



IMPROVING LIVES. BUILDING COMMUNITY. to be the best utility in the country

FINANCE & OPERATIONS COMMITTEE

JEA Headquarters | 1st Floor | Room 120-A&B | 225 Pearl Street, Jacksonville, FL 32202

September 15, 2023 | 9:00 am – 11:00 am

Members: General Joseph DiSalvo, Marty Lanahan, Rick Morales– All Board Members are Welcome

WELCOME

Meeting Called to Order

Adoption of Agenda ([Action](#))

General Joseph DiSalvo, Chair

Approval of Minutes – June 23, 2023 ([Action](#))

[Values Moment](#)

Shannon Tremain, Financial Analyst

COMMENTS / PRESENTATIONS

Comments from the Public

Public

FOR COMMITTEE CONSIDERATION

DEEPEN CUSTOMER & COMMUNITY ENGAGEMENT

[Pricing Policy \(Action\)](#)

Victor Blackshear, Director, Financial Planning & Rates

[Revenue Requirements Results/Rate Study Update](#)

[Establishment of a Debt Ceiling for JEA \(Action\)](#)

Randall Barnes, Treasurer

[Delegation of Authority \(Action\)](#)

A.J. Souto, Financial Analyst Senior

[Debt Management Policy \(Action\)](#)

[Quarterly Financial Review](#)

Russell Caffey, Controller

[Supplier Diversity Program](#)

Rita Scott, Manager, Supplier Diversity Programs
and Procurement Services

[FY24 Performance Scorecard](#)

Lindsay Starner, Director, Corporate Strategy
Stefanie Monroe, Director, Analytics

OTHER BUSINESS & CLOSING CONSIDERATIONS

Old & Other New Business / Open Discussion

Announcements – Next Meeting TBD

Adjournment

General Joseph DiSalvo, Chair

SUPPLEMENTAL INFORMATION

[Appendix A: Finance & Operations Committee Minutes–June 23, 2023](#)

[Appendix B: Pricing Policy](#)

[Appendix C: Establishment of a Debt Ceiling for JEA](#)

[Appendix D: Debt Management Policy](#)

[Appendix E: Jacksonville Small & Emerging Business Quarterly Report](#)

[Appendix F: Electric System and Water & Sewer System Fund Report](#)

[Appendix G: JEA Energy Market Risk Management Policy Report](#)

[Appendix H: Delegation of Authority](#)



Building Community®

Finance & Operations Committee

September 15, 2023

General Joseph DiSalvo, Committee Chair

Fred Davis, JEA Electrical Technician





Values Moment

Shannon Tremain, Financial Analyst

Safety

We put the physical and emotional wellbeing of people first, both at and away from work.

Safety Briefing - Headquarters

In the event of an emergency, JEA Security will call 911 and coordinate any required evacuation

Emergency Evacuation Route: Exit building via Pearl Street main entrance/exit or Monroe Street exit to the left of the American flag

Assembly Point: Front of Duval County Clerk of Courts (NW corner of Adams St. & Clay St.)

Evacuation or Medical Assist: Notify JEA Security Officer

Hazard & Situational Awareness

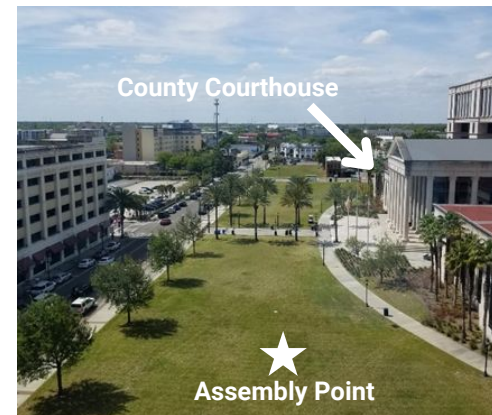
Cell Phone & Computer Etiquette



Pearl Street Exit



**Monroe Street Exit
Left of the American Flag**



MENTAL HEALTH TIPS

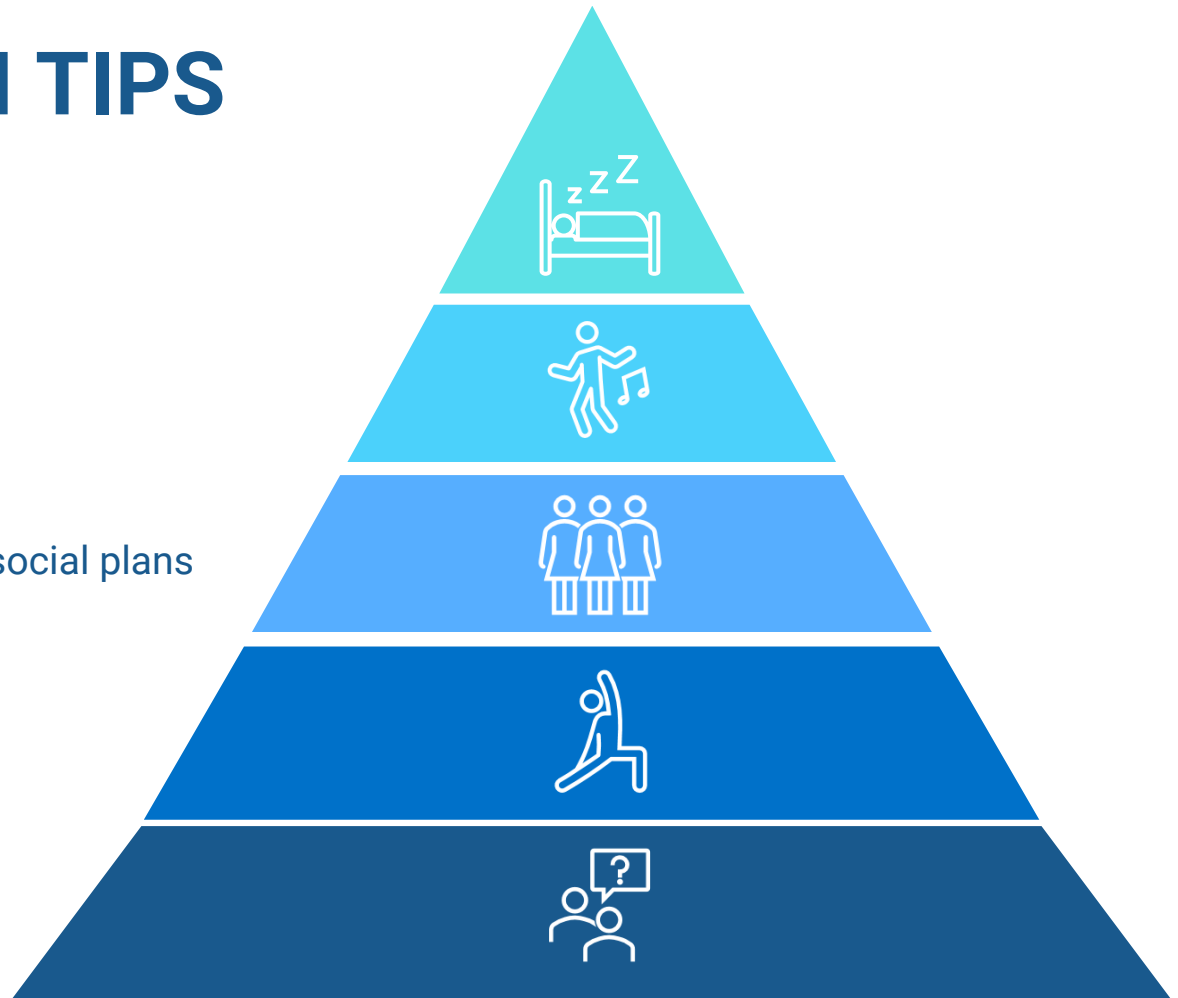
01 Prioritize sleep and rest

02 Get active






03 Prioritize making and keeping social plans

04 Take up a relaxing hobby

05 Ask for help



#BeThe1To

-  Ask
-  Be There
-  Help Keep Them Safe
-  Help Them Connect
-  Follow-up



Resources



HealthAdvocate™

Employee Assistance Program offers free licensed counseling and can refer team members and their family to ongoing care if necessary

1-877-240-6863

members.healthadvocate.com



988 is the new shortened emergency number for the suicide and crisis hotline

Available 24/7 via phone, text or online



TELADOC™

Teladoc - counseling over the phone, seven days a week

teladoc.com/therapy



Offers local education and peer support groups in Jacksonville and across the states for individuals and their families

904-323-4723

helpline@namijax.org

namijax.org

COMMENTS FROM THE PUBLIC





Matt Stafford, JEA Electric Maintenance Coordinator

Pricing Policy

Victor Blackshear, Director, Financial Planning & Rates
Action

**DEEPEN CUSTOMER &
COMMUNITY ENGAGEMENT**

Pricing Policy Revisions

Purpose

The Pricing Policy is intended to provide broad guidance and to facilitate the management, control, and oversight of JEA's pricing structure

Goal

Its primary goal is to establish revenue requirements to fully recover the costs necessary to operate and maintain the utility, consistent with its mission, through fair and equitable pricing

Recommendations

- Legacy Charges Removal
- Health Insurance Reserve Update
- Other Administrative Changes

Pricing Policy Revisions

Legacy Charges Removal

Current

The policy references the following Legacy Charges:

Residential Conservation Charge for Electric System

Environmental Charge for Electric, Water/Wastewater Systems

Proposed

Remove the Legacy Charge sections since those charges were eliminated from the tariff at the April 1, 2023 Rate Hearing



Pricing Policy Revisions

Health Insurance Reserve Update

Current

Funding & Authorization Section

Missing a Florida Statute reference
Designates the Board as the approver

Excess Funds Section

States refunding to the employee as an option

Proposed

Funding & Authorization Section

Reference Florida Statute 112.08 as additional guidance for reserve requirements
Designate the Managing Director/CEO or his designee to align with the JEA Charter

Excess Funds Section

Remove the refunding option since JEA is the primary contributor and may use the excess funds to pay for the Stop Loss Insurance



Pricing Policy

Revision Recommendations



Removal of Legacy Charges



Health Insurance Reserve Update



Other Policy Administrative Items

Aligning gains realized from dispatch agreements with current practices

Removal of cash basis rate reference in Water and Sewer System Pricing section

Staff seeks a recommendation for Board approval of the proposed Pricing Policy revisions



JEA Highspeed Transmission Line

Revenue Requirements Results Rate Study Update

Victor Blackshear, Director, Financial Planning & Rates

**DEEPEN CUSTOMER &
COMMUNITY ENGAGEMENT**

FY2024: Electric System Revenue Requirements Updated

JEA's Pricing Policy dictates the rate setting methodology to be Utility Basis to ensure the financial integrity of the utility to maintain key financial metrics

Revenue Requirements (Utility Basis per Pricing Policy)	FY23 Projection*	FY24 Budget	Variances
Operation & Maintenance Expenses	\$262.4	\$290.3	\$27.9
DSM and Environmental Expenditures	\$9.0	\$24.9	\$15.9
Non-Fuel Purchased Power(NFPP) Expense (Excluding Stabilization Fund Activity)	\$119.1	\$260.1	\$141.0
Depreciation Expense	\$224.1	\$219.6	(\$4.5)
Contribution To City	\$95.5	\$95.2	(\$0.3)
Other Non-Operating Expenses	\$1.9	(\$5.8)	(\$7.7)
Target Return	(\$1.2)	\$13.3	\$14.5
Gross Revenue Requirement \$M	\$710.8	\$897.7	\$186.9
Less Other Revenue Sources	(\$112.0)	(\$60.9)	\$51.1
NFPP Stabilization Activity	\$200.5	(\$15.0)	(\$215.5)
Net Revenue Requirement \$M	\$799.3	\$821.8	\$22.5

Demand Side Management (DSM)

*FY23 Projection as of
June 2023

The Board approved FY24 Electric System Budget \$822M which calls for a target return of \$13M

FY2024: Electric Rate Strategic Goals

The FY24 Electric Revenue Requirements is met by adjusting rates to achieve target revenue

ACHIEVE TARGET REVENUE

Reduce inter-class subsidies based on Cost-of-Service Study

IMPROVE RATE STRUCTURE

Increase fixed cost recovery in fixed charges and reduce reliance on variable rates for recovery of non-variable costs

REVISE TARIFF

Address content issues in tariff that align with JEA operations and expectations by modifying tariff language where needed

FY2024 rate design objectives is the continuation of JEA's long term rate restructuring plans

Achieving FY2024 Target Revenue

Begins with comparing FY24 Electric Revenue Requirements to Projected Revenues before rate class adjustments

FY2024	Total System	Targeting Residential & ISXLD Rate Increases						
		Res	GS	GSD	GSLD + Int + Curt	JEA	Lighting	ISXLD*
Revenue Requirements	\$821.8	\$518.0	\$85.2	\$117.0	\$73.2	\$8.3	\$10.6	\$9.5
Projected Revenue Under Existing Rates	\$807.8	\$451.9	\$87.4	\$153.9	\$85.8	\$8.7	\$11.9	\$8.2
Projected Under/(Over) Collection	\$14.0	\$66.1	(\$2.2)	(\$36.9)	(\$12.6)	(\$0.4)	(\$1.3)	\$1.3
Proposed % Adjustment Annualized	1.7%	2.9%	0%	0%	0%	0%	0%	8.5%
Proposed \$ Adjustment	\$14.0	\$13.3	\$0	\$0	\$0	\$0	\$0	\$0.7
Target Rate Revenue	\$821.8	\$465.2	\$87.4	\$153.9	\$85.8	\$8.7	\$11.9	\$8.9
Under/(Over) Collection	\$0	\$52.8	(\$2.2)	(\$36.9)	(\$12.6)	(\$0.4)	(\$1.3)	\$0.6

*Time-based Rate Study to replace ISXLD is on path to be completed at the end of FY23

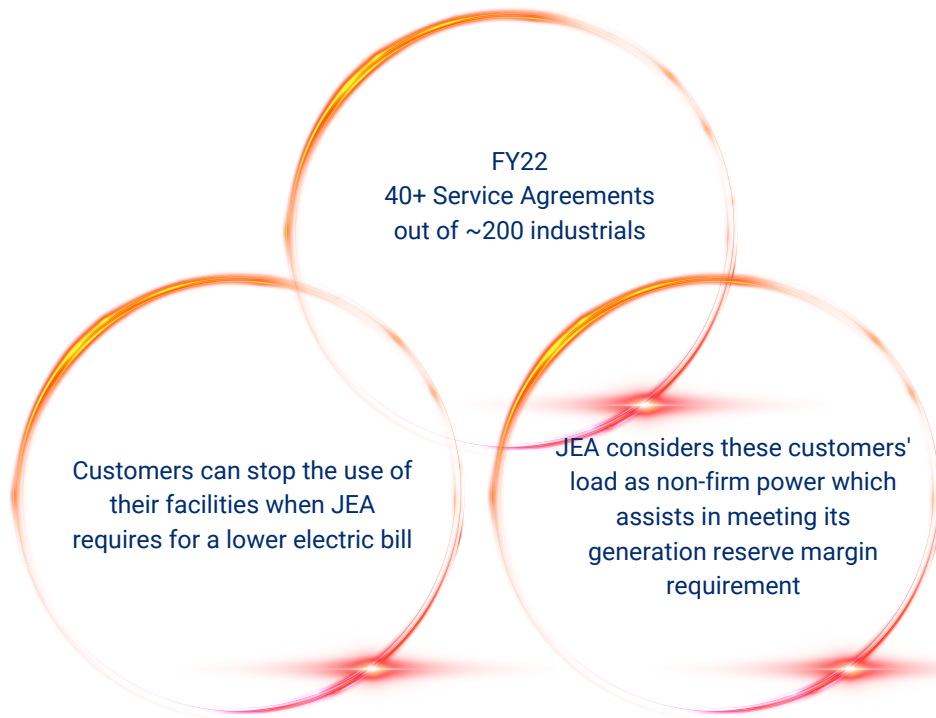
- Residential (RES)
- General Service (GS)
- General Service Demand (GSD)
- General Service Large Demand (GSLD)
- Interruptible Service Rider (INT)
- Curtable Service Rider (CURT)
- Interruptible Service Extra Large Demand Rate Schedule (ISXLD)

↑
Recommending Rate Redesigns for INT and ISXLD
 ↑

1.7% adjustment annualized equates to 3.75% increase mid-year to achieve the additional \$14M target rate revenue

Interruptible Service Rider (IS)

A rate structure that allows JEA to interrupt service any time period when required for the following: maintain firm power commitments, supply emergency service to another utility, or economically necessary



RATE DESIGN STUDY OBJECTIVES

Evaluate the applicable customer load profiles and its impact to JEA's system peaks

Reprice the rates to better align with the cost recovery

Update tariff language to clarify JEA's Energy Operations requirements



Interruptible Service Rider (IS)

Staff and rate consultants (1898 & Co.) evaluated the value and structure of the existing rider resulting in the following recommendations:

Current Status

The discounts are embedded in the tariff's demand rates

The energy rate's discount and the additional 2.5% contract discount exist without a cost justification

Two rate options: A) Excludes Peaking Pricing and B) Separates Peaking Pricing

Proposed Changes

The discounts will be seen as a credit in the tariff for greater transparency

Phase out the energy rate's discount as well as the additional 2.5% contract discount


Eliminate the Peaking Pricing and phase out Option B for rate equity

JEA Brandy Branch Generating Station



New Time-Based Industrial Rate

This time-based rate structure provides pricing that varies which has a greater alignment with cost of electricity



Extra Large Industrial customers will have flexibility to move their consumption away from high-priced periods by their willingness to risk more bill volatility

RATE DESIGN STUDY OBJECTIVES

Conduct a cost of service for a high industrial demand customer profile

Identify cost basis methodology for Day Ahead Real Time pricing

Determine Billing & Communication protocols

Establish a new tariff for a hourly pricing component

Exploring the replacement of ISXLD with GSXLDT

Staff and rate consultants (1898 & Co.) recommend replacing the Interruptible Service Extra Large Demand Rate (ISXLD) with General Service Extra Large Demand – Time of Use Rate (GSXLDT) to give our largest industrial customers more control of their bills

