Schedule 5; and (ii) with respect to the Parking Facilities, the Days and period or periods of time during each Day that the parking of a motor vehicle in a Parking Garage or Parking Lot is permitted as set forth in Schedule 5.

“Permitted Transferor Encumbrance” means, with respect to the Parking System: (i) the Transferee Interest; (ii) any Encumbrance that is being contested, or being caused to be contested, by the Transferor and disclosed in writing to the Transferee (but only for so long as such contest effectively postpones foreclosure of any such Encumbrance); (iii) any easement, covenant, condition, right-of-way, or other matters of record, or any zoning, building, environmental, health or safety Law relating to the development, use or operation of the Parking System (or other similar reservation, right and restriction) or other defects and irregularities in the title to the Parking System existing on the Closing Date and accepted by Transferee; (iv) the police and regulatory powers of the Commonwealth of Pennsylvania, the City, and Dauphin County with respect to the Parking System, and the regulation of traffic control and use of the Public Way, including the Reserved Enforcement Powers; (v) any right reserved to or vested in any Governmental Authority by any statutory provision or under common law; (vi) any other Encumbrance permitted hereunder; (vii) any Encumbrances created, incurred, assumed or suffered to exist by the Transferee or any Person claiming through it and permitted by this Agreement or the Lease; (viii) any rights reserved to or vested in the Transferor by any statutory provision; and (ix) any amendment, extension, renewal or replacement of any of the foregoing. Notwithstanding the foregoing, no encumbrance that would materially adversely affect the security interests granted to the Trustee pursuant to the Indenture or the Leasehold Mortgage as security for the Parking Bonds shall constitute a Permitted Transferor Encumbrance.

"Permitted Transferee Encumbrance" means, with respect to the Transferee Interest: (i) any Encumbrance that is being contested in accordance with Section 3.7(a) (but only for so long as such contest effectively postpones foreclosure of any such Encumbrance); (ii) any (A) lien or security interest for obligations not yet due and payable to a Contractor or other Person, (B) any statutory lien, deposit or other non-service lien or (C) lien, deposit or pledge to secure mandatory statutory obligations or performance of bids, tenders, contracts (other than for the repayment of borrowed money) or leases, or for purposes of like general nature, any of which are incurred in the ordinary course of business of the Parking System Operations and either (A) not delinquent or (B) which are being contested by the Transferee in accordance with Section 3.7(a) (but only for so long as such contest effectively postpones enforcement of any such Encumbrance); (iii) inchoate materialmen's, mechanics', workmen's, repairmen's, employees', carriers', warehousemen's, or other like Encumbrances arising in the ordinary course of business of the Parking System or the Transferee's performance of any of its rights or obligations hereunder, and either (A) not delinquent or (B) which are being contested by the Transferee in accordance with Section 3.7(a) (but only for so long as such contest effectively postpones enforcement of any such Encumbrance); (iv) any right reserved to or vested in any Governmental Authority by any statutory provision or under common law; (v) any other Encumbrance created by the Transferee and permitted hereunder; (vi) liens incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance, social security and other governmental rules and that do not in the aggregate materially impair the use, value or operation of the Parking System; (vii) any Encumbrance, security interest or pledge imposed upon the Transferee as to Transferee's assets arising from borrowings, financings, leases or similar transactions in the ordinary course of business (including any leasehold mortgage (and financing statements or other means of perfection thereto) or any Encumbrance created, incurred, or assumed pursuant to the Indenture in connection with the issuance of the Parking Bonds to the extent expressly permitted by the Indenture); and (viii) any amendment, extension, renewal or replacement of any of the foregoing.

"Person" means any individual (including, the heirs, beneficiaries, executors, legal representatives or administrators thereof), corporation, partnership, joint venture, trust, limited liability company, limited partnership, joint stock company, unincorporated association or other entity or a Governmental Authority.

"Prevailing Eastern Time" means Eastern Standard Time or Eastern Daylight Time, as applicable in the Commonwealth on the relevant day.

"Procurement Code" means the Commonwealth Procurement Code, 62 Pa.C.S. §101 *et seq.*

"Professional Engineer" means an engineer qualified and licensed as a professional engineer and an employee of an Engineering Firm.

"Property Taxes" means any ad valorem property tax attributable to the Parking System or the Transferee Interest, including any ad valorem tax on real property and improvements, building, structures, fixtures and tangible personal property.

"Prospective Rate Covenant" has the meaning ascribed thereto in the Indenture.

“Public Improvement” means any construction, reconstruction, improvement, enlargement, alteration, or repair of a building, highway, drainage system, water system, road, street, sidewalk, sidewalk area, alley, sewer, ditch, sewage disposal plant, water works, and all other structures or works of any nature by a public authority. Public Improvements include street improvements that enable the public use of the City’s street network by both automobile and public non-automobile modes of transportation (e.g., transportation by pedestrian way, bicycle, public bus, or public streetcar).

“Public Parking Lot” means a parcel of real property or portion thereof owned by the City, any public authority of the City, Transferor, any other governmental entity, or the Harrisburg Redevelopment Authority used in whole or in part for the principal purpose of temporary or permanent storage by the public of vehicles for a stated consideration.

“Public Parking Structure” means a building or portion thereof owned by the City, any public authority of the City, Transferor, the Harrisburg Redevelopment Authority, or any other governmental entity which encloses a space used in whole or in part for the principal purpose of temporary or permanent storage of vehicles by the public for a stated consideration.

“Public Way” means the streets, alleys, driveways and sidewalks owned by (or for the benefit of) the City.