Old ISXLD Rate

Tiered Energy charges based on Ratcheted Demand

The discounts are embedded in the tariff's demand rates

Includes Peaking Pricing

Fixed Monthly Fuel Rate

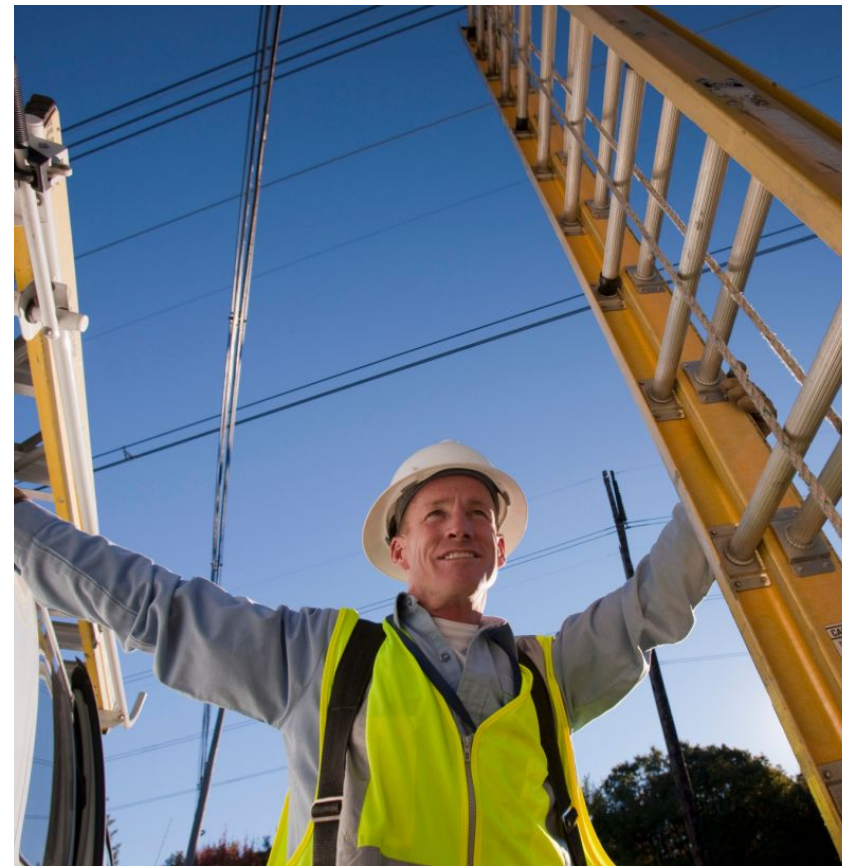
New GSXLDT Rate

Energy and Demand charges are based on Time of Use periods

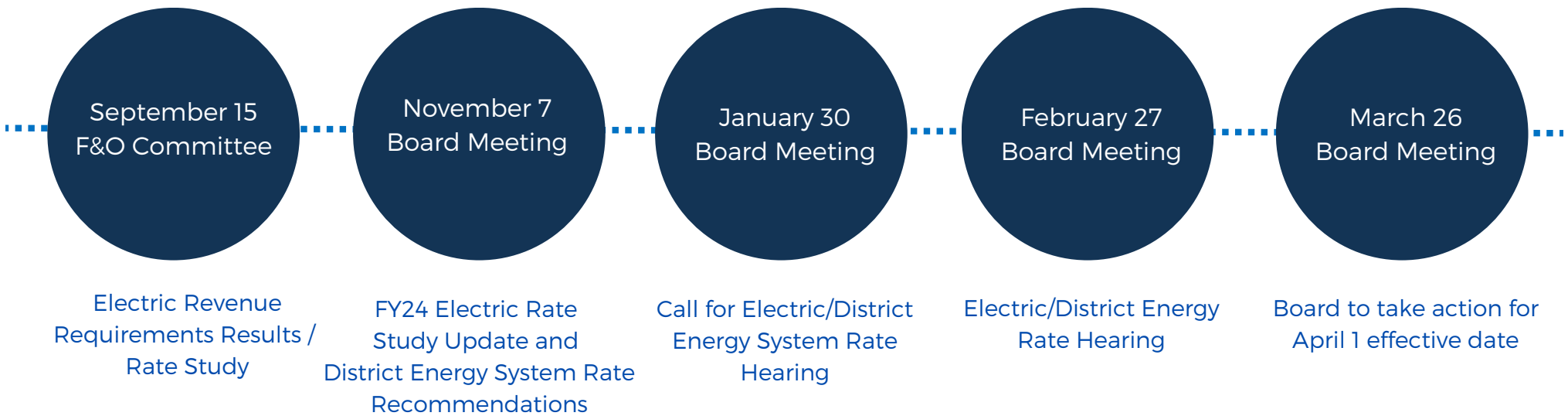
The discounts will be seen as a credit in the tariff for greater transparency

Eliminates Peaking Pricing

Variable Hourly Fuel Charges



FY2024 Electric Rate Restructuring Path





District Energy Systems Chilled Water

Establishment of a Debt Ceiling for JEA

Randall Barnes, Treasurer
Action

**DEEPEN CUSTOMER &
COMMUNITY ENGAGEMENT**

Proposed JEA Debt Ceiling

in Millions

	ELECTRIC ENTERPRISE	WATER & SEWER SYSTEM	DISTRICT ENERGY SYSTEM ¹	TOTAL
Projected Debt Outstanding - 10/1/23	\$ 1,407	\$ 1,255	\$ 38	\$ 2,700
New Debt Authorized - FY24 Budget	-	353	22	375
Maximum Projected Debt Outstanding - FY24	\$ 1,407	\$ 1,608	\$ 60	\$ 3,075
Proposed JEA Debt Ceiling	\$ 1,900	\$ 2,500	\$ 150	\$ 4,550
<i>Remaining City of Jacksonville Authorization</i>	\$ 493	\$ 892	\$ 90	\$ 1,475
Projected Net Debt Outstanding - FYE24 (A) ²	\$ 1,301	\$ 1,498		
Projected Assets - FYE24 (B)	2,948	3,495		
<i>Projected Debt/Asset Ratio - FYE24 (A / B)</i>	<i>44.1%</i>	<i>42.9%</i>		

¹Proposed Debt Ceiling for District Energy System is set to accommodate rapid growth over the next few years

²Projected Net Debt Outstanding is Projected Debt Outstanding less Debt Service Reserve Fund and Current Portion of Long Term Debt

Action/Next Steps

Meetings held with Council Auditor's Office and nearly all members of City Council
Annual authorization paired with the approval of the budget

Staff seeks a recommendation for Board approval of the proposed debt ceiling amount for each system



Starratt Road Solar Farm

Delegation of Authority

Randall Barnes, Treasurer
Action

**DEEPEN CUSTOMER &
COMMUNITY ENGAGEMENT**

Delegation of Authority

Purpose

JEA Board delegates authority to issue debt to the Managing Director/CEO to take advantage of market timing of any bond issuance

Previously approved on an as-needed basis for a period of time

Proposal

Annual Delegation of Authority process that provides the Managing Director/CEO with authority to:

Refund existing debt, subject to established refunding parameters contained in the Debt Management Policy; and

Issue new debt as approved by the JEA Board in the budget

Water/Wastewater \$353M

District Energy System \$22M

Action

Staff seeks a recommendation for Board approval of the proposed Delegation of Authority

Annual Delegation of Authority approval will be paired with approval of the JEA budget



Casey Nettles, Manager, Water/Wastewater System Assets,
Performance & Innovation

Debt Management Policy

A.J. Souto, Bond Compliance Specialist
Action

DEEPEN CUSTOMER &
COMMUNITY ENGAGEMENT

Debt Management Policy

Purpose | Provides broad guidance and enables sound management, control, and oversight of JEA's debt while facilitating ongoing access to the capital markets necessary to fund future capital projects

Revisions |
Inclusion of the Secured Overnight Financing Rate Index as the replacement benchmark for London Interbank Offered Rate
Updating references to include JEA's Procurement Code
Changes to the Debt Authorization process to include annual approval of not-to-exceed debt outstanding amounts
Adjusting the Annual Plan of Finance to a three-year period
Clarifying that the use of swaps and other hedging instruments used to manage the debt portfolio is optional (and not required)
Various other minor edits to simplify the language and provide clarity

Annual Delegation of Authority approval will be paired with approval of the JEA budget

Plant Vogtle

Staff seeks a recommendation for Board approval of the Debt Management Policy



JEA Northside Generating Station

Quarterly Financial Review

FY2022-23 Financial Recap Q3

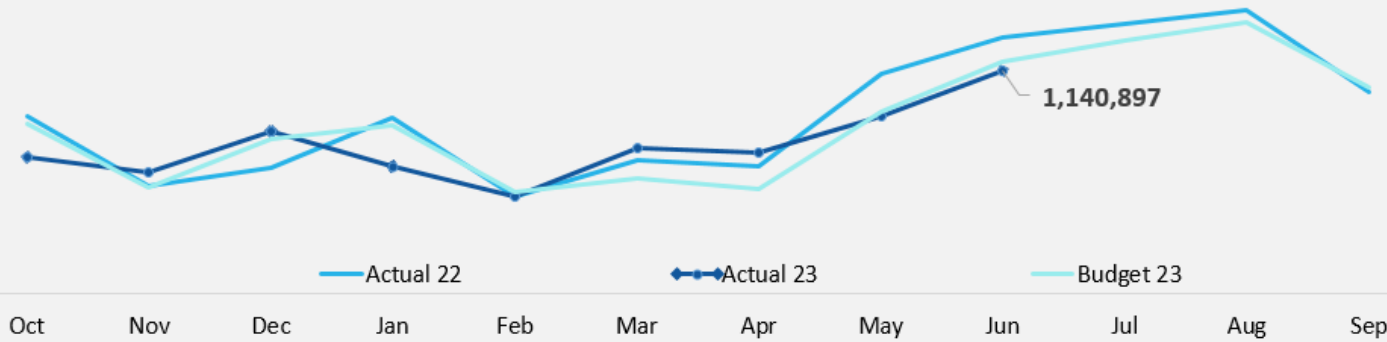
Russell Caffey, Controller

**DEEPEN CUSTOMER &
COMMUNITY ENGAGEMENT**

Financial Recap Q3 Electric FY 2022-23

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MWh Sales by Month

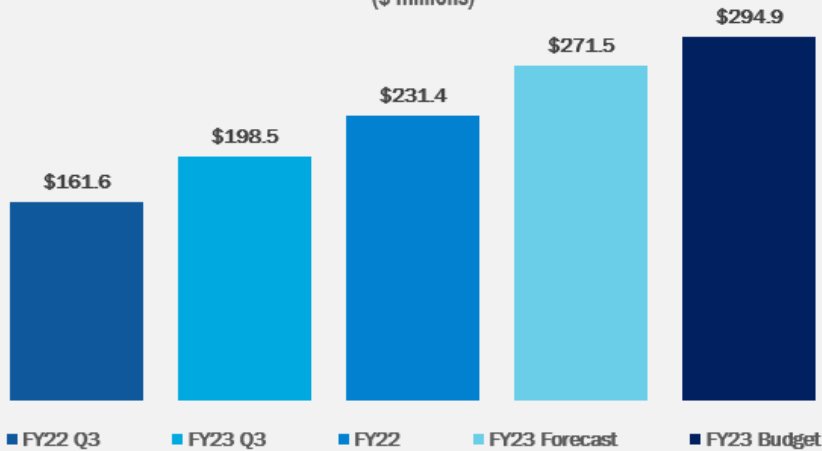


MWh Sales	
FY22 Actual	12,470,494
FY23 Budget	12,200,000
FY23 Forecast	12,153,702

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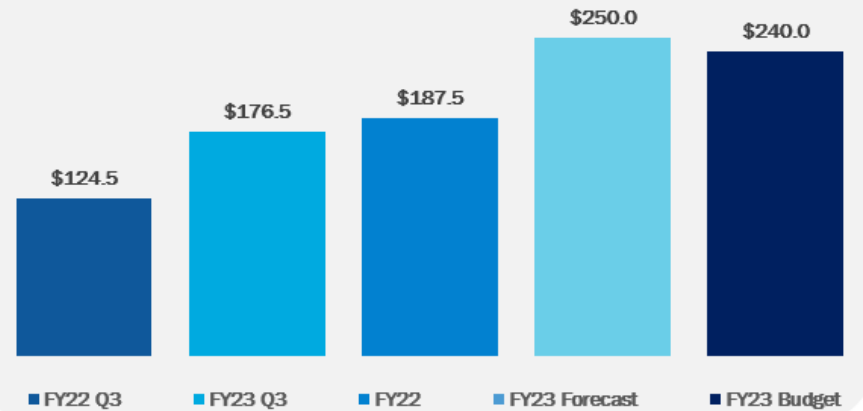
Operations and Maintenance

(\$ millions)



Capital

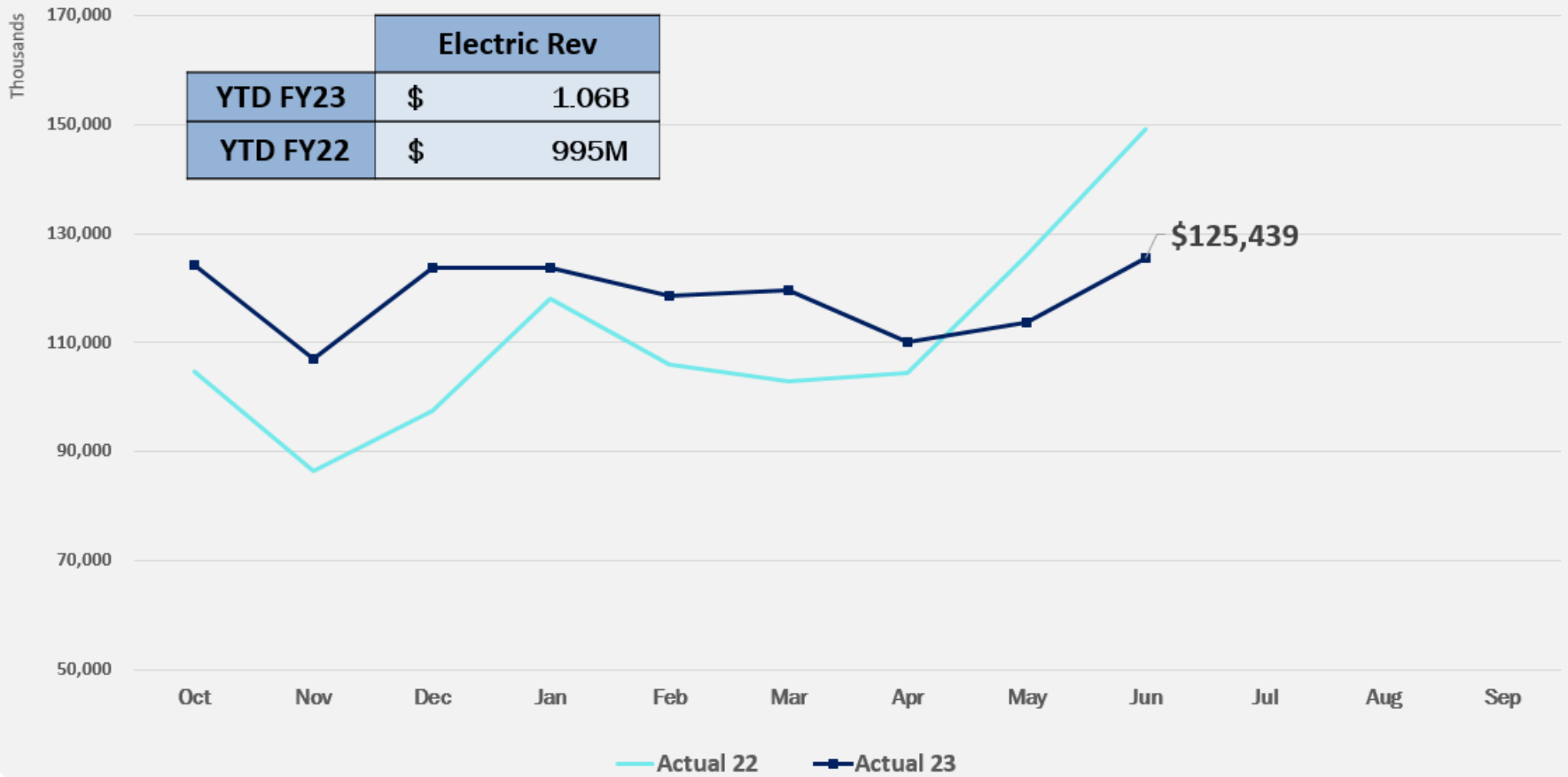
(\$ millions)



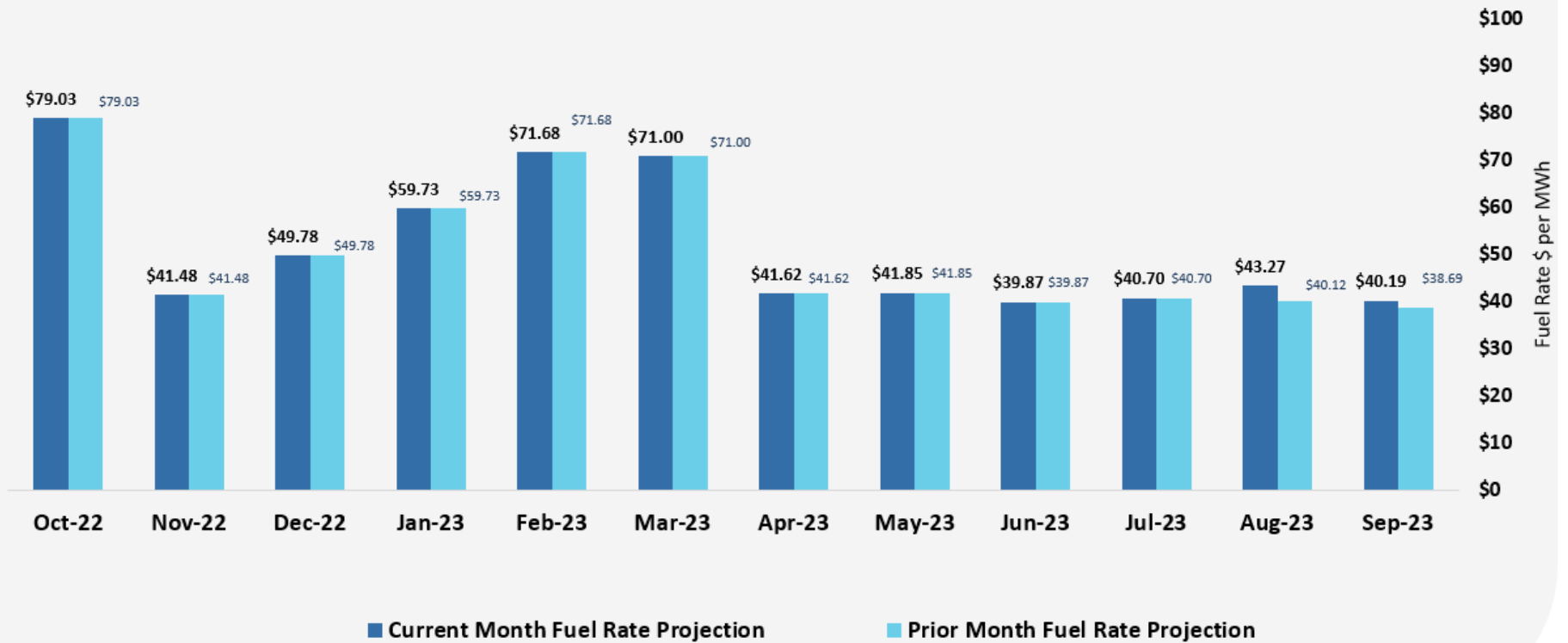
Financial Recap Q3 Electric FY 2022-23

Revenue

Electric Revenue by Month



Current Month vs Prior Month Fuel Rate Projection FY 2023

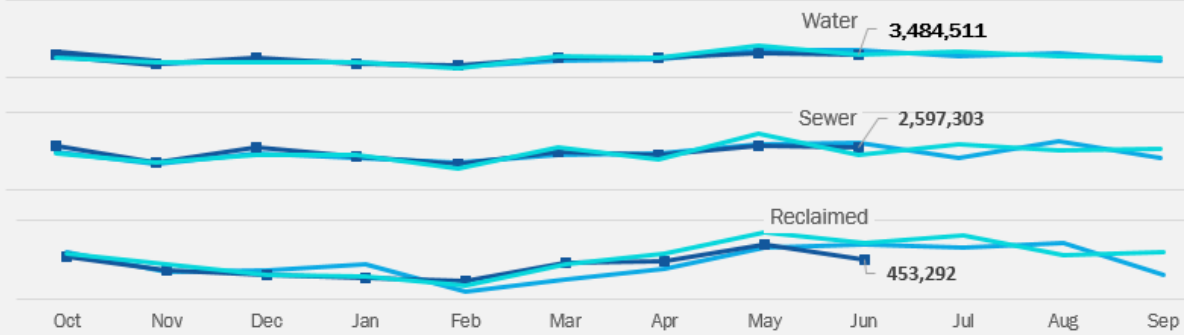


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Financial Recap Q3 Water FY 2022-23

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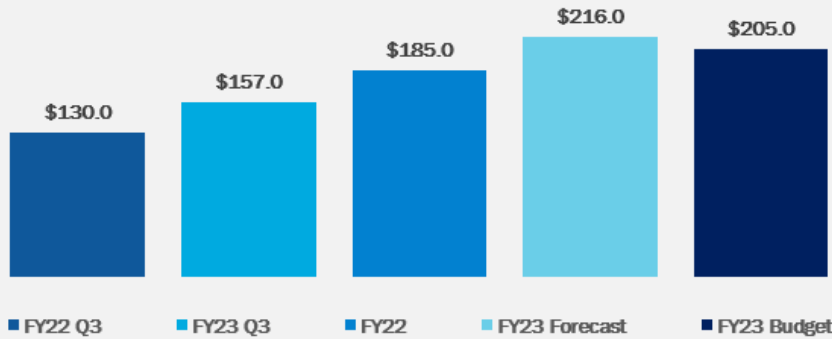
kgal Sales by Month



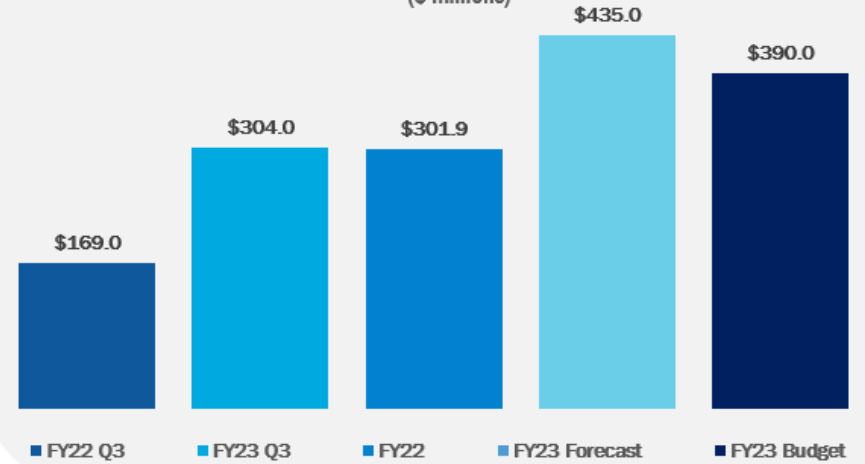
	Forecast FY23	Budget FY23	vs Budget
Water kgals	39,585,563	39,504,198	0.2%
Sewer kgals	29,582,785	29,494,470	1.2%
Reclaim kgals	5,303,312	5,558,200	-4.6%
Total	74,741,660	74,556,868	0.2%

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Operations and Maintenance (\$ millions)



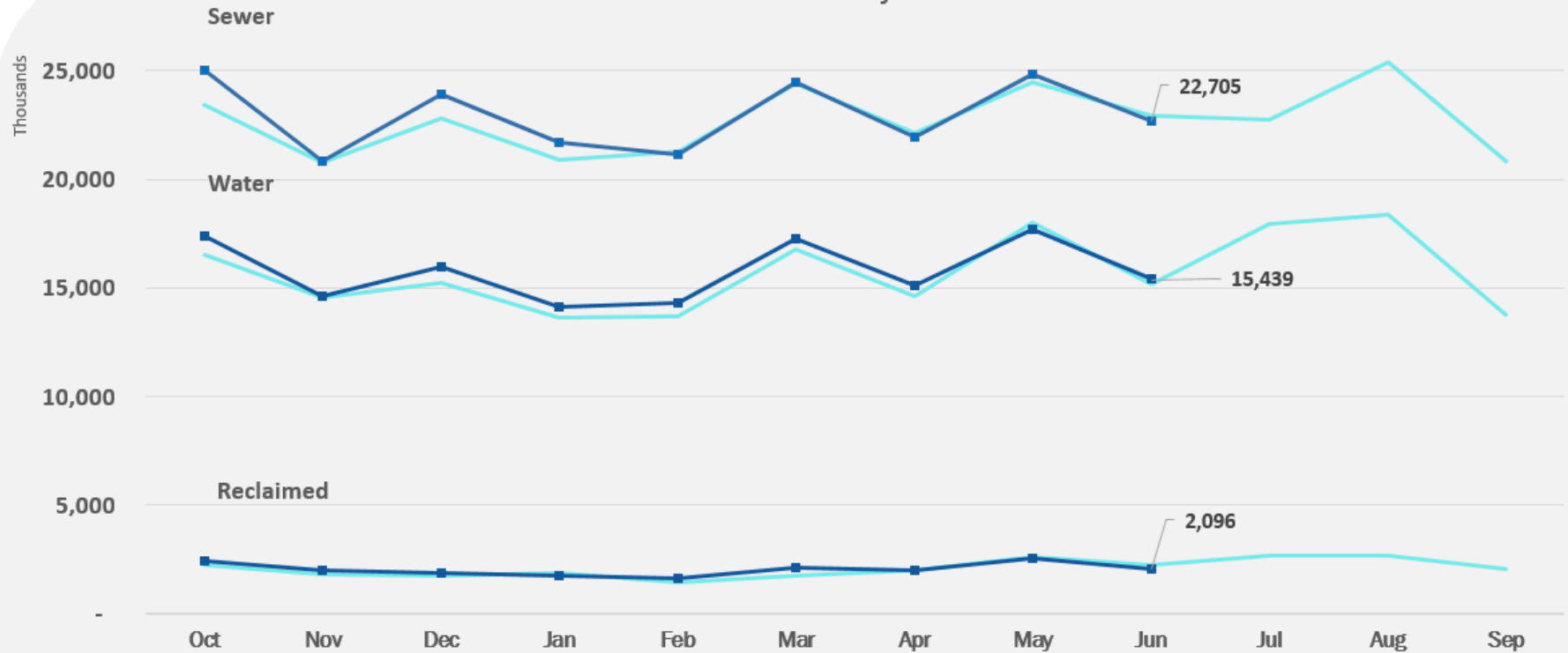
Capital (\$ millions)



Financial Recap Q3 Water FY 2022-23

Revenue

Water Revenue by Month



	YTD FY22	YTD FY23	Diff
Water	\$ 141,125	\$ 141,999	0.62%
Sewer	204,356	206,571	1.08%
Reclaim	18,221	18,615	2.16%
Total	\$ 363,702	\$ 367,185	0.96%

— Actual 22

—■ Actual 23

Financial Recap Q3 Metrics FY 2022-23

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Days of Liquidity

244 
Target: 150

Debt Service Coverage

4.19x 
Target: 2.2x

Debt to Asset Ratio

48.1% 
Target: 50%

Fixed Charge Coverage

1.9x 
Target: 1.6x

Weighted Average Yield of Investments

3.33% 
Target: 3.99%

W
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Days of Liquidity

120 
Target: 100

Debt Service Coverage

3.76x 
Target: 1.8x

Debt to Asset Ratio

36.2% 
Target: 50%

Fixed Charge Coverage

3.5x 
Target: 2.0x

Weighted Average Yield of Investments

3.33% 
Target: 3.99%



Cantrece Jones, President & Owner, Acuity Design Group

Supplier Diversity Program

Rita Scott, Manager, Supplier Diversity Programs and Procurement Services

DEEPEN CUSTOMER & COMMUNITY ENGAGEMENT

Supplier Diversity Program

ADVOCATE

Advocate on behalf of our diverse suppliers and encourage our internal and external customers to utilize our diverse supplier network on prime and subcontractor opportunities

NETWORK

Build a diverse and inclusive network of any size and location that are certified through a 3rd party

EDUCATE

Partner with local small business agencies to offer educational events for our diverse suppliers

REPORT

Monitor and report on the progress of the supplier diversity program



Supplier Diversity Program Initiatives



Supplier Diversity Directory



Report & Track Diverse Subcontracting Spend



Revised Contracting Language



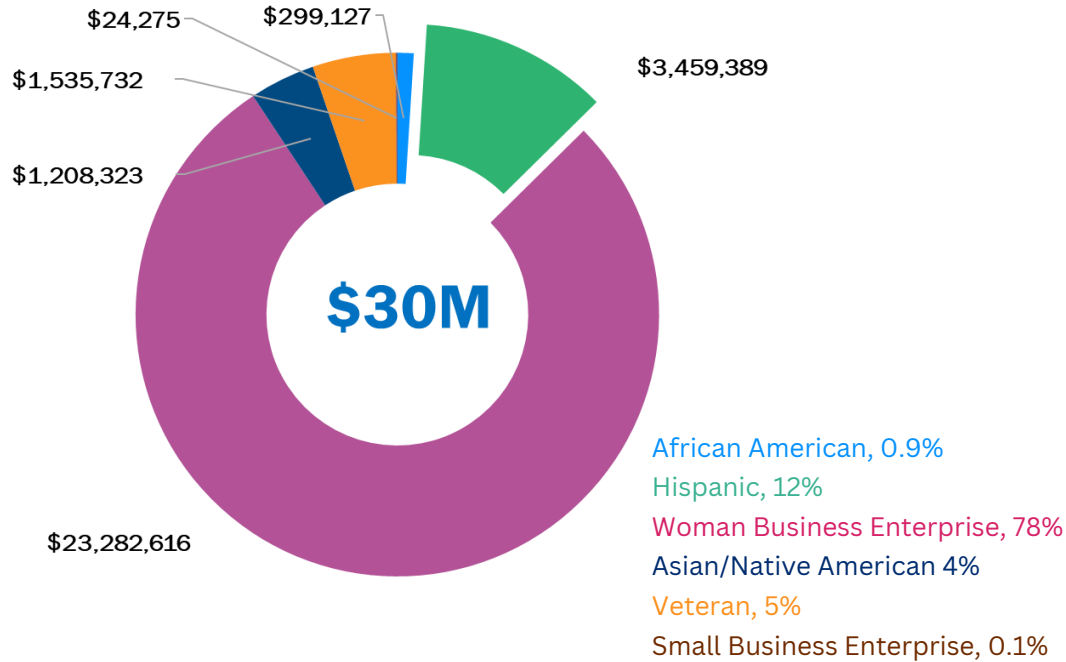
More Detailed Spend Analysis



Supplier Diversity Metrics

Data as of July 31, 2023

Supplier Diversity Spend (Non-Jacksonville Small and Emerging Business)



Quarterly Metric	Q3
Outreach Events/Initiatives	22
Supplier Diversity Directory	18
Diverse Suppliers Currently Doing Business With	74



Brandy Short, Manager, Project Management

FY24 Performance Scorecard

Lindsay Starner, Director, Corporate Strategy
Stefanie Monroe, Director, Analytics

**DEEPEN CUSTOMER &
COMMUNITY ENGAGEMENT**



FY24 Corporate Performance Scorecard

Data through: 07/31/2023*

Metric Category	FY23 Goal	FY24 Goal	Quartile Ranking / Benchmark Goal	FY23 YTD	Quartile Ranking / Benchmark YTD	12-month Trend	Business Level Scorecard	Notes
Unbeatable Team								
Safety - Lost Time Incident Rate (LTIR)	0.34	0.00	1st	0.32	1st			
Employee Engagement	82	79	1st	82	1st			
Customer Loyalty								
Customer Satisfaction - Residential	2nd Qile	739	2nd	716	3rd			
Customer Satisfaction - Commercial	2nd Qile	779	2nd	777	2nd			
Business Excellence								
Electric Reliability - SAIDI (minutes)	65	60	TBD	62.49	TBD			
Water Reliability - Grid Water Pressure (average min < 30 psi)	2.8	2.8	TBD	3.2	TBD			
WW Reliability - Sanitary Sewer Overflows	0.58	0.9	1st	0.41	1st			
Total Spend - Variance	+/-5%	+/-5%	TBD	-1%	TBD			
Total Customer Bill (monthly avg rate)		\$219.11	1st	\$210.41	1st			
Clean Energy Composition (%)	7%	10%	TBD	7%	TBD			



FINANCE & OPERATIONS COMMITTEE
Supplemental Materials

FINANCE & OPERATIONS COMMITTEE MEETING MINUTES
June 23, 2023

The Finance & Operations Committee of JEA met at 9:00 am on Friday, April 14, 2023 on the 1st Floor, 225 North Pearl Street, Jacksonville, Florida. The meeting was properly noticed, and the public was invited to attend this meeting in-person at the physical location and virtually via WebEx.

WELCOME

Meeting Called to Order – Committee Chair General Joseph DiSalvo called the meeting to order at 9:00 am. Finance & Operations Committee member Marty Lanahan and Rick Morales being present for the meeting constituted a quorum. Board member John Baker attended virtually.

Others in attendance were Jay Stowe, Managing Director/CEO; Ted Phillips, Chief Financial Officer; Raynetta Curry Marshall, Chief Operating Officer; Rebecca Lavie, Attorney, Office of General Counsel; Ricky Erixton, Vice President, Electric Systems; Pedro Melendez, Vice President, Planning, Engineering & Construction; Jordan Pope, Vice President, Corporate Strategy; and Joe Orfano, Vice President, Financial Services. Attending online were Laura Dutton, Chief Strategy Officer; Laura Schepis, Chief External Affairs Officer; Sheila Pressley, Chief Customer Officer; Kurtis Wilson, Vice President, Government Relations; Mark Stultz, Vice President, Communications; Alan McElroy, Vice President, Supply Chain and Operations Support; Hai Vu, Vice President, Water/Wastewater Systems; Brad Krol, Chief Information Officer; Wayne Young, Vice President, Environmental Services; Stephen Datz, Vice President, IT Infrastructure and Operations; and Regina Ross, Chief Legal Officer, Office of General Counsel;

Adoption of the Agenda – On *motion* by Marty Lanahan and seconded by Rick Morales, the agenda was approved.

Approval of Finance & Operations Committee Minutes – On *motion* by Marty Lanahan and seconded by Rick Morales, the April 14, 2023 Finance & Operations Committee meeting minutes were approved.

Values Moment – Jerry Creel, Senior Manager, Distribution Construction & Maintenance, noted the safety protocol is outlined in the materials and provided a Values Moment on integrity.

Comments from the Public

In-Person Public Comments:

Mr. Logan Cross, representing the Sierra Club of Northeast Florida and member of the Electric Integrated Resource Plan (IRP) Stakeholder Advisory Committee, spoke to the Committee on renewable energy.

Mr. John Nooney spoke to the Committee regarding the mayor's recent resiliency agenda item.

Ms. Lisa Rinaman spoke to the Committee on renewable energy.

There were no online or emailed comments.

FOR COMMITTEE CONSIDERATION

Solar Energy Project with Florida Municipal Power Agency – Ricky Erixton, Vice President, Electric Systems, provided the Committee with background information, benefits, terms including cost, and expected completion date of the Florida Municipal Power Agency (FMPPA) Solar Energy Project.

On *motion* by Rick Morales and seconded by Marty Lanahan the Finance and Operations Committee unanimously approved to recommend the FMPPA Solar Energy Project at an estimated value of \$400.8M to the Board for approval.

Interlocal Agreements – Juli Crawford, Senior Advisor, provided the committee with an overview of the current Interlocal Agreements for water services with Nassau County, St. Johns County, and Clay County. Ms. Crawford noted that due to growth, Nassau County and JEA wishes to extend the term of the agreement along with updating and clarifying terms. Ms. Crawford highlighted JEA was approached by the City of Atlantic Beach to conduct a water system analysis. Additional information will be presented to the Board in the future. This presentation was received for information.

Wildlight Agreement – Robert Zammataro, P.E. Director, Water/Wastewater Planning & Development, presented background information about the Wildlight East Nassau Community, the estimated transmission main lengths, and highlighted the agreement is in alignment with the current interlocal agreement. Mr. Zammataro noted JEA will be cost participating in the construction of the transmission mains with a max indebtedness of \$160M.

On *motion* by Marty Lanahan and seconded by Rick Morales, the Finance and Operations Committee members held discussions, and unanimously approved to recommend the terms and conditions of the Developer and Utility Service Agreement between JEA and Wildlight, LLC to the Board for approval.

Quarterly Financial Review – Russell Caffey, Controller, provided the committee with the quarterly financial review to include Financial Recap Q2 Electric FY2022-23, Current Month versus Prior Month Fuel Rate Projection, and Financial Recap Q2 Water FY2022-23. This presentation was received for information.

District Energy System FY2023 Amendment – Laure Whitmer, Director, Budgets, highlighted the additional projects that are included in the proposed budget increases to include Metropolitan Loft Chiller Water Extension, Hogan’s Creek Tower Upgrade and Plant Expansion, Shipyards Segment A Chilled Water Extension, Future Expansion, Jaguars Performance Facility, Capital Administrative Overhead and New Headquarters & Ed Ball Building. Jordan Pope, Vice President, Corporate Strategy, provided a review of a few of the growth projects.

On *motion* by Marty Lanahan and seconded by Rick Morales, the Finance and Operations Committee unanimously approved to recommend increasing the FY23 District Energy System capital budget to \$9,868,000 to the Board for approval.

FY2024 Budget – Laure Whitmer, Director, Budgets, presented the FY2024 budget to include JEA cost savings initiatives, financial objectives, annual budget process, Fiscal Year 2024 Budget Overview, Consolidated Systems Operating Budget Components, Government Transfers via the JEA Bill, Fiscal Year 2024 Labor Costs, Electric & Water System Operating Revenue, Electric & Water System Operating Budget Components, Fuel History, Electric & Water System O&M Budget, Non-Fuel Purchased Power Rate Stabilization Fund Activity, Electric & Water System Financial Projections, Electric & Water Capital Budget, District Energy System Operating Revenue, District Energy System Operating Budget Components, District Energy System O&M, and District Energy System Capital Budget.

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On *motion* by Rick Morales and seconded by Marty Lanahan, Committee members held discussions and unanimously approved to recommend the FY2024 Budget to the Board for approval.

SUPPLEMENTAL INFORMATION (Received for Information)

Appendix A: Solar Energy Project with Florida Municipal Power Agency

Appendix B: Wildlight Agreement

Appendix C: District Energy System FY23 Budget Amendment

Appendix D: FY24 Budget

Appendix E: Electric System and Water & Sewer System Fund Report

Appendix F: JEA Energy Market Risk Management Policy Report

Appendix G: Emergency Preparedness

Appendix H: Jacksonville Small & Emerging Business Update

OTHER BUSINESS & CLOSING CONSIDERATIONS

Old & Other New Business / Open Discussion – Marty Lanahan and Rick Morales requested a tour of Cologix.

Announcements – Next Finance & Operations Committee Meeting September 15, 2023.

Adjournment – With no further business coming before the Committee, General DiSalvo declared the meeting adjourned at 10:12 am.