“Qualified Designee” means the entity from time to time selected by the Transferee to serve as its representative to oversee the administration and management of the Parking System, which is engaged under an agreement that qualifies and is consistent with the conditions set forth under Rev. Proc. 97-13 or any successor revenue procedure, regulation or other official pronouncement of the Internal Revenue Service so as to not result in private business use under § 141(b) of the Internal Revenue Code, and which shall not adversely affect the exclusion of gross income of the interest on the Parking Bonds, or another entity with respect to which Transferee has received an opinion of nationally recognized bond counsel that such entity may be the Qualified Designee without adversely affecting the tax exempt status of the Parking Bonds. Initially, the Qualified Designee is CREDC. The Transferee and CREDC will enter into that certain Parking Services Agreement (the “Servicing Agreement”), an agreement that satisfies the requirements of the next preceding sentence.

“Rate Covenant” has the meaning ascribed thereto in the Indenture.

“Rating Agency” means any of Standard & Poor’s Ratings Services, Moody’s Investors Service, Inc., or Fitch Investors Service, Inc., or any similar entity, or any of their respective successors.

“Recovery Plan” means Harrisburg Strong Plan, filed on August 26, 2013 and approved by the Pennsylvania Commonwealth Court by its Order entered September 23, 2013.

“Rent” has the meaning given it in the Lease.

“Representative” means, with respect to any Person, any director, officer, employee, official, partner, member, owner, agent, lawyer, accountant, auditor, professional advisor, consultant, engineer, Contractor, other Person for whom such Person is at law responsible or other

representative of such Person or any professional advisor, consultant or engineer designated by such Person as its "Representative."

"Required Capital Improvements" has the meaning given that term in the Lease.

"Required Coverages" has the meaning ascribed thereto in Section 11.1.

"Reserved Enforcement Powers" means the exercise by the City of those police and regulatory powers with respect to the On-Street Parking System, including Metered Parking Spaces, and the regulation of traffic, traffic control and the use of the Public Way, including exclusive and reserved rights of the City to: (i) establish and revise from time to time all parking regulations, and fines with respect to the Public Way, excluding however, the Metered Parking Spaces; (ii) issue citations for all moving violations of the traffic laws; (iii) issue residential parking permits and enforce the City's residential permit program, except within the Competing Parking Area, as to which the City has retained the right to concurrently enforce the residential permit program and the exclusive right to issue residential parking permits; (iv) enforcement of the snow route and emergency weather restrictions; and (v) enforcement of the street sweeping parking restrictions.

"Revenues" means all revenues, receipts and income derived from the operation of the Parking System (excluding parking or gross receipts taxes and other taxes collected from users or imposed on users and remitted to the applicable taxing authority). Revenues shall also include the revenues of the Parking System that are pro-rated and transferred to the Transferee pursuant to Section 2.2(b).

"Reversion Date" means the Business Day immediately following the date on which this Agreement expires or is terminated.

"Schedule" means a schedule attached hereto and incorporated in this Agreement, unless otherwise expressly indicated by the terms of this Agreement.

"Schedule of Parking Fees" means (i) the fee schedule for Metered Parking Spaces; and (ii) the schedule of rates and charges for use of the Parking Facilities, both as set forth in Schedule 5.

"Surplus Fund" has the meaning ascribed thereto in the Indenture.

"Surplus Revenues" means amounts deposited in the Surplus Fund as provided in the Indenture.

"Taxes" means any federal, state, local or foreign income, gross receipts, commercial activity, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, permit fees, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, parking, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax, levy, impost, stamp tax, duty, fee, withholding or similar imposition of any kind payable, levied, collected, withheld or assessed at any time, including any interest, penalty or addition thereto, whether disputed or not; including special assessments and other lawful assessments in the nature of taxes with respect to or against the Parking System or any applicable service payments or payments in lieu of taxes

lawfully assessed with respect to or against the Off-Street Parking System with respect to periods on or after the Closing Date.

“Tax Exempt Parking Bonds” means any Parking Bonds the interest on which is excluded from gross income for federal income tax purposes as of the date of issuance.

“Temporary Closure” means any interruption to, or any suspension of, Parking System Operations with respect to a Parking Space during the Period of Operation of such Parking Space for certain commercial purposes where a Temporary Closure Fee is or may be charged.

“Temporary Closure Fee” means with respect to a Temporary Closure of an On-Street Parking Space due to the request of any Person, other than the Parties, seeking a Temporary Closure for approved purposes, a fee as set forth in the City’s municipal code for Temporary Closure of such Metered Parking Spaces for a stated period.

“Term” means with respect to each of the Intergovernmental Transfer, the Lease and this Agreement, a period of approximately 40 years expiring on December 31 2053; provided however, in the event the Indenture Obligations have not been satisfied in full on or before December 31, 2053, the Term shall automatically extend for additional successive periods of one (1) calendar month until such time as the Indenture Obligations shall have been fully satisfied, and shall end on the last day of the first calendar month in which no Indenture Obligations are outstanding.

“Third Party Claim” has the meaning ascribed thereto in Section 12.2(b).

“Time of Closing” means 10:00 a.m. Prevailing Eastern Time on the Closing Date or such other time on that date as the Transferor and the Transferee agree in writing that the Closing shall take place.

“Title Policy” has the meaning ascribed thereto in Section 2.4(a)(iii).

“Transaction” means the transfer of, and acquisition of, the Assets and the Intergovernmental Transfer and the effectiveness of the PEDFA Intergovernmental Cooperation Agreement, the DGS Intergovernmental Cooperation Agreement, and the Lease.

“Transaction Document(s)” means any or all of the documents entered into by Transferee in connection with the Transaction, including this Agreement, the Lease, the Indenture, the PEDFA Intergovernmental Cooperation Agreement, the Parking Lease, the Asset Management Agreement, the Servicing Agreement, and the Authority Notes.

“Transfer” means to sell, convey, assign, lease, sublease, mortgage, encumber, pledge, transfer or otherwise dispose of.

“Transferee Default” has the meaning ascribed thereto in Section 14.1(a).

“Transferee Indemnitee(s)” has the meaning ascribed thereto in Section 12.1.

“Transferee Interest” means the interest of the Transferee in the Parking System created by this Agreement, the PEDFA Intergovernmental Cooperation Agreement, and the Lease and the rights

of the Transferee under or pursuant to this Agreement, the PEDFA Intergovernmental Cooperation Agreement, or the Lease.

“Transferee Request” means a written request in respect of the Parking System prepared by or on behalf of the Transferee and addressed to the Transferor and the City seeking to make a fundamental change in the dimensions or location of any part of the Parking System or seeking any modification or change to the Operating Standards pursuant to Section 6.2; provided, however, that a Transferee Request need not be submitted in connection with operations, maintenance or repair of the Parking System in the ordinary course or any other aspects of Parking System Operations permitted or reserved to the Transferee under this Agreement.

“Transferor Default” has the meaning ascribed to it in Section 14.2(a).

“Transferor’s Option” has the meaning ascribed thereto in Section 16.7(a).

“Trustee” means the commercial bank or trust company with trust powers, designated by the Transferee, which serves from time to time as Trustee pursuant to the Indenture.

“Underwriter” means Guggenheim Securities, LLC, on behalf of itself and Piper Jaffray & Co.

“Unmetered Parking Spaces” means any on-street space within the Competing Parking Area that has neither a Metering Device nor is subject to a Metered Parking Fee.

“Year” means the calendar year.

“Zoning Ordinance” means Chapter 7 of the Codified Ordinances of Harrisburg, Pennsylvania, as amended and in effect on the date of this Agreement.

“Zoning Hearing Board” means the Zoning Hearing Board of the City of Harrisburg, created pursuant to §7-305.1 of the Codified Ordinances of Harrisburg, Pennsylvania, as amended, and as authorized by the MPC.

Section 1.2. Number and Gender. In this Agreement words in the singular include the plural and vice versa and words in one gender include all genders.

Section 1.3. Headings. The division of this Agreement into articles, sections and other subdivisions is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The headings in this Agreement are not intended to be full or precise descriptions of the text to which they refer and shall not be considered part of this Agreement.

Section 1.4. References to this Agreement. The words “herein,” “hereby,” “hereof,” “hereto” and “hereunder” and words of similar import refer to this Agreement as a whole and not to any particular portion of it. The words “Article,” “Section,” “paragraph,” “sentence,” “clause” and “Schedule” mean and refer to the specified article, section, paragraph, sentence, clause or schedule of or to this Agreement.

Section 1.5. References to Any Person. A reference in this Agreement to any Person at any time refers to such Person's permitted successors and assignees.

Section 1.6. Meaning of Including, Shall and Will. In this Agreement, the words "include," "includes" or "including" mean "include without limitation," "includes without limitation" and "including without limitation," respectively, and the words following "include," "includes" or "including" shall not be considered to set forth an exhaustive list. The words "shall" and "will" have the same meaning.

Section 1.7. Meaning of Discretion. Unless otherwise stated in this Agreement, the word "discretion" with respect to any Person means the sole and absolute discretion of such Person.

Section 1.8. Meaning of Notice. In this Agreement, the word "notice" means "written notice," unless specified otherwise.

Section 1.9. Consents and Approvals. Unless specified otherwise, wherever the provisions of this Agreement require or provide for or permit an approval or consent by any Party, such approval or consent, and any request therefor, must be in writing (unless waived in writing by the applicable other Party). To the extent such approval or consent is to be given, it shall not be unreasonably withheld, conditioned, or delayed.

Section 1.10. Trade Meanings. Unless otherwise defined herein, words or abbreviations that have well-known trade meanings are used herein in accordance with those meanings.

Section 1.11. Laws. Unless specified in the definitions or otherwise in this Agreement, references to a Law are considered to be a reference to (i) such Law as it may be amended from time to time, (ii) all regulations and rules pertaining to or promulgated pursuant to such Law, (iii) the successor to the Law resulting from recodification or similar reorganizing of Laws and (iv) all future Laws pertaining to the same or similar subject matter.

Section 1.12. Generally Accepted Governmental Accounting Principles. All accounting and financial terms used herein, unless specifically provided to the contrary, shall be interpreted and applied in accordance with generally accepted governmental accounting principles in the United States of America, consistently applied.

Section 1.13. Calculation of Time. For purposes of this Agreement, a period of Days shall be deemed to begin on the first Day after the event that began the period and to end at 5:00 p.m. (Prevailing Eastern Time) on the last Day of the period. If, however, the last Day of the period does not fall on a Business Day, the period shall be deemed to end at 5:00 p.m. (Prevailing Eastern Time) on the next Business Day.

Section 1.14. Approvals, Consents and Performance.

(a) *Procedures.* Wherever the provisions of this Agreement require or provide for or permit an approval or consent by the Transferor or City, unless a time period is specifically set forth elsewhere herein, the Transferor or the City, as applicable, shall provide approval or consent no later than ten (10) Business Days following receipt of the Transferee's request, provided, however, that if

the Transferor should fail to respond within the aforesaid period, the Transferee may deem such a failure to respond a disapproval of the matter of which such approval or consent is being sought. Notwithstanding the foregoing, if any such approval or consent by the Transferor or the City requires action by Board of Directors of Transferor or the City Council of the City, the time period for response shall be thirty (30) calendar days.