APPROVED BY:

Joseph DiSalvo, Committee Chair

Date: _____

Submitted by:

Allison S Hickok

Allison S Hickok
Executive Staff Assistant



BOARD RESOLUTION: 2023-43
September 26, 2023

A RESOLUTION BY THE BOARD APPROVING REVISIONS TO JEA’S PRICING POLICY

WHEREAS, JEA’s Pricing Policy provides guidance to facilitate the management, control, and oversight of JEA’s pricing structure; and

WHEREAS, JEA’s Pricing Policy was last revised on September 20, 2022; and

WHEREAS, the proposed revisions to the JEA Pricing Policy will (i) remove references to certain charges that have been eliminated from the tariff; (ii) authorize the CEO or his designee to review and approve reserve requirements for JEA’s self-insurance health program; and (iii) remove the option to refund excess funds over the required reserve requirement to employees; and

WHEREAS, the proposed revisions to the JEA Pricing Policy were reviewed and recommended for Board approval by the Finance and Operations Committee (Committee) on September 15, 2023; and

WHEREAS, Staff requests that the Board adopt the Committee’s recommendation and approve the proposed revisions to the JEA Pricing Policy.

BE IT RESOLVED by the JEA Board of Directors that:

1. The recitals stated above are hereby incorporated into and made part of this Resolution, and such recitals shall serve as findings of fact.
2. The Board hereby adopts the Committee’s recommendation and approves the revisions to the JEA Pricing Policy in substantially the form and format attached hereto.
3. To the extent that there are any typographical, administrative, and/or scrivener’s errors contained herein that do not change to tone, tenor or purpose of this Resolution, then such errors may be corrected with no further action required by the Board.
4. This Resolution shall be effective upon approval by the Board.

Dated this 26th day of September, 2023.

JEA Board Chair

JEA Board Secretary

Form Approved by

Office of General Counsel

VOTE	
In Favor	
Opposed	
Abstained	

Pricing Policy

I. Scope

This Pricing Policy is intended to provide broad guidance and to facilitate the management, control and oversight of JEA's pricing structure. Its primary goal is to establish revenue requirements to fully recover the costs necessary to operate and maintain the utility, consistent with its mission, through fair and equitable pricing. This includes sufficient revenue for required transfers to the City, depreciation expense, and balance sheet liquidity. The total revenue requirement of each system must be sufficient to ensure the financial integrity of the utility using depreciation expense and rate of return to maintain key financial metrics. It recognizes the operational challenges of managing dynamic businesses with major cost drivers such as significant regulatory reform as well as fuel which are dependent on global market conditions. The Pricing Policy contains the guiding parameters that JEA utilizes to develop its financial reporting, ratemaking, budget, and financial projections.

The Board is JEA's independent body responsible for setting rates. As part of this responsibility, the Board acknowledges that the rate setting policy and practices utilized will govern JEA's accounting under current generally accepted accounting principles, meaning that rate actions by the Board is impacted by certain costs and revenues recognized for financial statement purposes. This policy formalizes the rate philosophy utilized in prior years and codifies policy changes required for the implementation of regulatory accounting beginning with FY2015, including the change in rate setting methodology from Cash Basis to Utility Basis.

II. Goal and Objectives

JEA's pricing shall be managed with an overall philosophy to provide advantages of a community-owned utility by delivering high quality, reliable and exceptional service at fair and competitive rates. JEA will exhaust all other net revenue improvement opportunities before recommending any price increases. JEA will develop a price structure that is based on cost of service and allocates costs to appropriate customer classes based on the cost to serve each class. Pricing shall be sufficient, predictable, consistent, understandable, fair, equitable, non-discriminatory and relatively easy to administer. A comprehensive cost of service study will be performed at a minimum of every five years to support that the rates charged by class are based on cost.

III. Responsibility for Pricing Policy

The overall Pricing Policy is approved by the JEA Board of Directors and implemented by the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and staff. Annually, the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and staff will meet to develop strategy and review pricing and financial performance. JEA's Financial Planning and Rates departments will develop and manage processes to implement and administer this Policy. Based on this review, any changes to pricing such that JEA continues to have rates based on cost of service and sufficient to maintain each System's financial integrity will be recommended to the Board for approval.

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IV. Authorization

The JEA Board of Directors is independent from JEA management and has the power to fix, pledge to establish or establish, levy, regulate, impose and collect rates, assessments, fees and charges for the use or benefit of the utilities system and to alter and amend the same from time to time.

Although JEA is a non-jurisdictional entity, Tariffs approved by the Board of Directors are filed with the Public Service Commission for information and review. The Florida Public Service Commission (FPSC) does not regulate the revenue requirement of municipal utilities, yet pursuant to Section 366.04 (2), Florida Statutes, the FPSC has jurisdiction to review a rate structure for municipal utilities.

V. Electric System

Revenue requirements and rate design for the Electric System shall be constructed in two major categories: Base Rate and Fuel Charge.

Base Rate

Structure

The Base Rate will be structured with two major components: a fixed monthly charge and consumption charges. The fixed charge is billed as a “Basic Monthly Charge” and the consumption charges are billed as “Energy Charge,” “*Demand Charge*,” and “*Excess kVar Charge*.” (Italicized charges apply to commercial or industrial customers only, and do not appear on typical residential bills.) Revenue requirements and rates will be set using a rate of return as well as using depreciation expense as the capital recovery estimate to ensure the financial integrity of the Electric System by achieving the following objectives:

- A minimum annual total debt service coverage ratio of 2.2x with a long- term goal of consistently achieving a minimum annual total debt service coverage ratio of 2.5x.
- A minimum annual fixed charge coverage ratio of 1.6x
- A minimum of 150 to 250 days of liquidity
- A long term objective debt to asset ratio of 50%
- Maintain stabilization funds as detailed in the “Stabilization Funds” section

Staff plans to phase in higher fixed components of base rates over time, utilizing widely accepted principles and practices to better reflect the fixed components of JEA’s electric system cost structure.

Pricing

The Base Rate will recover expenditures necessary to operate and maintain the system, depreciation expense, and rate of return to maintain the system, the necessary contribution to the City, any special charges for programs adopted by JEA and approved by the Board, and additional revenues required to maintain the financial integrity of the System.

Staff will review with the Board of Directors the Base revenue and capital funding plans during both the annual budget cycle and the discussions of long term financial planning. Recurring capital will be recovered from revenues each year.

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Non-recurring or unanticipated (i.e., storm damage or major equipment failure) costs will be evaluated by management to determine the best source of capital funding. This can include absorbing the cost in the current year budget or the inclusion of cost in future rates over a period of time with funding of the cost from debt or reserves. Authorization from the Board to recover non-recurring capital over a future period of time may constitute an asset on JEA's balance sheet.

Gains realized from coordinated dispatch agreements will be allocated to fuel revenue, unless otherwise directed by the Board.

Fuel Charge

Structure

The Fuel Charge will be structured for full recovery of actual energy expenditures including direct fuel expenses, fuel procurement, fuel handling, residual disposal expense, less any proceeds from the sale of residuals, byproduct expenses directly utilized in managing the facilities used to prepare the byproduct for its final disposition, fuel hedging activities including gains and losses on settlement of fuel hedges, power purchase energy charges such as fuel, and renewable energy that is not considered generation available for JEA's current capacity plans.

The Fuel Charge structure shall also include recovery of prior positive or negative variances.

Pricing

The Fuel Charge will be set monthly. The Charge is based on the energy cost projection for the billing month to fully recover all expected fuel-related costs. Typically, any variance will be trued-up in the subsequent billing month. Should forecasted energy costs result in a Fuel Charge adjustment of greater than 20% or other certain circumstances should arise as determined by the CEO/Manager Director or designee, recovery of the true-up may be extended over a period of time.

Fuel and energy expenses not recovered by revenue within the month will be paid from unrestricted funds and result in a regulatory asset. Revenues in excess of fuel and energy expenses will result in a regulatory liability. Each month, management shall report the total fuel revenues, expenses and the resulting surplus or deficit. All authorized fuel-related costs shall be recovered through the Fuel Charge and funds collected in excess of authorized fuel-related costs shall be used to fund future fuel expenses or be refunded to customers.

VI. Water and Sewer System

Revenue requirements and rate design for the Water and Sewer System shall be constructed in the Base Rate.

Base Rate

Structure

The Base Rate for the Water and Sewer System shall be constructed in two major categories: monthly charges and initial charges, including capacity fees and line

extension charges. Standard monthly charges will include two primary components: A fixed monthly charge and volume charges based on customer usage. The fixed charge is billed as a “Basic Monthly Charge” and the volume charges are billed as “Water Consumption Charges” and “Sewer Usage Charges”.

Revenue requirements and rates will be using a rate of return as well as using depreciation expense as the capital recovery estimate to ensure the financial integrity of the Water and Sewer System by achieving the following objectives:

- A minimum annual total debt service coverage ratio of 1.8x with a long-term goal of consistently achieving a minimum annual total debt service coverage ratio of 2.0x
- A minimum of 100 days of liquidity
- A long-term objective of a maximum debt to asset ratio of 50%
- Maintain stabilization funds in the “Stabilization Funds” section.

Pricing

The Base Rate will recover expenditures necessary to operate and maintain the system, depreciation expense, and rate of return to maintain the system, the necessary contribution to the City, any special charges for programs adopted by JEA and approved by the Board, and additional revenues required to maintain the financial integrity of the System.

Staff will review with the Board of Directors the Base revenue and capital funding plans during both the annual budget cycle and the discussions of long term financial planning. Recurring capital will be recovered from revenues each year. Non-recurring or unanticipated (i.e., storm damage or major equipment failure) costs will be evaluated by management to determine the best source of capital funding. This can include absorbing the cost in the current year budget or the inclusion of cost in future rates over a period of time with funding of the cost from debt or reserves. Authorization from the Board to recover non-recurring capital over a future period of time may constitute an asset on JEA's balance sheet.

Capacity fee revenue will be used as an additional source of revenue in determining annual revenue requirements. Capacity fees to recover water, sewer and reclaimed water treatment facilities investments are established to recover 100% of the cost, including materials, of performing these services. These fees will be reviewed and if necessary, adjusted at least every three years. Capacity fees to recover the cost of off-site water and sewer line extensions shall be established to recover:

- 75% master plan main extension attributed to general system growth, assessed on a per connection basis; and

- 100% main extension attributed to specific development, assessed to the developer in accordance with JEA's development policy.

On-site line extensions are the financial responsibility of the developer, builder, homeowner or business and shall be contributed to JEA at no charge to own, operate and maintain. JEA W/WW Cost Participation policy may provide opportunities for financial assistance.

Tap and meter fees will be established to recover 100% of the cost, including materials, of performing tap and meter services. These fees will be reviewed and, if necessary, adjusted at least every three years.

VII. Stabilization Funds

The Board authorizes the funding and utilization of certain Stabilization Funds within each of the Electric and Water and Sewer Systems. Deposits and withdrawals will be made into each of the funds as specifically described below, and are governed by both this Pricing Policy and JEA's Bond Resolutions. The Stabilization Funds described below have a specific funding source which is approved by the Board, and the uses of funds are also approved by the Board. Any excess amounts remaining after the funding target is met and expenses are paid are returned back to customers.

Customer Benefit Stabilization Fund

Funding and Authorization

The Residential Conservation Charge is discontinued, no additional funding will be added.

Allowable Uses

Withdrawals from the Customer Benefit Stabilization Fund are limited to amounts representing charges to the applicable "Customer Benefit" cost centers, which represent Customer Benefit programs approved annually by the Board. Once the fund has been depleted, it will be discontinued.

Excess Funds

Funds collected in excess of the approved Customer Benefit programs shall be used to fund future program expenses or be refunded to customers.

Electric System Environmental Stabilization Fund

Funding and Authorization

Deposits to the Electric System Environmental Stabilization Fund will be made from the Revenue Fund as needed.

Allowable Uses

Withdrawals from the Electric System Environmental Stabilization Fund are limited to environmental expenditures approved by the Board prior to fiscal year 2023. If the withdrawals exceed the balance in the fund, deposits will be made from the Revenue Fund to reimburse the Stabilization Fund until those projects are complete.

Excess Funds

Funds collected in excess shall be used to fund future environmental expenses or be refunded to customers.

Water and Sewer System Environmental Stabilization Fund

Funding and Authorization

Deposits to the Water and Sewer System Environmental Stabilization Fund will be made from the Revenue Fund as needed.

Allowable Uses

Withdrawals from the Water and Sewer System Environmental Stabilization Fund are limited to environmental expenditures approved by the Board prior to fiscal year 2023. If the withdrawals exceed the balance in the fund, deposits will be made from the Revenue Fund to reimburse the Stabilization Fund until those projects are complete.

Excess Funds

Funds collected in excess shall be used to fund future environmental expenses or be refunded to customers.

Non-Fuel Purchased Power (NFPP) Stabilization Fund

Target Balance

There is no required minimum balance. The objective is to assist in the timing of non-fuel purchased power expenses.

Funding and Authorization

Deposits to the NFPP Stabilization Fund are for amounts associated with any non-fuel purchased power. The Board will determine as part of the Budget approval process or periodically throughout the year the amount to include in rates that will be deposited into the NFPP Stabilization Fund.

Allowable Uses

Withdrawals from the NFPP Stabilization Fund may be made to reimburse any non-fuel purchased power expenses at the discretion of CEO/Managing Director or designee.

Excess Funds

Funds collected in excess shall be used to fund future non-fuel purchased power expenses or be refunded to customers.

Health Self-Insurance Reserve

Target Balance

The target size of this reserve is based on regulatory requirements, market conditions and risk management experience, along with input from the Florida Office of Insurance Regulation, the regulatory body responsible for oversight of all self-insurance health and medical plans.

The objective is to maintain appropriate reserves and to ensure the long-term viability of the organization and the sustainability of the self-insurance health programs. Rule 69O-149.053, Florida Administrative Code requires that JEA maintain a minimum surplus reserve of 60 days of anticipated claims over and above the amount needed for the Plan's claim liability to cover costs associated with unexpected claims.

Funding and Authorization

JEA has established, from operating revenues, an internally designated "Health Self-Insurance Fund" to cover reserve requirements for its self-insurance health program. The Office of Insurance Regulation for FL State requires 60 days of claims be maintained in reserve per FS Section 112.08 and the related sections of the Florida Administrative Code.

Reserve requirements will be reviewed and approved by CEO/Manager Director or his designee annually.

Allowable Uses:

The amounts approved for recovery from the employees will be used to reduce the annual cost. Any costs in excess of revenues collected will be included in rates at the direction of the Board in a future period.

Excess Funds

Any amount over the required reserve requirement will be used to reduce future costs related to the administration of the plan..

VIII. Policy Exceptions

Any pricing activity determined to be in conflict with this Policy will be brought to the Board of Directors for review and approval prior to adoption and resulting metrics will be reported on an annual basis within the long term financial planning.

IX. Effective Date

This Pricing Policy became effective October 1, 2005 (originally called "Pricing Philosophy"). This revision will become effective on the date on which it is adopted by the full Board effective October 1, 2023.

October 2023

Pricing Policy

I. Scope

This Pricing Policy is intended to provide broad guidance and to facilitate the management, control and oversight of JEA's pricing structure. Its primary goal is to establish revenue requirements to fully recover the costs necessary to operate and maintain the utility, consistent with its mission, through fair and equitable pricing. This includes sufficient revenue for required transfers to the City, depreciation expense, and balance sheet liquidity. The total revenue requirement of each system must be sufficient to ensure the financial integrity of the utility using depreciation expense and rate of return to maintain key financial metrics. It recognizes the operational challenges of managing dynamic businesses with major cost drivers such as significant regulatory reform as well as fuel which are dependent on global market conditions. The Pricing Policy contains the guiding parameters that JEA utilizes to develop its financial reporting, ratemaking, budget, and financial projections.

The Board is JEA's independent body responsible for setting rates. As part of this responsibility, the Board acknowledges that the rate setting policy and practices utilized will govern JEA's accounting under current generally accepted accounting principles, meaning that rate actions by the Board ~~will-is~~ impacted ~~when-by~~ certain costs and revenues ~~are~~ recognized for financial statement purposes. This policy formalizes the rate philosophy utilized in prior years and codifies policy changes required for the implementation of regulatory accounting beginning with FY2015, including the change in rate setting methodology from Cash Basis to Utility Basis.

II. Goal and Objectives

JEA's pricing shall be managed with an overall philosophy to provide advantages of a community-owned utility by delivering high quality, reliable and exceptional service at fair and competitive rates. JEA will exhaust all other net revenue improvement opportunities before recommending any price increases. JEA will develop a price structure that is based on cost of service and allocates costs to appropriate customer classes based on the cost to serve each class. Pricing shall be sufficient, predictable, consistent, understandable, fair, equitable, non-discriminatory and relatively easy to administer. A comprehensive cost of service study will be performed at a minimum of every five years to support that the rates charged by class are based on cost.

III. Responsibility for Pricing Policy

The overall Pricing Policy is approved by the JEA Board of Directors and implemented by the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and staff. Annually, the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and staff will meet to develop strategy and review pricing and financial performance. JEA's Financial Planning and Rates departments will develop and manage processes to implement and administer this Policy. Based on this review, any changes to pricing such that JEA continues to have rates based on cost of service and sufficient to maintain each System's financial integrity will be recommended to the Board for approval.

IV. Authorization

The JEA Board of Directors is independent from JEA management and has the power to fix, pledge to establish or establish, levy, regulate, impose and collect rates, assessments, fees and charges for the use or benefit of the utilities system and to alter and amend the same from time to time.

Although JEA is a non-jurisdictional entity, Tariffs approved by the Board of Directors are filed with the Public Service Commission for information and review. The Florida Public Service Commission (FPSC) does not regulate the revenue requirement of municipal utilities, yet pursuant to Section 366.04 (2), Florida Statutes, the FPSC has jurisdiction to review a rate structure for municipal utilities.

V. Electric System

Revenue requirements and rate design for the Electric System shall be constructed in two major categories: Base Rate and Fuel Charge.

Base Rate

Structure

The Base Rate will be structured with two major components: a fixed monthly charge and consumption charges. The fixed charge is billed as a “Basic Monthly Charge” and the consumption charges are billed as “Energy Charge,” “*Demand Charge*,” and “*Excess kVar Charge*.” (Italicized charges apply to commercial or industrial customers only, and do not appear on typical residential bills.) Revenue requirements and rates will be set using a rate of return as well as using depreciation expense as the capital recovery estimate to ensure the financial integrity of the Electric System by achieving the following objectives:

- A minimum annual total debt service coverage ratio of 2.2x ~~with a long-term goal of consistently achieving a minimum annual total debt service coverage ratio of 2.5x.~~
- A minimum annual fixed charge coverage ratio of 1.6x
- A minimum of 150 to 250 days of liquidity
- A long term objective debt to asset ratio of 50%
- Maintain stabilization funds as detailed in the “Stabilization Funds” section

Staff plans to phase in higher fixed components of base rates over time, utilizing widely accepted principles and practices to better reflect the fixed components of JEA’s electric system cost structure.

Pricing

The Base Rate will recover expenditures necessary to operate and maintain the system, depreciation expense, and rate of return to maintain the system, the

necessary contribution to the City, any special charges for programs adopted by JEA and approved by the Board, and additional revenues required to maintain the financial integrity of the System.

Staff will review with the Board of Directors the Base revenue and capital funding plans during both the annual budget cycle and the discussions of long term financial planning. Recurring capital will be recovered from revenues each year. Non-recurring or unanticipated (i.e., storm damage or major equipment failure) costs will be evaluated by management to determine the best source of capital funding. This can include absorbing the cost in the current year budget or the inclusion of cost in future rates over a period of time with funding of the cost from debt or reserves. Authorization from the Board to recover non-recurring capital over a future period of time may constitute an asset on JEA's balance sheet.