(b) *Authority of the Transferor.* Wherever this Agreement provides that an act is to be taken or performed or approval or consent is to be given by the Transferor, such act may be taken or performed or approval or consent may be given by the Executive Director (or in his or her absence, any officially designated designee thereof) so long as the Transferor remains in existence, and thereafter, by the City by its Mayor (or any officially designated official of the City), and the Transferee may conclusively rely thereon in all respects.

(c) *Authority of the Transferee.* Wherever this Agreement provides that an act is to be taken or performed or approval or consent is to be given by the Transferee, such act or consent or approval may be taken or performed by the Transferee or by the Qualified Designee of the Transferee, and the Transferor and the City may rely thereon in all respects.

Section 1.15. Incorporation of Schedules. The Schedules are integral to, and are made a part of, this Agreement. In the event of any conflict between the terms of this Agreement and the terms of the Schedules, the terms of this Agreement shall control. Capitalized terms used but not defined in the Schedules have the meaning given them in this Agreement.

ARTICLE 2

THE TRANSACTION; CLOSING; CONDITIONS PRECEDENT; COVENANTS

Section 2.1. Transfer and Acquisition.

(a) Upon the terms and subject to the satisfaction of conditions set forth in this Agreement, on the Closing Date, effective at the Time of Closing:

(i) The Transferee shall acquire from the Transferor that portion of the Assets constituting the Off-Street Parking System as set forth on Schedule 1(A-1), excluding the assets set forth in Schedule 6 (the "Excluded Assets").

(ii) The Transferor and the Transferee shall enter into the Lease.

(iii) The Transferee shall assume the liabilities set forth on Schedule 1(A-2) (the "Assumed Liabilities") excluding the liabilities set forth on Schedule 6 (the "Excluded Liabilities").

(iv) The Transferee shall pay the Acquisition Price for the Parking System, which includes the Intergovernmental Transfer and the ownership of the Revenues, to the

Transferor. The "Acquisition Price" is the upfront consideration of \$467,000,000¹, subject to adjustment as provided in Section 2.1(b), plus a portion of the City Payments and the Rent payable under the Lease. The upfront portion of the Acquisition Price, including the Authority Notes, shall be payable solely from the proceeds of the Parking Bonds and from Revenues as follows:

(1) payment of the sum of \$270,000,000² (subject to adjustments as provided in Section 2.1(b)) shall be payable in immediately available funds on the Closing Date (the "Closing Consideration") to the Transferor; and

(2) delivery to the Transferor on the Closing Date of the Authority Notes in the aggregate principal amount of \$197,100,000² (subject to adjustment as provided in Section 2.1(b)).

(b) The Parties acknowledge and agree that the upfront portion of the Acquisition Price will be \$467,000,000² and will be adjusted at Closing based on actual bond interest rates in the tax-exempt municipal bond markets at Closing. The Parties further acknowledge that the allocation between the cash portion of the Acquisition Price and the aggregate principal amount of the Authority Notes to be paid and delivered at the Time of Closing may differ from the allocated amounts set forth herein depending upon the actual terms of the sale of the Parking Bonds. The Parties agree at the Time of Closing to adjust the allocation of the cash portion of the Acquisition Price and the aggregate principal amount of the Authority Notes to reflect the actual proceeds from the sale of the Parking Bonds. The adjustment to the aggregate principal balance of the Authority Notes will be effectuated by adjusting only the Authority Note with the largest principal balance.

(c) The City and DGS, as the Parking Enforcement Delegation Agency, shall execute and deliver the DGS Intergovernmental Cooperation Agreement.

(d) The City and Transferee shall execute and deliver the PEDFA Intergovernmental Cooperation Agreement.

(e) The transfer of the Parking System as provided pursuant to this Agreement shall be made to the Transferee free and clear of all liens and encumbrances, other than Permitted Transferor Encumbrances, and shall vest in the Transferee, a valid leasehold or other interest therein, free and clear of all liens and encumbrances, other than Permitted Transferor Encumbrances.

(f) The Transferor shall assign and convey the Assets constituting tangible personal property by bill of sale to the Transferee, free and clean of all liens and encumbrances. The City

¹ Final confirmation of the Acquisition Price depends upon an on-going value analysis and review of the Parking System. In addition, the upfront cash portion of the Acquisition Price depends upon market conditions and tax-exempt bond rates at the time the Parking Bonds are sold. The Closing Consideration (cash) of \$270,000,000 is a projection based on current market rates and conditions. This amount could increase or decrease. The total of the Authority Notes will be the difference between the upfront portion of the Acquisition Price and the Closing Consideration (cash).

shall assign and convey by quitclaim bill of sale any interest it may have in any of the Assets constituting tangible personal property.

(g) The City agrees that the payment and delivery of the upfront portion of the Acquisition Price to the Transferor at Closing, and the payment to the City of the City Payment, will constitute good and valuable consideration to the City for the City's covenants and agreements herein, the Intergovernmental Transfer, and the execution and delivery of the DGS Intergovernmental Cooperation Agreement and the PEDFA Intergovernmental Cooperation Agreement.