Gains realized from coordinated dispatch agreements will be allocated to ~~base~~fuel revenue, unless otherwise directed by the Board.

Fuel Charge

Structure

The Fuel Charge will be structured for full recovery of actual energy expenditures including direct fuel expenses, fuel procurement, fuel handling, residual disposal expense, less any proceeds from the sale of residuals, byproduct expenses directly utilized in managing the facilities used to prepare the byproduct for its final disposition, fuel hedging activities including gains and losses on settlement of fuel hedges, power purchase energy charges such as fuel, and renewable energy that is not considered generation available for JEA's current capacity plans.

The Fuel Charge structure shall also include recovery of prior positive or negative variances.

Pricing

The Fuel Charge will be set monthly. The Charge is based on the energy cost projection for the billing month to fully recover all expected fuel-related costs. Typically, any variance will be trued-up in the subsequent billing month. Should forecasted energy costs result in a Fuel Charge adjustment of greater than 20% or other certain circumstances should arise as determined by the CEO/Manager Director or designee, recovery of the true-up may be extended over a period of time.

Fuel and energy expenses not recovered by revenue within the month will be paid from unrestricted funds and result in a regulatory asset. Revenues in excess of fuel and energy expenses will result in a regulatory liability. Each month, management shall report the total fuel revenues, expenses and the resulting surplus or deficit. All authorized fuel-related costs shall be recovered through the Fuel Charge and funds collected in excess of authorized fuel-related costs shall be used to fund future fuel expenses or be refunded to customers.

~~**Legacy Charges**~~

~~The Residential Conservation charge & Environmental charge will be phased out,~~

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~~so that the Customer Benefit Programs & Environmental projects will be supported by various funding sources.~~

VI. Water and Sewer System

Revenue requirements and rate design for the Water and Sewer System shall be constructed in the Base Rate.

Base Rate

Structure

The Base Rate for the Water and Sewer System shall be constructed in two major categories: monthly charges and initial charges, including capacity fees and line extension charges. Standard monthly charges will include two primary components: A fixed monthly charge and volume charges based on customer usage. The fixed charge is billed as a “Basic Monthly Charge” and the volume charges are billed as “Water Consumption Charges” and “Sewer Usage Charges”.

Revenue requirements and rates will be using a rate of return as well as using depreciation expense as the capital recovery estimate to ensure the financial integrity of the Water and Sewer System by achieving the following objectives:

- A minimum annual total debt service coverage ratio of 1.8x, with a long-term goal of consistently achieving a minimum annual total debt service coverage ratio of 2.0x
- A minimum of 100 days of liquidity
- A long-term objective of a maximum debt to asset ratio of 50%
- Maintain stabilization funds in the “Stabilization Funds” section.

Pricing

The Base Rate will recover expenditures necessary to operate and maintain the system, depreciation expense, and rate of return to maintain the system, the necessary contribution to the City, any special charges for programs adopted by JEA and approved by the Board, and additional revenues required to maintain the financial integrity of the System.

Staff will review with the Board of Directors the Base revenue and capital funding plans during both the annual budget cycle and the discussions of long term financial planning. Recurring capital will be recovered from revenues each year. Non-recurring or unanticipated (i.e., storm damage or major equipment failure) costs will be evaluated by management to determine the best source of capital funding. This can include absorbing the cost in the current year budget or the inclusion of cost in future rates over a period of time with funding of the cost from debt or reserves. Authorization from the Board to recover non-recurring capital over a future period of time may constitute an asset on JEA’s balance sheet.

~~The annual principal repayment requirements and contributions to the Renewal and Replacement Fund will be added to the non-capacity capital expenditure amount with the amount in excess of the annual depreciation expense included as an additional cost in setting rates.~~ Capacity fee revenue will be used as an additional source of revenue in determining annual revenue requirements. Capacity fees to recover water, sewer and reclaimed water treatment facilities investments are established to recover 100% of the cost, including materials, of performing these

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services. These fees will be reviewed and if necessary, adjusted at least every three years. Capacity fees to recover the cost of off-site water and sewer line extensions shall be established to recover:

- 75% master plan main extension attributed to general system growth, assessed on a per connection basis; and
-

- 100% main extension attributed to specific development, assessed to the developer in accordance with JEA’s development policy.

On-site line extensions are the financial responsibility of the developer, builder, homeowner or business and shall be contributed to JEA at no charge to own, operate and maintain. JEA W/WW Cost Participation policy may provide opportunities for financial assistance.

Tap and meter fees will be established to recover 100% of the cost, including materials, of performing tap and meter services. These fees will be reviewed and, if necessary, adjusted at least every three years.

~~Staff will review with the Board of Directors the revenue and capital funding plans during both the annual budget cycle and the discussions of long term financial planning.~~

Legacy Charges

~~Environmental charge will be phased out so that Environmental projects will be supported by various funding sources.~~

VII. Stabilization Funds

The Board authorizes the funding and utilization of certain Stabilization Funds within each of the Electric and Water and Sewer Systems. Deposits and withdrawals will be made into each of the funds as specifically described below, and are governed by both this Pricing Policy and JEA’s Bond Resolutions. The Stabilization Funds described below have a specific funding source which is approved by the Board, and the uses of funds are also approved by the Board. Any excess amounts remaining after the funding target is met and expenses are paid are ~~refunded~~returned back to customers.

Customer Benefit Stabilization Fund

Funding and Authorization

~~As th~~The Residential Conservation Charge is ~~being~~ discontinued, no additional funding will be added.

Allowable Uses

Withdrawals from the Customer Benefit Stabilization Fund are limited to amounts representing charges to the applicable “Customer Benefit” cost centers, which represent Customer Benefit programs approved annually by the Board. Once the fund has been depleted, it will be discontinued.

Excess Funds

Funds collected in excess of the approved Customer Benefit programs shall be used to fund future program expenses or be refunded to customers.

Electric System Environmental Stabilization Fund

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Funding and Authorization

Deposits to the Electric System Environmental Stabilization Fund will be made from the Revenue Fund as needed.

Allowable Uses

Withdrawals from the Electric System Environmental Stabilization Fund are limited to environmental expenditures approved by the Board prior to fiscal year 2023. If the withdrawals exceed the balance in the fund, deposits will be made from the Revenue Fund to reimburse the Stabilization Fund until those projects are complete.

Excess Funds

Funds collected in excess shall be used to fund future environmental expenses or be refunded to customers.

Water and Sewer System Environmental Stabilization Fund

Funding and Authorization

Deposits to the Water and Sewer System Environmental Stabilization Fund will be made from the Revenue Fund as needed.

Allowable Uses

Withdrawals from the Water and Sewer System Environmental Stabilization Fund are limited to environmental expenditures approved by the Board prior to fiscal year 2023. If the withdrawals exceed the balance in the fund, deposits will be made from the Revenue Fund to reimburse the Stabilization Fund until those projects are complete.

Excess Funds

Funds collected in excess shall be used to fund future environmental expenses or be refunded to customers.

Non-Fuel Purchased Power (NFPP) Stabilization Fund

Target Balance

There is no required minimum balance. The objective is to assist in the timing of non-fuel purchased power expenses.

Funding and Authorization

Deposits to the NFPP Stabilization Fund are for amounts associated with any non-fuel purchased power. The Board will determine as part of the Budget approval process or periodically throughout the year the amount to include in rates that will be deposited into the NFPP Stabilization Fund.

Allowable Uses

Withdrawals from the NFPP Stabilization Fund may be made to reimburse any non-fuel purchased power expenses at the discretion of CEO/Managing Director or designee.

Excess Funds

Funds collected in excess shall be used to fund future non-fuel purchased power expenses or be refunded to customers.

Health Self-Insurance Reserve

Target Balance

The target size of this reserve is based on regulatory requirements, market conditions and risk management experience, along with input from the [Florida Office of Insurance Regulation Department of Insurance](#), the regulatory body responsible for oversight of all self-insurance health and medical plans.

The objective is to maintain appropriate reserves and to ensure the long-term viability of the organization and the sustainability of the self-insurance health programs. Rule 69O-149.053, Florida Administrative Code requires that JEA maintain a minimum surplus reserve of 60 days [of anticipated claims](#) over and above the amount needed for the Plan's claim liability to cover costs associated with unexpected claims.

Funding and Authorization

JEA has established, from operating revenues, an internally designated "Health Self-Insurance Fund" to cover reserve requirements for its self-insurance health program. [The Office of Insurance Regulation for FL State requires 60 days of claims be maintained in reserve per FS Section 112.08 and the related sections of the Florida Administrative Code.](#)

Reserve requirements will be reviewed and approved by [CEO/Manager Director or his designee](#) ~~the Board~~ annually. ~~The Board, as part of the Budget approval process, will approve amounts to be collected in rates that include both the current anticipated cost less amounts approved to be contributed by employees as well as amounts to maintain an adequate reserve for future costs.~~

Allowable Uses:

The amounts approved for recovery from the employees will be used to reduce the annual cost. Any costs in excess of revenues collected will be included in rates at the direction of the Board in a future period.

Excess Funds

Any amount over the required reserve requirement will be used to reduce future costs [related to the administration of the plan, included in rates or will be refunded to the employee through premium holidays as approved by the Board.](#)

VIII. Policy Exceptions

Any pricing activity determined to be in conflict with this Policy will be brought to the Board of Directors for review and approval prior to adoption and resulting metrics will be reported on an annual basis within the long term financial planning.

IX. Effective Date

This Pricing Policy became effective October 1, 2005 (originally called "Pricing Philosophy"). This revision will become effective on the date on which it is adopted

October ~~2022~~2023

| by the full Board effective October 1, ~~2022~~2023.

|

| October ~~2022~~2023

RESOLUTION NO. 2023-40

A RESOLUTION OF JEA AUTHORIZING THE ISSUANCE OF ITS ELECTRIC SYSTEM REVENUE BONDS AND/OR ITS ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS, ITS BULK POWER SUPPLY SYSTEM REVENUE BONDS AND/OR ITS POWER PARK ISSUE THREE BONDS, IN AN AGGREGATE AMOUNT NOT TO EXCEED \$1,900,000,000, FOR THE PURPOSE OF FINANCING THE ACQUISITION AND/OR CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE ELECTRIC SYSTEM OF JEA OR FOR PURPOSES AUTHORIZED UNDER THE BULK POWER SUPPLY BOND RESOLUTION OR THE SECOND POWER PARK BOND RESOLUTION, OR OF REFUNDING ELECTRIC SYSTEM REVENUE BONDS, ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS, BULK POWER SUPPLY SYSTEM REVENUE BONDS AND/OR POWER PARK ISSUE THREE BONDS; APPROVING THE ISSUANCE AND SALE OF ITS WATER AND SEWER SYSTEM REVENUE BONDS AND/OR ITS WATER AND SEWER SYSTEM SUBORDINATED REVENUE BONDS, IN AN AGGREGATE AMOUNT NOT TO EXCEED \$2,500,000,000, FOR THE PURPOSE OF FINANCING THE ACQUISITION AND/OR CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE WATER AND SEWER SYSTEM OF JEA OR OF REFUNDING WATER AND SEWER SYSTEM REVENUE BONDS AND/OR WATER AND SEWER SYSTEM SUBORDINATED REVENUE BONDS; APPROVING THE ISSUANCE AND SALE OF ITS DISTRICT ENERGY SYSTEM REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$150,000,000, FOR THE PURPOSE OF FINANCING THE ACQUISITION AND/OR CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE DISTRICT ENERGY SYSTEM OF JEA OR OF REFUNDING DISTRICT ENERGY SYSTEM REVENUE BONDS; AUTHORIZING THE VALIDATION OF SAID BONDS AND INDEBTEDNESS; REQUESTING COUNCIL APPROVAL; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY JEA AS FOLLOWS:

SECTION 1. Authority for this Resolution. This resolution is adopted pursuant to the provisions of Chapter 92-341, Laws of Florida, Special Acts of 1992, as amended, and other applicable provisions of law.

SECTION 2. Definitions. Unless the context otherwise requires, the terms defined in this section shall have the meanings specified in this section. Reference is made to the applicable Bond Resolution (as defined below) for definitions of terms used in this resolution which are not defined in this section. Words importing a singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

A. "Bond Resolution" shall mean, both collectively and individually, as applicable, the Electric System Senior Lien Bond Resolution, the Electric System Subordinated Lien Bond Resolution, the Bulk Power Supply System Bond Resolution, the Second Power Park Bond Resolution, the Water and Sewer System Senior Lien Bond Resolution, the Water and Sewer System Subordinate Lien Bond Resolution, and/or the District Energy System Bond Resolution.

B. "Bulk Power Supply System Bond Resolution" shall mean that certain restated and amended resolution adopted by JEA on November 18, 2008, known as the Restated and Amended Bulk Power Supply System Revenue Bond Resolution, as thereafter amended.

C. "City" shall mean the City of Jacksonville, Florida.

D. "District Energy System Bond Resolution" shall mean that certain resolution adopted by JEA on June 15, 2004, known as the District Energy System Revenue Bond Resolution.

E. "Electric System Senior Lien Bond Resolution" shall mean that certain resolution adopted by JEA on March 30, 1982, known as the Electric System Bond Resolution, as thereafter amended.

F. "Electric System Subordinated Lien Bond Resolution" shall mean that certain resolution adopted by JEA on August 16, 1988, as amended and restated on January 18, 2000, known as the Electric System Subordinated Bond Resolution, as thereafter amended.

G. "Second Power Park Bond Resolution" shall mean that certain resolution adopted by JEA on February 20, 2007, known as the St. Johns River Power Park System Second Revenue Bond Resolution, as thereafter amended.

H. "Short- and Medium-Term Notes" shall mean Bonds, Subordinated Bonds, Subordinated Indebtedness issued in the form of short-term (including commercial paper) notes or medium-term notes, the maturity of which shall not exceed 15 years, the principal amount of which outstanding from time to time may be increased or decreased, and which may be issued from time to time to provide funds for the payment of previously issued Bonds, Subordinated Bonds, Subordinated Indebtedness as they shall mature and become due.

I. "Subordinated Bonds" shall mean obligations issued pursuant to the Electric System Subordinated Lien Bond Resolution or the Water and Sewer System Subordinated Lien Bond Resolution.

J. "System Debt" shall mean Additional Obligations, Additional Parity Obligations, Subordinated Bonds, Subordinated Indebtedness, refunding bonds, and/or Short- and Medium-Term Notes.

K. "Water and Sewer System Senior Lien Bond Resolution" shall mean that certain resolution adopted by JEA on February 18, 1997, as amended and restated on March 18, 1997, known as the Water and Sewer System Revenue Bond Resolution, as thereafter amended.

L. "Water and Sewer System Subordinated Lien Bond Resolution" shall mean that certain resolution adopted by JEA on May 15, 2003, known as the Water and Sewer System Subordinated Revenue Bond Resolution, as thereafter amended.

SECTION 3. Findings. It is hereby ascertained, determined and declared that:

A. Pursuant to the Bond Resolutions, JEA may issue additional debt, Additional Parity Obligations and Additional Obligations to finance any lawful purpose of JEA relating to the applicable systems or to refund any of the Bonds and/or the interest payable thereon issued for any such purpose.

B. Pursuant to the Act and in accordance with the Electric System Subordinated Lien Bond Resolution and the Water and Sewer System Subordinated Lien Bond Resolution, JEA is authorized to issue obligations junior and subordinate to the Bonds and any Additional Obligations or Additional Parity Obligations for any lawful purpose of JEA relating to the applicable systems.

C. JEA's capital improvement programs for each of the systems contemplate the issuance of additional Bonds, Additional Parity Obligations, Additional Obligations and/or Subordinated Bonds from time to time to finance and refinance the construction or acquisition of additions, extensions and improvements to the applicable systems, and purposes incidental thereto, and other lawful purposes of JEA relating to the systems.

D. JEA deems it necessary and in its best interest to authorize the issuance of the obligations authorized in Section 4 of this resolution.

E. Under applicable law, judicial validation of bonds, notes and other evidences of indebtedness is permissive, not required. It is desirable that the Authorized Officers of JEA be authorized to cause a validation proceeding to be instituted in the event that it is determined necessary or desirable to do so.

SECTION 4. Authorization of the Issuance of System Debt.

(a) There is hereby authorized the issuance of (i) Electric System Revenue Bonds, Electric System Subordinated Revenue Bonds, Bulk Power Supply System Revenue Bonds, and Power Park Issue Three Bonds in an aggregate amount not to exceed \$1,900,000,000; (ii) Water and Sewer System Revenue Bonds and Water and Sewer System Subordinated Revenue Bonds in an aggregate amount not to exceed \$2,500,000,000; and (iii) District Energy System Revenue Bonds in an aggregate amount not to exceed \$150,000,000. Such debt may be issued from time to time, at the option of JEA, in one or more issues, series or installments, as applicable.

(b) Such not to exceed amounts set forth above are for the purposes of providing funds for both new money and the refunding of existing debt. The not to exceed amounts set forth above shall be inclusive of existing bonds currently outstanding under each of the applicable Bond Resolutions and inclusive of funded draws made under credit facilities.

SECTION 5. Supplemental Resolutions Required. Prior to the issuance of each issue, series or installment, as applicable, of the debt authorized by this resolution, JEA shall adopt, in accordance with the provisions of the applicable Bond Resolution, a supplemental resolution

authorizing the issuance thereof and determining the terms and conditions (including, without limitation, the security therefor) and specifying the debt, if any, to be refunded thereby.

SECTION 6. Validation Authorized. The Office of General Counsel of the City and JEA's Bond Counsel are hereby authorized to, and, upon request of an Authorized Officer of JEA shall, institute appropriate proceedings in the Circuit Court of the Fourth Judicial Circuit of Florida, in and For Duval County, Florida, for the validation of all or a part of the obligations of JEA authorized by Section 4 of this resolution, and the proper officers of JEA are hereby authorized to verify on behalf of JEA any pleadings in such proceedings.

SECTION 7. Request for Council Approval. The Council of the City of Jacksonville is hereby requested to approve by ordinance the authorization of the issuance of the System Debt in not to exceed amounts authorized pursuant to Section 4 of this resolution. The Managing Director and Chief Executive Officer is hereby authorized and directed to forthwith transmit this request to said Council, together with a certified copy of this resolution.

SECTION 8. Further Actions. Each Authorized Officer of JEA is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all such acts and things as may be necessary or desirable in connection with the carrying out of the provisions of this resolution.

SECTION 9. Severability. If any one or more of the covenants, agreements or provisions of this resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way affect the validity or enforceability of such remaining provisions.

SECTION 10. Effective Date. This resolution shall become effective immediately for the purpose of Section 7 hereof; and shall become effective for all other purposes upon the effective date of the ordinance of the Council requested pursuant to said Section 7.

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APPROVED AND ADOPTED _____, 2023.

JEA

By: _____
Chair/Vice Chair



ATTEST:

By: _____
Secretary

FORM APPROVED:

By: _____
Assistant General Counsel



BOARD RESOLUTION: 2023-35
September 26, 2023

A RESOLUTION BY THE BOARD APPROVING REVISIONS TO JEA'S DEBT MANAGEMENT POLICY

WHEREAS, JEA's Debt Management Policy provides broad guidance and enables sound management, control, and oversight of JEA's debt while facilitating ongoing access to the capital markets necessary to fund future capital projects; and

WHEREAS, JEA's Debt Management Policy was last revised on September 24, 2019; and

WHEREAS, the proposed amendments to the JEA Debt Management Policy are being proposed in response to certain regulatory and governance changes, including the discontinuation of the LIBOR index and the Board's adoption of the Financial Instruments and Services Procurement Directive; and

WHEREAS, the proposed revisions to the JEA Debt Management Policy were reviewed and recommended for Board approval by the Finance and Operations Committee (Committee) on September 15, 2023; and

WHEREAS, Staff requests that the Board adopt the Committee's recommendation and approve the proposed revisions to the JEA Debt Management Policy.

BE IT RESOLVED by the JEA Board of Directors that:

1. The recitals stated above are hereby incorporated into and made part of this Resolution, and such recitals shall serve as findings of fact.
2. The Board hereby adopts the Committee's recommendation and approves the revisions to the JEA Debt Management Policy in substantially the form and format attached hereto.
3. To the extent that there are any typographical, administrative, and/or scrivener's errors contained herein that do not change to tone, tenor or purpose of this Resolution, then such errors may be corrected with no further action required by the Board.
4. This Resolution shall be effective upon approval by the Board.

Dated this 26th day of September, 2023.

JEA Board Chair

JEA Board Secretary

Form Approved by

Office of General Counsel

VOTE	
In Favor	
Opposed	
Abstained	

DEBT MANAGEMENT POLICY

Revised as of September 26, 2023

I. SCOPE

This Policy applies to all current and future debt and related hedging instruments issued by JEA for its Electric System (ES), Water and Sewer System (WS), District Energy System (DES), St. Johns River Power Park (SJRPP), Bulk Power Supply System (BPSS), and any other entity created and approved by JEA's Board. The Policy is intended to provide broad policy guidance and enable sound management, control, and oversight of JEA's debt while facilitating ongoing access to the capital markets necessary to the funding of future capital projects.

II. GOAL/MISSION/OBJECTIVE

JEA's debt shall be managed with an overall philosophy of taking a long-term approach to borrowing funds at the lowest possible cost to JEA customers over time. To achieve this goal, JEA will continuously work towards developing the optimal capital structure in view of JEA's risk tolerance to market fluctuations, capital markets outlook, future capital funding needs, rating agency considerations, counterparty credit profiles, and competition. Primary goals of the Debt Management Policy include:

- Maintain cost of capital consistent with other similarly rated municipal utilities
- Maintain steady credit ratings
- Establish and maintain reserve funds
- Optimize floating rate debt "put" risk
- Maintain an appropriately diversified debt portfolio

III. RESPONSIBILITY FOR POLICY

The Debt Management Policy is approved by the JEA Board and implemented by the Chief Financial Officer (CFO). An oversight committee, the Debt & Investment Strategy Committee (Committee) meets periodically to develop strategy and review the performance of the debt and investment portfolio in conjunction with this Policy. The members of the Committee are the Managing Director and Chief Executive Officer (CEO), CFO, VP of Financial Services, Treasurer and Manager of Cash and Investments. The Debt & Investment Strategy Committee's function is to conduct information gathering and fact-finding with respect to JEA's debt and investment strategies. The Committee shall have no formal advisory or decision-making authority.

JEA's Treasury Department is charged with developing, maintaining, and continuously improving procedures to implement and administer this Policy.

IV. AUTHORIZATION

A. Debt Authorization

The overall amount of debt that JEA is allowed to have outstanding for each of its systems is authorized by the JEA Board and by City Council ordinance annually. Taking into account capital and financial forecasts, the JEA Board approves the not-to-exceed outstanding debt limits with the goal of providing adequate flexibility to issue debt to fund the business while maintaining credit ratings in line with peers.

B. Authorizations for Debt-Related Hedging Instruments

Resolutions approving the use of interest rate swap, cap, and related hedging instruments outlining, among other things, size and maturity restrictions, must be approved by the JEA Board prior to execution.

C. New Systems Authorization and Financing

This Policy is applicable to debt issued pursuant to any new system resolution approved by the JEA Board and City Council.

V. INVESTMENT STRUCTURE

JEA is authorized to invest available funds pursuant to an established Investment Policy approved by the Board on September 19, 2000, last amended April 25, 2023, Florida Statutes section 218.415 and the ES, WS, DES, SJRPP, and BPSS bond resolutions. The primary goals of the Investment Policy are to (1) provide safety of capital, (2) provide sufficient liquidity to meet anticipated cash flow requirements and (3) maximize investment yields while complying with the first two goals. The Investment Policy outlines the parameters on authorized investments, maturity and liquidity requirement limits, and procurement and safekeeping procedures.

JEA is authorized to utilize investment/asset-based "fixed to floating" swaps in order to take advantage of longer-term investment yields as a hedge to the shorter yielding funds which are required to remain in short-term investments (i.e., debt service funds and operating funds).

The notional amount of investment/asset-based swaps outstanding is authorized by the Board under a separate resolution. JEA may not have outstanding a notional amount of investment/asset swaps which, in aggregate, is an amount greater than the amount of short-term investments maturing within one year.

VI. ANNUAL PLAN OF FINANCE

As part of the annual budget presentation, a Plan of Finance will be submitted to the Board for information purposes. Such Plan of Finance will address at a minimum the amount of debt projected to be issued during the next fiscal year and whether such debt is senior or subordinated, fixed and/or variable and the possible use of hedging instruments.

A. The annual capital budgeting process will be used to project the amount of debt to be issued during the next three-year period. Factors to be considered in the final financial forecast are:

- The forecast of spending levels for capital projects.
- The availability of internal funds to pay for capital projects.
- Desired debt service coverage levels consistent with a highly rated utility.
- The additional bonds test calculation outlined in the respective senior and subordinated resolution of each system.

B. Senior vs. Subordinated Debt

The Electric System and the Water and Sewer System each have a separate senior and subordinated bond resolution. The Electric System senior resolution authorizes debt issued under its resolution to fund projects relating to non-generation capital expenditures and the subordinated resolution authorizes debt issued under its resolution to fund projects relating to all categories of capital expenditures. This Policy will target debt issued under the Electric System subordinated resolution to fund generation capital expenditures and any associated debt refunding transactions.

The Water and Sewer System senior and subordinated bond resolutions authorize debt issuance under the respective resolution to fund projects relating to all categories of Water and Sewer System related capital expenditures and any associated debt refunding transactions.

A second revenue bond resolution for SJRPP authorizes the issuance of additional new money debt and any associated debt refunding transactions.

A restated and amended BPSS resolution authorizes debt to be issued to fund new projects and refund related debt.

The DES resolution authorizes debt to fund new projects and refund related debt.

C. Tax-exempt vs. Taxable

As a municipal utility, JEA is authorized to issue tax-exempt debt and must comply with appropriate tax regulations. JEA will always endeavor to issue

tax-exempt debt. For certain transactions, due to tax regulations, it may be necessary or advantageous for JEA to issue taxable debt. Such prevailing circumstances may include excessive transferred proceeds, volume cap limitations, and private use restrictions. The Treasury Department will monitor current tax regulations and utilize tax-exempt financing whenever possible.

D. Fixed vs. Variable Rate Debt

JEA will not exceed 30% of Net Variable Rate Debt to Total Debt and will not exceed 55% of Net Variable Rate Debt plus Net Fixed to Floating Interest Rate Swaps to Total Debt.

For purposes of this Policy, the above limits will be calculated with the following components:

- Net Variable Rate Debt equals Total Variable Rate Debt minus Net Variable Rate Assets.
- Net Variable Rate Assets equals Variable Rate Assets minus notional amount of investment/asset-matched interest rate swaps.
- Net Fixed to Floating Interest Rate Swaps shall be defined as the notional amount of fixed to floating swaps maturing in 10 years or less minus the notional amount of floating to fixed swaps maturing in 10 years or less outstanding on the last day of each month.
- Total Debt equals the par amount of fixed rate debt plus Total Variable Rate Debt.
- Total Variable Rate Debt equals hedged and unhedged variable rate debt.
- Variable Rate Assets are defined as investments maturing in less than one year.
- Unhedged Variable Rate Debt is defined as Total Variable Rate Debt outstanding less variable rate debt that is associated with a floating to fixed rate swap where the term of the swap matches the term of the variable rate debt.

The calculation of these percentages will be performed periodically and reported to the Committee.

JEA's capital structure, comprised of fixed rate debt, variable rate debt, and debt-related hedging instruments such as interest rate swaps and caps, will be managed in conjunction with investment assets and investment-related hedging instruments to incorporate the natural occurrence of hedging impacts in those balance sheet categories. The goal of adopting a comprehensive investment and debt management strategy is to use each side of the balance sheet to mitigate or hedge cash flow risks posed by the other side of the balance sheet. For example, interest income for variable rate assets provides a natural offset to the interest expense of variable rate

debt as interest rates increase or decrease. Therefore, in determining JEA's exposure risk to a changing interest rate environment, both components of the balance sheet will be analyzed and JEA's net exposure evaluated.

JEA will utilize a mix of fixed and variable rate debt to lower the overall cost of capital. Variable rate debt will generally be used as an efficient way to fund new construction requirements and as a permanent component of a long-term funding strategy. The amount of variable rate debt outstanding shall be based on any one or a combination of the following factors:

(1) Interest Rates

The absolute level of interest rates, the forecasted direction of interest rates and the shape of the yield curve are all factors in managing the amount of variable rate debt outstanding. If fixed rates are high relative to the current cycle of rates and the yield curve is steep, a higher percentage of net variable rate debt may be desirable. Conversely, if interest rates are low relative to the current cycle of rates and the yield curve is flat, a higher percentage of net fixed rate debt may be desirable.

(2) Capital Structure and Construction Funding

Given that JEA has a continuous capital program with projects beginning at various points in time and the lack of correlation between low interest rate environments and the need to begin a project, having a variable rate program will allow for "Just in Time" financing while providing for market timing flexibility. Additionally, variable rate debt adds flexibility for capital structure changes like accelerating the paydown of debt.

(3) Other Related Variable Rate Risks

JEA will take into consideration when determining the appropriate variable rate risk levels the potential exposure to variable rate risk on joint financing programs with the City of Jacksonville and other related agencies.

To optimize the debt portfolio as interest rates change and properly manage interest rate risk, the Committee will review the mix of fixed vs. variable interest rates on a periodic basis, taking into consideration the current interest rate environment, forecasts of interest rate volatility, expected performance of various debt or hedging instruments that may be utilized, and ongoing administrative costs.

E. “Just in Time” Financing.

The cash flow forecast for budgeted capital projects is the main factor used in determining the appropriate timing of new money debt transactions. The goal is to issue new debt as outstanding debt proceeds are spent. However, the timing of debt transactions may also depend upon factors including:

- Desired debt service coverage levels
- Budget, financial statement and ratings impacts
- Annual Plan of Finance
- Interest rate environment

The above factors are considered prior to making the final determination of the most optimal time to issue new debt to fund capital projects.

F. Budget/Financial Forecast goals for debt service

In order to adequately project debt service for budget purposes and for official financial forecast/rating agency purposes, the Treasury Department will develop interest rate assumptions using the following guidelines:

(1) Fixed Rate Debt

For the upcoming budget year, the budget assumption for interest rates for new incremental fixed rate debt will be (i) at a minimum, the average of the AA MMD index for comparable maturities for the most recent twelve months, or (ii) management, at its discretion, can choose to utilize higher rates. Interest rate forecasts from JEA’s underwriting team can be used as support for this determination. Forecasts for the fiscal years beyond the upcoming budget year will be based upon the budget interest rate assumption plus or minus based upon input from either forecasts received from investment bankers or from Bloomberg.

(2) Variable Rate Debt

For the upcoming budget year, the budget assumption for interest rates for outstanding and new incremental variable rate debt will be (i) at a minimum, the average of the SIFMA index for the most recent twelve months, or (ii) higher rates selected at the Treasurer’s discretion. Interest rate forecasts from JEA’s underwriting team or from Bloomberg can be used as support for this determination. Forecasts for the fiscal years beyond the coming budget year will be based upon the budget interest rate assumption plus or minus based upon input from either forecasts received from investment bankers or from Bloomberg.

- (3) The projected fixed and variable interest rate assumptions will be provided by the Treasurer as requested each year.
- (4) Unless otherwise agreed upon by the CFO, debt service for new debt will be projected on a level basis.

G. Credit Ratings

JEA recognizes that strong credit ratings are necessary to ensure the lowest possible borrowing costs, which will factor into maintaining low rates for our customers. JEA's goal is to maintain a long-term senior unsecured "AA" category rating by each rating agency.

JEA will utilize the following municipal debt rating services: Fitch Ratings, Standard and Poor's, and Moody's Investors Service. Any changes, additions, or deletions to the list above will require approval of the CEO.

VII. FIXED RATE DEBT

A. Overview

Fixed rate debt is authorized to finance capital projects and for any other allowable purpose as stipulated in the governing bond resolutions and tax regulations.

B. Type

JEA may issue any type of fixed rate debt as authorized by JEA's various bond resolutions and recommended by JEA's Financial Advisor. Some of the various types of debt authorized include, but are not limited to, serial and term bonds issued at par, discount or premium, capital appreciation bonds, and bullet bonds (e.g., refundable principal installments).

C. Maturity, Structure, and Call Provisions

Prudent debt management requires that there be a proper matching of the lives of the assets and the length of the debt used to finance such asset. JEA will, at all times, structure the amortization and maturity of any fixed rate debt to comply with the appropriate tax regulations.

To provide the maximum amount of flexibility, JEA will issue tax-exempt debt with an embedded call feature whenever possible. For taxable debt, JEA can utilize make whole call provisions at terms and conditions prevalent in the taxable bond market at the time of pricing. JEA staff along with the financial advisor and underwriter will assess the market at the time of pricing to determine its ability to issue bonds with such features while minimizing interest costs.

D. Providers

JEA may sell debt by either negotiated sale or competitive bid. The determination of the method is to be made prior to each financing.

If JEA selects the “negotiated sale” method, the underwriting team will be selected pursuant to the Financial Instruments and Services Directive of the JEA Procurement Code. JEA shall require that a master underwriting agreement be entered into and signed by all parties at the end of the solicitation process and a separate bond purchase agreement with the senior underwriter(s) shall be approved by the JEA Board at each sale of debt, unless the Board has previously delegated such approval authority to the CEO.

If JEA selects the “competitive sale” method, determination of the winning bid will be based on the following methodology: (1) the “standard convention” as recommended by JEA’s Financial Advisor, (2) calculation utilized by the State Board of Administration or (3) the underwriting firm with the lowest True Interest Cost (TIC) proposal.

JEA will employ staff or an outside professional financial advisor, other than the underwriter, who is familiar with and abreast of the conditions of the municipal market, and is available to assist in structuring the issue, pricing, and monitoring of sales activities. JEA shall not use a firm to serve as both the financial advisor and underwriter. Financial advisors and bond counsel will be selected in accordance with the JEA Procurement Code. Selection of underwriters and other necessary service providers involved in debt transactions will be selected pursuant to the Financial Instruments and Services Directive of the JEA Procurement Code.

E. Debt Service Reserves

A debt service reserve will be funded, maintained, and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate bond resolution.

- The debt service reserve may be in the form of cash and/or investments funded from the proceeds of bonds and/or revenues from operations.
- If allowed by the resolution, a surety issued by a financial institution nationally recognized in the industry to issue such policies may be used in place of a cash-funded debt service reserve.
- If allowed under the respective bond resolution, any other form of financial instruments may be used in place of cash-funded or surety-funded debt service reserve, provided such financial instruments are issued by firms of nationally recognized standing.

- JEA will weigh the benefits of each method of funding the debt service reserve prior to each issue and will choose the method most beneficial to JEA based upon the facts and circumstances of each issue.

A debt service reserve may also be maintained if, in the opinion of the underwriter, it is reasonably required to provide security for the payment of debt service with respect to JEA's bonds and is consistent with normal practice in respect of bonds of the same general type as those being issued by JEA.

F. Bond Insurance

For each debt transaction, JEA will evaluate the economic benefit of using bond insurance. This analysis will incorporate the insurance benefits to the call date, to maturity date, and any intermediate date. If based on the analysis, JEA determines that bond insurance will add economic benefit to the transaction an insurance provider will be selected. Financial institutions which insure bonds for investors of JEA must have, at the time the bonds are issued, a credit rating (if rated) not less than AA/Aa2/AA from Fitch Ratings, Moody's, and Standard & Poor's, respectively.

G. Approvals

The structure, maturity, and call provisions for each fixed rate financing must be approved in writing by the CFO on or prior to the date of pricing. The CFO has the responsibility to review the structure of each debt transaction with the CEO. Negotiation with the underwriter on negotiated bond transactions will be conducted by the Treasurer. Final transaction approval must be obtained from the Board; however, it may be in the form of a delegated authority.

H. Reporting and Compliance

A monthly report entitled "Schedule of Outstanding Indebtedness" will be provided to the Board that summarizes the principal amount, the range of interest rates and maturity dates of all outstanding debt.

JEA is committed to full and complete compliance with all applicable laws and regulations with respect to its debt. Because of the complexity of the tax regulations and the consequences of non-compliance, the advice of bond counsel and other qualified professionals will be sought whenever necessary. In carrying out its responsibility, JEA shall monitor and analyze the investments and use of bond proceeds and calculate the amount of arbitrage rebate liability due to the U.S. Treasury.

VIII. VARIABLE RATE DEBT INSTRUMENTS

A. Overview

Variable rate debt is authorized to finance capital projects and for any other allowable purpose as stipulated in the governing bond resolutions and tax regulations.

JEA must adhere to the variable rate debt limits outlined in this Policy.

B. Type

JEA may issue any type of variable rate debt as authorized by JEA's various bond resolutions and recommended by JEA's Financial Advisor. Some of the various types of debt authorized include, but are not limited to, Commercial Paper, Variable Rate Demand Obligations, and Medium-Term Notes.

C. Management

On a periodic basis, the Treasury Department will make decisions regarding any changes to the interest mode for variable rate demand obligations and desired maturities for commercial paper.

D. Maturity and Call Provisions

As with fixed rate debt, JEA will structure the maturity dates of the variable rate debt to match the lives of the assets being financed. JEA will, at all times, structure the amortization and maturity of any variable rate debt to comply with the appropriate tax regulations. For JEA commercial paper program, the maturity of a Commercial Paper Note shall not exceed 270 days and the term of a commercial paper program shall not exceed 30 years in order to stay within the current safe harbor rules to be treated as part of a single issue. For variable rate debt with tender rights, the current safe harbor rules limit the maturity to no longer than 35 years.

E. Providers

Underwriters, remarketing agents or dealers of JEA's variable rate debt program will be selected pursuant to the Financial Instruments and Services Directive of JEA's Procurement Code.

Banks providing Liquidity Facilities for variable rate debt shall be reviewed regularly with the Financial Advisor and minimum short-term ratings (if rated) established for these providers shall be F1, P1, A1 from the three rating agencies: Fitch Ratings, Moody's, and Standard & Poor's, respectively. The long-term credit rating should generally have a minimum rating equal to JEA's credit rating on the underlying debt.

If bond insurance is necessary for variable rate debt, the insurance provider will be selected pursuant to the Financial Instruments and Services Directive of JEA's Procurement Code. Financial institutions which insure bonds for investors of JEA must have, at the time the bonds are issued, a short-term credit rating (if rated) of F1, P1, A1 and a long-term credit rating (if rated) not less than AA/Aa2/AA from Fitch Ratings, Moody's, and Standard & Poor's, respectively.