(h) The Parties agree that a portion of the Authority Notes in an amount set forth in the Tax Certificate and Agreement filed pursuant to the Indenture will be allocated to the acquisition of the leasehold estate under the Lease and any portion of the Parking System that constitutes private use facilities under Section 141 of the Internal Revenue Code of 1986. Such allocation will not reduce the Rent payable under the Lease. The Parties further agree that the City Payments will be allocated to the Intergovernmental Transfer. The Parties agree that all of their tax returns, informational returns and other filings with the Internal Revenue Service will be consistent with such allocations.

Section 2.2. Closing.

(a) The consummation of the transfer and acquisition of the Assets and the Intergovernmental Transfer (the "Closing") shall take place on December 16, 2013 or such earlier date as agreed by the Transferee and the Transferor (the "Closing Date"). The Closing shall be held at the offices of Dilworth Paxson LLP, 1500 Market Street, Suite 3500E, Philadelphia, PA, or such other place which is agreed to in writing by the Transferor and the Transferee. At the Time of Closing, the Transferee shall deliver or cause to be delivered to the Transferor the Closing Consideration due on the Closing Date and the Authority Notes, and upon receipt of such payment the Transaction shall be effective.

(b) Revenues and Assumed Liabilities shall be prorated between the Transferor and the Transferee as of 11:59 p.m. on the Day immediately preceding the Closing Date based upon the actual number of Days in the month and a 365-day year and the required payment resulting from such proration shall be added to or subtracted from the Closing Consideration accordingly. If final prorations cannot be made at the Closing for any item being prorated under this Section 2.2(b), then the Transferor and the Transferee shall allocate such items on a fair and equitable basis, with final adjustment to be made as soon as reasonably possible after the Closing Date. The Transferor and the Transferee shall have reasonable access to, and the right to inspect and audit, the other's books to confirm the final prorations to the extent permitted by Law.

Section 2.3. Conditions Precedent; Termination.

(a) *Conditions for the Benefit of the Transferee.* The Transferee shall be obligated to complete the Closing only if each of the following conditions has been satisfied in full at or before the Time of Closing, unless waived by the Transferee: (i) the representations and warranties of the Transferor set forth in Section 8.1, and of the City in Section 8.2, the DGS Intergovernmental Cooperation Agreement, and the PEDFA Intergovernmental Cooperation Agreement shall be true

and correct in all material respects on and as of the date hereof and at and as of the Time of Closing with the same force and effect as if made at and as of such time and date and the DGS Intergovernmental Cooperation Agreement and the PEDFA Intergovernmental Cooperation Agreement are in full force and effect; (ii) neither the Transferor nor the City shall be in material breach of any material covenant on its part contained in this Agreement which is to be performed or complied with by the Transferor or the City at or prior to the Time of Closing; (iii) the Transferor shall have obtained and delivered to the Transferee effective at the Time of Closing, valid, executed and enforceable assignments of (A) all Parking System Contracts that are Assumed Contracts, (B) other Assets to be transferred, and (C) Assumed Liabilities that are not to be terminated or amended, an approved settlement of prorated Taxes and other expenses, and a leasehold title policy or policies, in form and substance reasonably acceptable to the Transferee, insuring the leasehold interest of the Transferee (which will include an endorsement with the terms of the leasehold mortgage coverage), which policy or policies will reflect that the Transferor (as lessor) owns the good and marketable title to the Parking Facilities and Parking System Land, and has conveyed to the Transferee a valid and enforceable leasehold estate as described in the Lease and herein, subject only to Permitted Transferor Encumbrances and Permitted Transferee Encumbrances (the "Title Policy"); (iv) no material casualty shall have taken place with respect to the Parking System, (v) the Transferor shall have delivered and caused to be delivered to the Transferee and the Underwriter, legal opinions of counsel to the Transferor and the City; (vi) certified copies of the City Ordinances shall have been delivered to the Transferee; (vii) the Schedule of Parking Fees shall have been approved by the City and be in effect; (viii) the City Documents shall have been executed by the City and delivered to the Transferee; (ix) the Parking Enforcement Delegation Agency and the Asset Manager shall have executed and delivered the Parking Enforcement Engagement Agreement and the Asset Manager and the Enforcement Operator shall have executed and delivered the Parking Enforcement Operations Agreement; (x) all of the Transferor's outstanding bonds secured by any interest in the Parking System, including Revenues pledged to such bonds, are paid or defeased concurrently with the Closing as evidenced by certificates and opinions satisfactory to Transferee; and (xi) the Transferee shall have issued the Parking Bonds.

(b) *Conditions for the Benefit of the Transferor and the City.* The Transferor and the City shall be obligated to complete the Closing only if each of the following conditions precedent has been satisfied in full at or before the Time of Closing, unless waived by the Transferor and the City: (i) all representations and warranties of the Transferee in Section 8.3 shall be true and correct in all material respects on and as of the date hereof at and as of the Time of Closing with the same force and effect as if made at and as of such time; (ii) the Transferee shall not be in material breach of any material covenant on its part contained in this Agreement which is to be performed or complied with by the Transferee at or prior to the Time of Closing (including the failure of the Transferee to pay the Closing Consideration at Closing in accordance with the terms hereof); (iii) the Transferee shall have assumed the Assumed Liabilities; (iv) the Transferee shall have delivered to the Transferor and the City a legal opinion of counsel to the Transferee; (v) the Transferee shall have entered into an Asset Management Agreement with the Initial Asset Manager, (vi) the Initial Asset Manager shall have entered into a Parking Services Agreement with the Initial On-Street Operator and the Initial Off-Street Operator; (vii) the City shall have entered into a settlement agreement with AGM and the County pursuant to the Recovery Plan; (viii) the Transferee shall have delivered the fully executed Authority Notes; and (ix) the Transferee is contemporaneously issuing the Parking Bonds.

(c) *Mutual Conditions.* The Transferor, the Transferee and the City shall be obligated to complete the Closing only if each of the following conditions precedent has been satisfied in full at or before the Time of Closing, unless waived by all of the Transferor, the Transferee, and the City: (i) there shall be no preliminary or permanent injunction or temporary restraining order or other order issued by a Governmental Authority of competent jurisdiction or other legal restraint or prohibition enjoining or preventing the consummation of the Transaction; (ii) there shall be no action taken, or any Law enacted, entered, enforced or deemed applicable to the Transaction by any Governmental Authority of competent jurisdiction that, in any such case, has resulted or (in the case of any pending review or proceeding, if adversely determined) could reasonably be expected to result in such Governmental Authority conditioning or restricting the consummation of the Transaction in a manner that would impose a material impairment or make the consummation of the Transaction illegal; (iii) there shall be no pending appeal (and all periods during which an appeal could be filed shall have expired) with respect to challenges to the consummation of the Transaction or any actions taken by the City with respect thereto; (iv) the Transferor and the Transferee shall have executed and delivered the Lease; and (v) the Credit Facility Providers have issued the insurance policies and guarantees provided for under the Indenture.

(d) *Waiver of Conditions.* No waiver of any of the conditions to Closing provided for in Section 2.3 shall be effective unless prior written notice of such waiver has been given to the Credit Facility Providers.

(e) *Termination.* This Agreement may be terminated at any time prior to the Closing:

(i) by mutual consent of the Transferor, the Transferee, and the City in a written instrument;

(ii) by any Party, upon notice to the other Parties, if any Governmental Authority (excluding the City) of competent jurisdiction shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the Transaction, and such order, decree, ruling or other action has become final and nonappealable; *provided; however,* that the right to terminate this Agreement under this Section 2.3(e)(ii) shall not be available to any Party whose failure to comply with any provision of this Agreement or other conduct has been the cause of, or results in, such action;

(iii) by the Transferee, upon notice to the Transferor, if any condition set forth in Section 2.3(a) or (c) is not satisfied at the Time of Closing; provided, however, that the Transferee shall not have the right to terminate this Agreement under this Section 2.3(e)(iii) if the Transferee's failure to comply with any provision of this Agreement or other conduct has been the cause of, or resulted in, the failure of such condition or conditions to be satisfied;

(iv) by the Transferor, upon notice to the Transferee, if any condition set forth in Section 2.3(b) or (c) is not satisfied at the Time of Closing; provided, however, that the Transferor shall not have the right to terminate this Agreement under this Section 2.3(e)(iv) if the Transferor's failure to comply with any provision of this Agreement or other conduct has been the cause of, or resulted in, the failure of such condition or conditions to be satisfied; or

(v) by the City, upon notice to the Transferee, if any condition set forth in Section 2.3(b) or (c) is not satisfied at the Time of Closing; provided, however, that the City shall not have the right to terminate this Agreement under this Section 2.3(d)(v) if the City's failure to comply with any provision of this Agreement or other conduct has been the cause of, or resulted in, the failure of such condition or conditions to be satisfied.

(f) *Effect of Termination.* In the event of termination of this Agreement by either the Transferor or the Transferee as provided in herein this Agreement shall forthwith become void and there shall be no liability or obligation on the part of the Transferor or the Transferee or their respective Representatives or on the part of the Underwriter, the Asset Manager, the Off-Street Operator, the On-Street Operator, the Enforcement Operator, the Qualified Designee, or their respective Representatives.

Section 2.4. Covenants.

(a) *Cooperation.* During the Closing Period, the Parties shall cooperate with each other, the Qualified Designee, the Asset Manager, Operator, and Underwriter in order to permit the Closing to be consummated on the Closing Date, including with respect to the matters listed in Schedule 11. After the Closing Date, the Parties, the Qualified Designee, the Asset Manager and the Operator shall cooperate in a commercially reasonable manner regarding the transition of enforcement and operational control of the Parking System, including with respect to the matters listed in Schedule 11.

(b) *Reasonable Efforts.* During the Closing Period, each Party shall use all reasonable efforts (i) to take, or cause to be taken, all actions necessary to comply promptly with all requirements under this Agreement and all legal requirements which may be imposed on such Party to consummate the Transaction as promptly as practicable, including making any necessary filings, and (ii) to obtain (and to cooperate with the other Party to obtain) any Consent of any Governmental Authority or any other public or private third party which is required to be obtained or made by such Party in connection with the consummation of the Transaction. Subject to Section 2.4(g), each Party shall promptly cooperate with and, upon request by the other Party, promptly furnish any non-confidential or non-proprietary information to the other in connection with any such efforts by, or requirement imposed upon, any of them in connection with the foregoing.

(c) *Injunctions.* If any Governmental Authority of competent jurisdiction issues a preliminary or permanent injunction or temporary restraining order or other order before the Time of Closing which would prohibit or materially restrict or hinder the Closing, each Party shall use all reasonable efforts to have such injunction, decree or order dissolved or otherwise eliminated or to eliminate the condition that formed the basis for such injunction or order, in each case as promptly as possible and, in any event, prior to the Time of Closing.