F. Approvals

The structure, maturity, and call provisions for each variable rate financing must be approved in writing by the CFO prior to the transaction. The CFO has the responsibility to review the structure of each debt transaction with the CEO. Final transaction approval must be obtained from the Board; however, it may be in the form of a delegated authority.

G. Compliance/Reporting Requirements

The amount of variable rate debt outstanding for JEA shall be included on the report entitled "Schedule of Outstanding Indebtedness" and will be reported to the Board in conjunction with the Monthly Financial Statements of JEA.

JEA will monitor and report any arbitrage rebate liability due to the U.S. Treasury on bond proceeds from variable rate transactions.

IX. DEBT REFUNDING

A. Overview

The refunding of outstanding debt represents an opportunity for JEA to realize debt service savings. Refundings may allow JEA to restructure its existing debt portfolio to enable JEA to operate in a more competitive manner. Many of the policies and practices applicable to new money fixed and variable rate financings are applicable to debt refundings as well.

B. Management

Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refundings will be considered within federal tax law constraints. JEA and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings. Current tax regulations do not permit tax-exempt Advance Refunding transactions. There are no limitations with respect to a current refunding of bonds. The following guidelines should apply to the issuance of refunding bonds:

- (1) Any refunding will be evaluated on the economic savings or structure advantages relating to issuing the new debt. For a fixed rate refunding, a five percent savings target is a general guideline. However, refunding issues that produce a net present value savings of less than five percent may be issued for various business and/or economic purposes. Examples include but are not limited to (a) restructuring debt, (b) amending provisions of a bond document, and (c) taking savings based on structure or low interest rate environment considerations. Savings below the five percent guideline must be approved by the CFO or by delegated authority from the Board prior to the execution of the refunding transaction.
- (2) Refundings involving variable rate debt generally do not produce savings and will not have a savings guideline. These transactions are usually executed to take advantage of structuring opportunities or to reduce risk, or may be utilized to take advantage of low long-term interest rates.
- (3) The final structure (including the use of hedging products) will be recommended by the Treasury Department to the CFO for approval prior to the execution of any refunding transaction. The CFO has the responsibility to review the structure of each debt transaction with the CEO.

C. Fixed and Variable

JEA can utilize fixed or variable rate debt for refunding purposes and must adhere to the variable rate debt limits outlined in this Policy.

D. Maturity and Call Provisions

The maturity of refunding bonds shall, absent a bond counsel opinion, be in accordance with the safe harbor rules for the creation of replacement proceeds found in the tax regulations.

To provide the maximum amount of flexibility, JEA will utilize call provisions whenever possible for tax-exempt debt. Call provisions for taxable debt will be based on terms and conditions prevalent in the taxable bond market at the time of pricing. JEA staff along with the financial advisor and underwriter will assess the market at the time of pricing to determine its ability to issue bonds with such features while minimizing interest costs.

E. Debt Service Reserve

In the event where a refunding transaction reduces the debt service reserve requirement, JEA may deposit any such reduction into the defeasance escrow account for the refunded bonds or utilize the reduction for any lawful purpose.

F. Approvals

The structure, maturity, and call provisions for each refunding must be approved in writing by the CFO on or prior to the date of pricing. The CFO has the responsibility to review the structure of each debt transaction with the CEO. Negotiation with the underwriter on negotiated bond transactions will be conducted by the Treasurer. Final transaction approval (which may be delegated) must be obtained from the Board.

X. INTEREST RATE SWAPS, CAPS, COLLARS, AND RELATED HEDGING INSTRUMENTS

A. Overview

The prudent use of hedging instruments, including interest rate swaps, caps and collars, may be an effective tool in meeting funding needs and structuring a balance sheet while managing risk associated with the movement of interest rates. Utilizing hedging products may provide JEA with cost effective alternatives to traditional debt financing choices.

There are three types of interest rate swaps JEA is authorized to enter into:

- Floating-to-fixed interest rate swaps
 - Hedge interest rate risk on variable rate debt;
 - Lock in fixed rates on refunding bonds that will be issued in the future; or
 - Take advantage of opportunities to obtain fixed swap rates that are lower than comparable fixed rate bonds
- Fixed rate to floating interest rate swaps
 - Increase the amount of variable rate exposure without incurring the remarketing and liquidity costs;
 - Eliminate the put risk associated with variable rate debt; or
 - Take advantage of opportunities to obtain variable swap rates that are lower than comparable variable rate bonds
- Basis swaps to manage the risk associated with the mismatch between two benchmarks

B. Risks

Interest rate swaps and related hedging instruments may introduce additional risks to JEA's credit profile. These risks include, but are not necessarily limited to, termination risk, counterparty risk, re-execution risk, amortization risk, Basis Risk, and tax event risk. Prior to entering into each

interest rate swap transaction, these risks are evaluated to ensure adequate provisions are in place to minimize the downside and provide the maximum benefit the transaction originally intended.

C. Limits

The percentage of variable rate exposure (the notional amount of Net Fixed to Floating Interest Rate Swaps and Total Variable Rate Debt outstanding) to Total Debt outstanding shall not exceed 55%. The Total Variable Rate Debt outstanding and Net Fixed to Floating Interest Rate Swaps shall be calculated as set forth in Section VI.D of this Policy. The notional amount of interest rate swaps, caps, collars, and related hedging instruments will be limited to the amount approved in resolutions approved by the Board from time to time.

At all times, a fixed to floating interest rate swap will have an associated interest rate cap for the same notional amount at a level no greater than 200 basis points above the interest rate swap fixed rate. (See waiver in Section K)

Additionally, it is contemplated that an interest rate cap will not always have the same maturity as the interest swap with which it is associated. The average life of aggregate outstanding caps will not be less than 75% of average life of the associated aggregate swaps.

From time to time, the Treasury Department will evaluate the use of collar (cap and floor instrument) transactions as a hedging tool to minimize cost and risk. The cap portion will be executed pursuant to the above referenced rules. The related floor rate will be approved by the Committee prior to execution.

D. Fixed to Floating Rate Swap Management

The Committee shall have the overall responsibility for the execution and management of fixed to floating interest rate swaps.

The following decision rules will govern the decision to initially execute a fixed to floating interest rate swap, cap, or other hedging instruments within the Debt Management Program:

1. JEA receives payments based on a fixed rate and pays based on a floating rate.
2. Floating rate is based on either SIFMA or SOFR.
3. If the SIFMA Index is selected, no adjustment to the notional amount is needed.

4. If the SOFR index is selected, the notional amount of the interest rate swap and cap will be adjusted by the current ratio of the SIFMA based fixed rate to the SOFR based fixed rate. (See example below)

$$\frac{\text{SIFMA Fixed Rate}}{\text{SOFR Fixed Rate}} = \frac{1.56\%}{2.36\%} = 66.1\%$$

The notional amount will be multiplied by the ratio to obtain the adjusted notional amount.

5. Decision to select SOFR or SIFMA will be based on a combination of historical, current, and future expectations for the relationships of floating SIFMA to floating SOFR and fixed SIFMA to fixed /SOFR. Generally, if the floating SIFMA to SOFR ratio is lower than the fixed SIFMA to SOFR ratio, a SIFMA based swap is preferred. However, historical and future expectations must be evaluated in order to make the decision.
6. Term of the interest rate swap and cap shall not exceed 10 years.
7. An interest rate swap will not be executed unless the spread between the fixed rate and initial floating rate is a positive 10 basis points or more.
8. An interest rate cap is to be entered into at the time of each swap transaction for the identical notional amount if JEA does not have a current interest rate cap in place that meets the criteria. The cap should be at a level no greater than 200 basis points above the fixed rate of the swap. However, if JEA has current interest rate cap positions that are not associated with any particular interest rate swap but are being utilized generally to manage variable rate risk, an interest rate cap meeting the conditions listed above may be utilized to satisfy the requirements of this section.

The Committee will meet on a periodic basis to review the performance of any fixed to floating interest rate swap and review the current interest rate swap and cap decision rules.

E. Floating to Fixed Rate Swap Management

The Committee shall have the overall responsibility regarding the execution and management of floating to fixed interest rate swaps. An additional component of the debt management strategy is to use floating to fixed rate swaps to lock in the lowest possible borrowing costs over a long period of time. Floating to fixed rate swaps can be used in conjunction with issuing variable rate debt to obtain the lowest fixed rate when compared to traditional forms of fixed rate financings. In addition, floating to fixed swaps

may be desirable when the cycle of long-term rates moves down to or near historical lows and “fixing” a portion of the outstanding variable rate debt appears advantageous. Swaps will be evaluated as alternatives to traditional financing instruments considering their comparable costs, ease of entry and exit provisions, and the amount of potential risk exposure.

Interest rate swaps will be executed for notional amounts, maturities and other related terms and conditions as determined by the Committee. Re-execution risk, amortization risk, tax event risk and Basis Risk will be evaluated in order to minimize any potential negative results.

Forecasts of interest rate volatility over the term of the swaps and expected performance of the swaps under various interest rate scenarios shall be analyzed prior to the execution of the swaps. Short and long-term interest rates will be monitored over varying time periods. The Committee may elect to enter into “reversing” swaps to take advantage of market opportunities.

The following “decision rules” will govern the decision to execute and/or re-execute a floating to fixed interest rate swap:

1. JEA receives payments based on a floating rate and pays based on a fixed rate.
2. Floating rate is based on either SIFMA or a percent of SOFR.
3. If the SIFMA Index is selected, no additional analysis is needed.
4. If the SOFR index is selected, the historical relationship of SIFMA to SOFR will be used as a guide when selecting the percent of SOFR as the index. A risk analysis will be done on a projected basis to quantify the risk versus potential reward.
5. Decision to select LSOFR or SIFMA will be based on a combination of historical, current, and future expectations for the relationships of floating SIFMA to floating SOFR and fixed SIFMA base rate versus the fixed rate based on the SOFR index.
6. Term of the interest rate swap is a maximum of 30 years or if the swap is executed with the purpose of synthetically fixing a specific variable rate debt issue, the swap transaction is permitted to have a term which matches the term of the variable rate debt but will be determined based on the life of the related debt being hedged.

Interest rate caps and collars are additional hedging instruments that JEA may utilize to manage risks associated with variable rate debt.

F. Compliance and Reporting Requirements

Resolutions approving the use of interest rate swap, cap, and other hedging instruments outlining, among other things, size, and maturity restrictions, must be approved by the JEA Board prior to execution.

JEA Board must approve the overall Debt Management Policy including explicit parameters for the use of interest rate swaps, caps, and other hedging instruments.

JEA CEO must sign all interest rate swap, cap, or collar confirmations.

JEA external auditors shall perform an annual review relating to fixed to floating interest rate swap management as part of its annual financial statement audit.

Monthly performance reports regarding outstanding interest rate swaps, caps and related hedging instruments will be provided to Accounting Services to be included in the monthly financial statements to the Board. Mark to market valuations will be updated on a periodic basis and provided to Committee members and Accounting Services to be included in the financial statements.

Collateral reports will be updated on a monthly basis providing information relating to specific swap transactions that may require collateral posted based on mark to market valuations.

JEA's CFO or Treasurer must approve the interest rate swap term sheet prior to execution. In addition, the purpose of the transaction, will be included as part of the swap paperwork file kept for each executed swap transaction.

G. Providers

Financial Institutions and Dealers executing interest rate swaps, caps, and other hedging instruments for JEA shall be selected pursuant to the Financial Instruments and Services Directive of the JEA Procurement Code. JEA shall require that all institutions and dealers entering into interest rate swap, cap and other hedging instrument agreements execute a Master Swap Agreement (the ISDA Master Agreement must be used as a part of the Master Swap Agreement) that is signed by both parties. All transactions shall adhere to the requirements of the Master Swap Agreement.

H. Diversification

No more than \$500 million of net interest rate swap and cap or other hedging instruments shall be outstanding in the aggregate with any one provider or affiliate thereof unless approved in writing by the CEO. The

aggregate amount of all long-dated (greater than 10 years) transactions executed with financial institutions and all affiliates thereof, shall be limited to an amount based on the credit rating of the financial institution at the time of the entry into the long-dated hedging transaction as shown below:

Rating Level	Notional Amount
AAA/Aaa by one or more Rating Agencies	\$400,000,000
AA-/Aa3 or better by at least two Rating Agencies	\$300,000,000
A/A2 or better by at least two Rating Agencies	\$200,000,000
Below A/A2 by at least two Rating Agencies	\$0

The rating criteria shown above apply either to the counterparty to the long-dated transaction or, if the payment obligation of such counterparty under the relevant Swap Agreement shall be guaranteed by an affiliate thereof, such affiliate. The overall maximum of the above limits cannot exceed \$400 million for long-dated transactions.

This provision includes all interest rate swap, cap and other hedging instruments JEA may utilize to manage interest rate risk.

I. Bid

All initial interest rate swap and cap transactions shall be competitively bid by at least three providers that have executed interest rate swap agreements with JEA. Upon written authorization from the CEO or his designee, 1) a reversing transaction resulting in an upfront payment to JEA may be negotiated with the original swap, cap, or collar counterparty, 2) a negotiated swap with a counterparty may be executed as part of a debt financing or (3) a cap/collar can be procured either with bids received from two providers or negotiated with only one provider if JEA receives a letter from the then current Financial Advisor stating that the payment for such cap/collar was executed at market levels.

J. Reserve Fund

An annual budgeted reserve contribution will be made to a reserve fund to cover any payments made as a result of the use of swaps as part of the Policy. Three percent of the notional amount of each fixed to floating interest rate swap initially executed will be retained in the reserve fund and used if needed to make interest rate swap payments. The contributions to the reserve fund will be funded in three equal installments of 1% of the notional amount beginning in the month the swap is executed. Once funded, the reserve fund shall at all times be not less than three percent of the notional amount of fixed to floating debt interest rate swaps outstanding

unless the reserve fund is used as stipulated below. Accounting will be consistent with the variable rate reserve fund.

The reserve fund can be used for any lawful purpose including debt service, debt repayment and capital outlay. The use of this reserve fund must be approved in writing by the CEO.

K. Other

If a fixed to floating interest rate swap is executed in conjunction with a refunding transaction where the net effect is to maintain the current level of variable rate exposure, (1) the requirement to execute a cap with an associated fixed to floating swap is waived and (2) any reserve requirement needed for the fixed to floating swap is waived; however, the reserve requirement shall be calculated as if the variable rate debt is outstanding in the amount of the notional amount of the associated fixed to floating interest rate swap.

XI. INSIDER TRADING POLICY GUIDELINES

Insider trading is a court developed doctrine under which it is unlawful to purchase or sell a security while in possession of material non-public information in breach of a duty or other relationship of trust or confidence.

Insider trading likely would not be found where an issuer is communicating in good faith with investors or analysts and disclosing information that is (1) Public, (2) not material or “market-moving” or (3) both public and non-material.

XII. POLICY EXCEPTIONS

Any financing activity not included in this Policy will be brought to the Board for review and approval prior to execution.

XIII. EFFECTIVE DATE

This Policy will become effective May 20, 2003 (as revised April 19, 2005, October 10, 2005, November 20, 2007, December 15, 2009, September 24, 2019 and September 26, 2023).

XIV. DEFINITIONS

Advance Refunding A bond is treated as issued to advance refund another bond if it is issued more than 90 days before the redemption of the refunded bond.

Basis Risk Movement in the underlying variable rate indices may not be perfectly in tandem, creating a cost differential that could result in a net cash outflow from the issuer. Also, the mismatch that can occur in a swap with both sides using floating, but different, rates.

Capacity Expansion Capital expansion projects are those projects designed to accommodate new customers, acquisitions, new “plants”, and expansion of existing system capacity.

Commercial Paper Note Shall mean any Bond which has a maturity date which is not more than 270 days after the date of issuance thereof.

Competitive Bid A method of submitting proposals for the purchase of new issue of municipal securities by which the securities are awarded to the underwriting syndicate presenting the best bid according to stipulated criteria set forth in the notice of sale.

Construction Loan Credit Facility Obligations of JEA of a particular credit facility for construction advance purposes which shall be similar to Bond Anticipation Notes.

Counterparty Risk The risk that the other party in the derivative transaction fails to meet its obligations under the contract.

Credit Enhancement Shall mean, with respect to the Bonds of a Series, a maturity within a Series or an interest rate within a maturity, the issuance of an insurance policy, letter of credit, surety bond or any other similar obligation, whereby the issuer thereof becomes unconditionally obligated to pay when due, to the extent not paid by JEA or otherwise, the principal of and interest on such Bonds.

Current Refunding A bond is treated as issued to current refund another bond if the refunding issue is issued not more than 90 days before the redemption of the refunded bond.

Hedge A transaction entered into to reduce exposure to market fluctuations.

Interest Rate Swap A transaction in which two parties agree to exchange future net cash flows based on predetermined interest rate indices calculated on an agreed notional amount. The swap is not a debt instrument between the issuer and the counterparty, and there is no exchange of principal.

ISDA International Swap Dealers Association, the global trade association with over 550 members that include dealers in the derivatives industry.

ISDA Master Agreement The standardized master agreement for all swaps between the issuer and the dealer that identifies the definitions and terms governing the swap transaction.

Long-Dated Swap A swap with a term of more than ten years. Often used in the municipal market, as issuers often prefer to use a hedge that matches the maturity of the underlying debt or investment.

Mark-to-Market Calculation of the value of a financial instrument (like an interest rate swap) based on the current market rates or prices of the underlying (i.e. the variable on which the derivative is based).

Medium-Term Note Any bond which has a maturity date which is more than 365 days, but not more than 15 years, after the date of issuance and is designated as a medium-term note in the supplemental resolution authorizing such bond.

Negotiated Sale The sale of a new issue of municipal securities by an issuer through an exclusive agreement with an underwriter or underwriting syndicate selected by the issuer.

SIFMA Index SIFMA Municipal Swap index is a 7-day high-grade market index comprised of tax-exempt VRDO reset rates that are reported to the Municipal Securities Rule Making Board's Short-Term Obligation Rate Transparency reporting system.

SOFR Index Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. JEA agreed to use SOFR as the replacement benchmark for LIBOR based transactions effective as of July 1, 2023.

Termination Risk The risk that a swap will be terminated by the counterparty before maturity that could require the issuer to make a cash termination payment to the counterparty.

True Interest Cost The rate, compounded semiannually, necessary to discount the amounts payable on the respective principal and interest payment date to the purchase price received for the bonds.

Variable Rate Bond Shall mean any Bond not bearing interest throughout its term at a specified rate or specified rates determined at the time of initial issuance.

Variable Rate Demand Obligations (VRDO) A long-term maturity security which is subject to a frequently available put option or tender option feature under which the holder may put the security back to the issuer or its agent at a predetermined price (generally par) after giving specified notice or as a result of a mandatory tender. Optional tenders are typically available to investors on a daily basis while in the daily or weekly mode and mandatory tenders are required upon a change in the interest rate while in the flexible or term mode. The frequency of a change in the interest rate of a variable rate demand obligation is based upon the particular mode the security is in at the time.