(d) *Operation of the Parking System.* During the Closing Period, the Transferor shall operate the Parking System in the ordinary course in a manner consistent with past practice, which shall include using all reasonable efforts to preserve the goodwill of the Parking System and to maintain good business relationships with Persons having business dealings with the Parking System, to maintain the Parking System in substantially the same or better condition and repair as they exist on the date hereof and in accordance with past practice (ordinary wear and tear excepted),

to perform (or cause to be performed) in all material respects all of the Transferor's obligations under the Assumed Contracts, not to incur or permit Encumbrances on the Parking System (other than Permitted Transferor Encumbrances) that are not satisfied by the Closing Date (or retained by the Transferor as Excluded Liabilities after the Closing Date), and to cause the Parking System to be operated in all material respects in accordance with all applicable Laws (except to the extent any non-compliance is being contested in good faith by appropriate proceedings and which are disclosed to Transferee and Underwriter prior to the execution of this Agreement or, if occurring during the Closing Period, within three (3) Days of the Transferor becoming aware of the non-compliance but in no event less than three (3) Days prior to Closing), all to the end that the Parking System as a going concern shall be unimpaired and delivered to the Transferee at the Time of Closing in the same condition as of the date hereof; provided, however, that the Transferor shall not amend, modify, renew, execute or otherwise negotiate any contracts relating to the Parking System or the Parking System Operations after the date hereof up to the Time of Closing without the prior written approval of the Transferee, provided, further, that no such written approval shall be required for any such contract that expires prior to Closing or is not a Parking System Contract. The Transferor, shall, up to and including the Time of Closing, be entitled to all of the cash or cash equivalents in or generated by the Parking System (subject to the terms of Section 2.2(b) in the case of any cash or cash equivalents that are paid prior to the Time of Closing but are allocable to periods after the Time of Closing). Without limiting the foregoing, the Transferor shall not terminate, amend, modify or agree to a waiver of the terms of any Authorization related to the Parking System after the date of this Agreement and before the Time of Closing without the consent of the Transferee, which shall not be unreasonably withheld, conditioned or delayed.

(e) *Parking System Contracts.* The Assumed Contracts shall be assigned by the Transferor to, and assumed by, the Transferee at the Time of Closing. All Parking System Contracts that are not Assumed Contracts shall be either (i) terminated by Transferor or (ii) amended so they no longer relate to any portion of the Parking System concurrently with or as soon as possible following Closing, but in any event not later than sixty (60) days following Closing. Any amounts due with respect to such terminations are Excluded Liabilities.

(f) *Disclosure of Changes.*

(i) During the Closing Period, each Party shall immediately disclose in writing to the other Party any matter which becomes known to it which is inconsistent in any material respect with any of the representations or warranties contained in Article 8. No such disclosure, however, shall cure any misrepresentation or breach of warranty for the purposes of Section 2.3 or Article 12; and

(ii) During the Closing Period, the Transferor may supplement or amend the Schedules hereto, including one or more supplements or amendments to correct any matter which would constitute a breach of any representation, warranty, covenant or obligation contained herein. No such supplement or amendment shall be deemed to cure any breach for purposes of Section 2.3(a), provided however, if Transferee does not object in writing to any such supplement or amendment prior to Closing, Transferee shall be deemed to have agreed to such supplement or amendment and Transferor shall have no further liability for such breach.

(g) *Access to Information.* During the Closing Period, but subject to confidentiality obligations binding on the Transferor with respect to any Person (provided that the Transferor has disclosed to the Transferee the existence of the applicable document that is subject to such confidentiality limitation in order to enable the Transferee to evaluate the materiality and significance of the lack of disclosure based on such limitations) the Transferor shall (i) give the Transferee and its Representatives reasonable access during normal business hours and on reasonable notice to the Parking System, subject to the Transferor's policies and regulations regarding safety and security and any other reasonable conditions imposed by the Transferor, (ii) permit the Transferee and its Representatives to make such inspections as they may reasonably request and (iii) to furnish the Transferee and its Representatives with such financial and operating data and other information that is available with respect to the Parking System as they may from time to time reasonably request. Subject to applicable Law, the Transferee shall hold and will cause its Representatives to hold in strict confidence all documents and information it obtains concerning the Parking System in connection with the Transaction. After the Closing Date, the Transferee shall at the request of the Transferor, in connection with claims or actions brought by or against third parties based upon events or circumstances concerning the Parking System prior to the Closing Date, (A) provide reasonable assistance in the collection of information or documents and (B) direct the Asset Manager and the Operator to make their employees available when reasonably requested by the Transferor.

(h) *Casualty Loss Prior to Closing.* If prior to the Time of Closing, a material casualty loss, destruction or damage to all or a portion of the Parking System has occurred, then the Transferee may terminate this Agreement.

(i) *Policies of Insurance.* During the Closing Period, the Transferor shall continue in force all applicable policies of insurance maintained by the Transferor in respect of the Parking System. At the Time of Closing, the Transferee, shall be responsible for obtaining insurance for the Parking System in accordance with the terms hereof.

(j) *Employees.* Transferee shall cause the Asset Manager to cause the Operator to offer employment to existing employees of Transferor and to up to seven employees of the City for Available Positions on or prior to the Closing Date, prior to offering an Available Position to someone who is not an existing employee of Transferor or the City, and in each case with respect to employees of the Transferor or the seven employees of the City, subject to and in accordance with the following conditions as part of new initial terms and conditions of employment set by Operator:

(i) the existing employee is qualified in the discretion of Operator for the Available Position to be offered;

(ii) wages will be offered at an hourly rate which will be a minimum of ninety percent (90%) of the employee's current base hourly rate if the employee is hired in the same position or classification or a higher paying classification; this wage rate provision shall be effective for a period of twelve (12) months, after which time wages rates may be modified in accordance with any collective bargaining agreement if one exists, or unilaterally by Operator if there is no collective bargaining representative;

(iii) if an existing employee is hired for a lower paying position or job classification and was hired by Transferor prior to September 1, 2003, the employee will be paid an hourly rate which will be a minimum of ninety percent (90%) of the employee's current base hourly rate; if the existing employee is hired for a lower paying position or classification and was hired by Transferor on or after September 1, 2003, the employee will be paid an hourly rate which will be the lesser of ninety percent (90%) of the employee's current base hourly rate or ninety percent (90%) of the base hourly rate of a bargaining unit employee in the same or similar classification; these wage rate provisions shall be effective for a period of twelve (12) months, after which time wage rates may be modified in accordance with any collective bargaining agreement if one exists, or unilaterally by Operator if there is no collective bargaining representative; and

(iv) existing employees who are eligible for health, prescription, dental and vision insurance will pay a maximum of ten percent (10%) of health, prescription, dental and vision insurance premiums for a plan selected by the employee from options as determined by Operator which are substantially equivalent to Transferor's current plan of benefits; this provision shall be effective for a period of twelve (12) months, after which time contributions and plan benefits may be modified in accordance with any collective bargaining agreement if one exists, or unilaterally by Operator if there is no collective bargaining representative.

Transferee shall cause the Asset Manager to cause the Operator to maintain the positions, hours and offered wage rates of the Available Positions for twelve (12) months following Closing; provided that this covenant shall apply to each Available Position only for so long as each such position is filled by an existing employee of Transferor or the seven existing employees of the City, and only for those existing employees who are hired by Operator contemporaneously with the Closing hereunder. For a period of twelve (12) months following the expiration of the 12-month period described in the previous sentence, Transferee shall cause the Asset Manager to cause the Operator to maintain at least thirty-one (31) full-time equivalent positions in its operation of the Parking System.

The provisions of this Section 2.4(j) only apply to bargaining unit positions.

(k) *Supervisory Employees.* Transferee shall cause the Asset Manager to cause the Operator to offer employment to the existing supervisory employees of Transferor for Available Supervisory Positions on or prior to the Closing Date, prior to offering an Available Supervisory Position to someone who is not an existing employee of Transferor, and in each case subject to and in accordance with the following conditions:

(i) the existing employee is qualified in the discretion of Operator for the Available Supervisory Position to be offered;

(ii) wages will be offered at an hourly rate which will be a minimum of Ninety Percent (90%) of the employee's current base hourly rate; this wage rate provision shall be effective for a period of twelve (12) months, after which time wages rates may be modified by Operator; and

(iii) existing employees who are eligible for health, prescription, dental and vision insurance will pay a maximum of ten percent (10%) of health, prescription, dental and vision insurance premiums for a plan selected by the employee from options as determined by Operator which are substantially equivalent to Transferor's current plan of benefits; this provision shall be effective for a period of twelve (12) months, after which time contributions and plan benefits may be modified by Operator.

Transferee shall cause the Asset Manager to cause Operator to maintain the positions, hours and wage rates of the Available Supervisory Positions for twelve (12) months following Closing; provided that this covenant shall apply to each Available Supervisory Position only for so long as each such position is filled by an existing supervisory employee of Transferor who is hired by Operator contemporaneously with the Closing hereunder.

Section 2.5. Intended Treatment for Federal and State Income Tax Purposes. This Agreement is intended for United States federal and state income tax purposes to be the acquisition by the Transferee of a leasehold interest in and to the Parking System including the Parking System Land, acquisition of certain personal property associated with the Parking System, and acquisition of the rights and interests comprising the Intergovernmental Transfer, all within the meaning of sections 197(d)(1)(D) and (F) of the Internal Revenue Code of 1986, and sections 1.197-2(b)(8) and (10) of the Income Tax Regulations thereunder, for and during the Term to provide Parking Services, and the assignment and transfer to the Transferee of all other section 197 intangibles (within the meaning of such in the Internal Revenue Code of 1986) held by the Transferor with respect to the Parking System and conveyed by this Agreement. The Transferor and the Transferee agree that the Closing Consideration will be allocated among the assets that the Transferee is obtaining the use of pursuant to this Agreement using the residual allocation provisions of Section 1060 of the Internal Revenue Code of 1986 as provided therein.

Section 2.6. Closing Deliveries. At the Time of Closing, each Party shall execute and deliver all agreements, bills of sale, assignments, meter licenses, endorsements, instruments and documents as are reasonably necessary in the opinion of the other Party to effect the Transaction (and in form and substance that are reasonably satisfactory to such other Party).

Section 2.7. Memorandum of Lease. At the time of Closing, the Parties shall execute and deliver a memorandum of lease (the "Memorandum of Lease") in the form attached to the Lease, which shall be filed with the Dauphin County Recorder's Office. To the extent that after Closing, changes are made to this Agreement with respect to the Term, Parking System Land, or other material matters set forth in the Memorandum of Lease, the Parties shall execute, deliver, and record an amendment to the recorded Memorandum of Lease reflecting such changes. The Parties agree not to record this Agreement or the Lease itself.

Section 2.8. No General Obligations. Notwithstanding anything herein or in the Lease and all other Transaction Documents to the contrary, the obligations, covenants, and agreements of the Transferee pursuant to this Agreement shall be limited non-recourse obligations of the Transferee, payable solely from proceeds of the Parking Bonds and the Revenues of the Parking System, shall not constitute a pledge of the faith and credit of the Transferee or of any assets of the Transferee other than Transferee's right, title and interest in and to the Parking System, and the Transferor shall have no claim against the Transferee for the performance of any obligation or for