DEBT MANAGEMENT POLICY

Revised as of September ~~24, 2019~~26, 2023

I. SCOPE

This Policy applies to all current and future debt and related hedging instruments issued by JEA for its Electric System, ~~(ES)~~, Water and Sewer System, ~~(WS)~~, District Energy System (DES), St. Johns River Power Park (SJRPP), Bulk Power Supply System (BPSS), and any other entity created and approved by JEA's Board. The Policy is intended to provide broad policy guidance and ~~facilitate~~ enable sound management, control, and oversight of JEA's debt ~~function~~ while facilitating ongoing access to the capital markets necessary to the funding of future capital projects.

II. GOAL/MISSION/OBJECTIVE

JEA's debt shall be managed with an overall philosophy of taking a long-term approach into borrowing funds at the lowest possible ~~interest cost~~ to JEA customers over time. To achieve this goal, JEA will continuously work towards developing the optimal capital structure, ~~including the amounts and types of variable rate exposure~~, in view of JEA's risk tolerance to market fluctuations, capital ~~market~~ markets outlook, future capital funding needs, rating agency considerations, counterparty credit profiles, and competition. Primary goals of the Debt Management Policy include:

~~The Debt Management Policy sets forth parameters and provides guidance regarding the following issues:~~

- ~~• Capital structure~~
- ~~• Credit ratings~~
- ~~• Compliance with tax regulations~~
- ~~• Management of floating interest rate risk~~
- ~~• Management of hedging instruments~~

~~The main goals of the Debt Management Policy are as follows:~~

- Maintain cost of capital consistent with other "AA" similarly rated municipal utilities
- Maintain steady credit ratings
- Establish and maintain reserve funds
- ~~Reduce~~ Optimize floating rate debt "put" risk
- Maintain ~~diversification of an~~ appropriately diversified debt portfolio

III. RESPONSIBILITY FOR POLICY

The ~~overall~~ Debt Management Policy is approved by the JEA Board and implemented by the Chief Financial Officer (CFO). An oversight committee, the Debt/ & Investment Strategy Committee (Committee) ~~will meet semiannually~~ meets periodically to develop strategy and review the performance of the debt and investment portfolio in conjunction with this Policy. The members of the Committee are the Managing Director and Chief Executive Officer (CEO), CFO, Vice President of Financial Services, Treasurer and Manager of Cash and Investments. The Debt & Investment Strategy Committee's function is to conduct information gathering and fact-finding with respect to JEA's debt and investment strategies. The Committee shall have no formal advisory or decision-making authority.

JEA's Treasury ~~Services group will develop~~ Department is charged with developing, maintaining, and continuously improving procedures to implement and administer this Policy. ~~In addition, Treasury Services will continuously apply process improvement methodologies to make improvements to the Debt Management processes.~~

IV. AUTHORIZATION

A. Debt Authorization

The overall amount of debt that JEA is allowed to ~~issue for the electric system, SJRPP, the water and sewer system and DES~~ have outstanding for each of its systems is authorized by the JEA Board and by City Council ordinance ~~on an as needed basis. Based on~~ annually. Taking into account capital and related debt issuance financial forecast forecasts, the JEA Board ~~typically~~ approves the projected not-to-exceed outstanding debt ~~issuance~~ limits for the next several years in conjunction with the next fiscal year's budget process.

~~The available amount of debt authorization outstanding is monitored by Treasury Services and is reported monthly to the Board as part~~ goal of the monthly financial statements providing adequate flexibility to issue debt to fund the business while maintaining credit ratings in line with peers.

B. Authorizations for Debt-Related Hedging Instruments ~~such as swaps and caps.~~

Resolutions approving the use of interest rate swap, cap, and related hedging instruments outlining, among other things, size and maturity restrictions, must be approved by the JEA Board prior to execution.

C. New Systems Authorization and Financing

This Policy ~~will include~~ is applicable to debt issued pursuant to any new system ~~resolutions approved by the JEA Board and City Council. Debt authorization limits will be approved by a separate authorizing~~ resolution

approved by the JEA Board and City Council ordinance.

V. INVESTMENT STRUCTURE

JEA is authorized to invest available funds pursuant to an established Investment Policy approved by the Board on September 19, 2000, last amended ~~March 26, 2019~~ April 25, 2023, Florida Statutes section 218.415 and the ~~Electric, Water and Sewer~~ ES, WS, DES, SJRPP, and BPSS bond resolutions. The primary goals of the Investment Policy are to (1) provide safety of capital, (2) provide sufficient liquidity to meet anticipated cash flow requirements and (3) maximize investment yields while complying with the first two goals. The Investment Policy outlines the parameters on authorized investments, maturity and liquidity requirement limits, and procurement and safekeeping procedures.

JEA is authorized to utilize investment/asset-based “fixed to floating” swaps in order to take advantage of longer-term investment yields as a hedge to the shorter yielding funds which are required to remain in short-term investments (i.e., debt service funds and operating funds).

The notional amount of ~~swaps outstanding classified as~~ investment/asset-based swaps outstanding is authorized by the Board under a separate resolution. JEA may not have outstanding a notional amount of investment/asset swaps which, in aggregate, is an amount greater than the amount of ~~variable/short-term investable funds (100% hedged) investments maturing within one year.~~

VI. ANNUAL PLAN OF FINANCE

As part of the annual budget presentation, a Plan of Finance will be submitted to the Board for information purposes. Such Plan of Finance will address at a minimum the amount of debt projected to be issued during the next fiscal year and whether such debt is senior or subordinated, fixed and/or variable and the possible use of hedging instruments.

A. The annual capital budgeting process will be used to project the amount of debt to be issued during the next ~~five~~ three-year period. Factors to be considered in the final financial forecast are:

- The forecast of spending levels for capital projects.
- The availability of internal funds to pay for capital projects.
- Desired debt service coverage levels consistent with a highly rated-~~electric and water and sewer~~ utility.
- The additional bonds test calculation outlined in the respective senior and subordinated resolution of each system.

B. Senior vs. Subordinated Debt

The ~~electric system~~ Electric System and the ~~water~~ Water and ~~sewer system~~ Sewer System each have a separate senior and subordinated bond resolution. The ~~electric system~~ Electric System senior resolution authorizes

debt issued under its resolution to fund projects relating to non-generation capital expenditures and the subordinated resolution authorizes debt issued under its resolution to fund projects relating to all categories of capital expenditures. This Policy will target debt issued under the Electric System subordinated resolution to fund generation capital expenditures and any associated debt refunding transactions.

The water~~Water~~ and sewer~~Sewer System~~ senior and subordinated bond resolutions authorize debt ~~to be issued~~issuance under the respective resolution to fund projects relating to all categories of water~~Water~~ and sewer~~Sewer System~~ related capital expenditures and any associated debt refunding transactions.

A second revenue bond resolution for SJRPP ~~is being used to issue~~authorizes the issuance of additional new money debt and any associated debt refunding transactions.

A restated and amended BPSS resolution authorizes ~~Debt~~debt to be issued to fund new projects and refund related debt.

The DES resolution authorizes debt to fund new projects and refund related debt.

C. Tax-exempt vs. Taxable

As a municipal utility, JEA is authorized to issue tax-exempt debt and must comply with appropriate tax regulations. JEA will always endeavor ~~at all times~~ to issue tax-exempt debt. For certain transactions, due to tax regulations, it may be necessary or advantageous for JEA to issue taxable debt. Such prevailing circumstances may include excessive transferred proceeds, volume cap limitations, and private use restrictions. The Treasury Services~~Department~~ will monitor current tax regulations and utilize tax-exempt financing whenever possible.

D. Fixed vs. Variable Rate Debt

~~Pursuant to this Policy~~, JEA will not exceed 30% of Net Variable Rate Debt to Total Debt and will not exceed 55% of Net Variable Rate Debt plus Net Fixed to Floating Interest Rate Swaps to Total Debt.

For purposes of this Policy, the above limits will be calculated with the following components:

- Net Variable Rate Debt equals Total Variable Rate Debt minus Net Variable Rate Assets.
- Net Variable Rate Assets equals Variable Rate Assets minus notional amount of investment/asset-matched interest rate swaps.

- Net Fixed to Floating Interest Rate Swaps shall be defined as the notional amount of fixed to floating swaps maturing in 10 years or less minus the notional amount of floating to fixed swaps maturing in 10 years or less outstanding on the last day of each month.
- Total Debt equals the par amount of fixed rate debt plus Total Variable Rate Debt.
- Total Variable Rate Debt equals hedged and unhedged variable rate debt.
- Variable Rate Assets are defined as investments maturing in less than one year.
- Unhedged Variable Rate Debt is defined as Total Variable Rate Debt outstanding less variable rate debt that is associated with a floating to fixed rate swap where the term of the swap matches the term of the variable rate debt.

The calculation of these percentages will be performed ~~semiannually~~periodically and reported to the Committee.

JEA's capital structure, comprised of fixed rate debt, variable rate debt, and debt-related hedging instruments such as interest rate swaps and caps, will be managed in conjunction with investment assets and investment-related hedging instruments to incorporate the natural occurrence of hedging impacts in those balance sheet categories. The goal of adopting a comprehensive investment and debt management strategy is to use each side of the balance sheet to mitigate or hedge cash flow risks posed by the other side of the balance sheet. For example, interest income for variable rate assets provides a natural offset to the interest expense of variable rate debt as interest rates increase or decrease. Therefore, in determining JEA's exposure risk to a changing interest rate environment, both components of the balance sheet will be analyzed and JEA's "net" exposure evaluated.

JEA will utilize a mix of fixed and variable rate debt to lower the overall cost of capital. Variable rate debt will generally be used as an efficient way to fund new construction requirements and as a permanent component of a long-term funding strategy. The amount of variable rate debt outstanding shall be based on any one or a combination of the following factors:

(1) Interest Rates

The absolute level of interest rates, the forecasted direction of interest rates and the shape of the yield curve are all factors in managing the amount of variable rate debt outstanding. If fixed rates are high relative to the current cycle of rates and the yield curve is steep, a higher percentage of net variable rate debt may be desirable. Conversely, if interest rates are low relative to the current

cycle of rates and the yield curve is flat, a higher percentage of net fixed rate debt may be desirable.

(2) Capital Structure and Construction Funding

Given that JEA has a continuous capital program with projects beginning at various points in time and the lack of correlation between low interest rate environments and the need to begin a project, having a variable rate program will allow for “Just in Time” financing while providing for market timing flexibility. Additionally, variable rate debt adds flexibility for capital structure changes like accelerating the ~~pay down~~paydown of debt.

(3) Other Related Variable Rate Risks

JEA will take into consideration when determining the appropriate variable rate risk levels the potential exposure to variable rate risk on joint financing programs with the City of Jacksonville and other related agencies.

~~JEA's strategies for responding to changes in short and long term To optimize the debt portfolio as interest rates include the following actions:~~

- ~~• JEA may elect to lower the ratio change and properly manage interest rate risk, the Committee will review the mix of Net Variable Rate Debt to Total Debt when (a) long term fixed vs. variable interest rates are at or near market lows compared to market based indices for the last three to ten year averages, (b) short to intermediate range on a periodic basis, taking into consideration the current interest rate environment, forecasts for long term rates are predicting higher rates or (c) the ratio of Net Variable Rate Debt to Total Debt is or forecasted to be at the upper end of the allowable percentage. If such a determination is made to lower the ratio, the desired ranges for the ratios outlined in Section VI.D, above are 10% to 25% of Net Variable Rate Debt to Total Debt and 35% to 50% of Net Variable Rate Debt plus Net Fixed to Floating Interest Rate Swaps to Total Debt.~~
- ~~• JEA may elect to increase the ratio of Net Variable Rate Debt to Total Debt when (a) long term interest rates are at or near market high levels compared to market based indices for the last three to ten year averages, or (b) short to intermediate range forecasts for long term rates are predicting lower rates or (c) the ratio of Net Variable Rate Debt to Total Debt is or forecasted to be at the lower end of the allowable percentage. If such a determination is made to increase the ratio, the desired ranges for the ratios outlined in Section VI.D above are 20% to 30% of Net Variable Rate Debt to Total Debt and 45% to 55% of Net~~

~~Variable Rate Debt plus Net Fixed to Floating Interest Rate Swaps to Total Debt.~~

~~To assist in the decision making process, a forecast of interest rate volatility over the short and long terms and, expected performance of various financial products (debt or hedging instruments) under various interest rate scenarios will be modeled on a periodic basis. In determining when to use alternative financing arrangements including variable, fixed, and synthetic structures, the availability of internal and external technical expertise to properly manage risk will be evaluated along with that may be utilized, and ongoing administrative costs. These analyses will be reviewed at the regularly scheduled semiannual meetings by the Committee.~~

E. “Just in Time” Financing.

The cash flow forecast for budgeted capital projects is the main factor used in determining the appropriate timing of new money debt transactions. The goal is to issue new debt as outstanding debt proceeds are spent. However, the timing of debt transactions may also depend upon factors including:

- Desired debt service coverage levels
- Budget, financial statement and ratings impacts
- Annual Plan of Finance
- Interest rate environment

~~All of the~~The above factors are considered prior to making the final determination of the most optimal time to issue new debt to fund capital projects.

F. Budget/Financial Forecast goals for debt service

In order to adequately project debt service for budget purposes and for official financial forecast/rating agency purposes, the Treasury ServicesDepartment will develop interest rate assumptions using the following guidelines:

(1) Fixed Rate Debt

For the upcoming budget year, the budget assumption for interest rates for new incremental fixed rate debt will be (i) at a minimum, the average of the AA MMD index for comparable maturities for the most recent twelve months ~~ending March 31~~, or (ii) management, at its discretion, can choose to utilize higher rates. Interest rate forecasts from JEA’s underwriting team can be used as support for this determination. Forecasts for the fiscal years beyond the upcoming budget year will be based upon the budget interest rate assumption

plus or minus based upon input from either forecasts received from investment bankers or from Bloomberg.

(2) Variable Rate Debt

For the upcoming budget year, the budget assumption for interest rates for outstanding and new incremental variable rate debt will be (i) at a minimum, the average of the SIFMA index for the most recent twelve months ~~ended February 28~~, or (ii) higher rates selected at the Treasurer's discretion. Interest rate forecasts from JEA's underwriting team or from Bloomberg can be used as support for this determination. Forecasts for the fiscal years beyond the coming budget year will be based upon the budget interest rate assumption plus or minus based upon input from either forecasts received from investment bankers or from Bloomberg.

~~(3) The interest rate assumptions may be adjusted based upon JEA's actual trading differential to the appropriate index during the most recent twelve months ended February 28.~~

~~(4)~~(3) The projected fixed and variable interest rate assumptions will be provided by the Treasurer ~~by February 28th of as requested~~ each year.

~~(5)~~(4) Unless otherwise agreed upon by the CFO, debt service for new debt will be projected on a level basis.

G. Credit Ratings

JEA recognizes that strong credit ratings are necessary to ensure the lowest possible borrowing costs, which will factor into maintaining low rates for our customers. JEA's goal is to maintain a long-term senior unsecured "AA" category rating by each rating agency.

JEA will utilize the following municipal debt rating services: Fitch Ratings, Standard and Poor's, and Moody's Investors Service. Any changes, additions, or deletions to the list above will require approval of the CEO.

VII. FIXED RATE DEBT

A. Overview

Fixed rate debt is authorized to finance capital projects and for any other allowable purpose as stipulated in the governing bond resolutions and tax regulations.

B. Type

JEA may issue any type of fixed rate debt as authorized by JEA’s various bond resolutions and recommended by JEA’s Financial Advisor. Some of the various types of debt authorized include, but are not limited to, serial and term bonds issued at par, discount or premium, capital appreciation bonds, and bullet bonds (e.g., refundable principal installments).

C. Maturity, Structure, and Call Provisions

Prudent debt management requires that there be a proper matching of the lives of the assets and the length of the debt used to finance such asset. JEA will, at all times, structure the amortization and maturity of any fixed rate debt to comply with the appropriate tax regulations.

To provide the maximum amount of flexibility, JEA will ~~utilize, for issue~~ tax-exempt debt, ~~five year but no longer than ten year calls, at par, with an embedded call feature~~ whenever possible. For taxable debt, JEA can utilize make whole call provisions at terms and conditions prevalent in the taxable bond market at the time of pricing. JEA staff along with the financial advisor and underwriter will assess the market at the time of pricing to determine its ability to issue bonds with such features while minimizing interest costs.

D. Providers

~~—Under the Procurement Code, JEA is allowed to~~ JEA may sell debt by either negotiated sale or competitive bid. The determination of the method is to be made prior to each financing.

If JEA selects the “negotiated sale” method, the underwriting team will be selected pursuant to the Financial Instruments and Services Directive of the JEA Procurement Code. JEA shall require that a master underwriting agreement be entered into and signed by all parties at the end of the solicitation process and a separate bond purchase agreement with the senior underwriter(s) shall be approved by the JEA Board at each sale of debt, unless the Board has previously delegated such approval authority to the CEO.

If JEA selects the “competitive sale” method, determination of the winning bid will be based on the following methodology: (1) the “standard convention” as recommended by JEA’s Financial Advisor, (2) calculation utilized by the State Board of Administration or (3) the underwriting firm with the lowest True Interest Cost (TIC) proposal.

JEA will employ staff or an outside professional financial advisor, other than the underwriter, who is familiar with and abreast of the conditions of the municipal market, and is available to assist in structuring the issue, pricing, and monitoring of sales activities. JEA shall not use a firm to serve as both

the financial advisor and underwriter. Financial advisors and bond counsel will be selected in accordance with the JEA Procurement Code. Selection of underwriters, ~~financial advisors, bond counsel,~~ and other necessary ~~consultants~~service providers involved in ~~the~~ debt transactions will be selected ~~as outlined in~~pursuant to the Financial Instruments and Services Directive of the JEA Procurement Code.

E. Debt Service Reserves

A debt service reserve will be funded, maintained, and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate bond resolution.

- The debt service reserve may be in the form of cash and/or investments funded from the proceeds of bonds and/or revenues from operations.
- If allowed by the resolution, a surety issued by a financial institution nationally recognized in the industry to issue such policies may be used in place of a cash-funded debt service reserve.
- If allowed under the respective bond resolution, any other form of financial instruments may be used in place of cash-funded or surety-funded debt service reserve, provided such financial instruments are issued by firms of nationally recognized standing.
- JEA will weigh the benefits of each method of funding the debt service reserve prior to each issue and will choose the method most beneficial to JEA based upon the facts and circumstances of each issue.

A debt service reserve may also be maintained if, in the opinion of the underwriter, it is reasonably required to provide security for the payment of debt service with respect to JEA's bonds and is consistent with normal practice in respect of bonds of the same general type as those being issued by JEA. ~~Selection of a surety provider or provider of any financial instrument acceptable to fund the debt service reserve requirement under the appropriate resolution will be pursuant to the JEA Procurement Code.~~

F. Bond Insurance

For each debt transaction, JEA will evaluate the economic benefit of using bond insurance. This analysis will incorporate the insurance benefits to the call date, to maturity date, and any intermediate date. If based on the analysis, JEA determines that bond insurance will add economic benefit to the transaction an insurance provider will be selected ~~pursuant to the JEA Procurement Code.~~ Financial institutions which insure bonds for investors of JEA must have, at the time the bonds are issued, a credit rating (if rated)

not less than AA/Aa2/AA from Fitch Ratings, Moody's, and Standard & Poor's, respectively.

G. Approvals

The structure, maturity, and call provisions for each fixed rate financing must be approved in writing by the CFO on or prior to the date of pricing. The CFO has the responsibility to review the structure of each debt transaction with the CEO. Negotiation with the underwriter on negotiated bond transactions will be conducted by the Treasurer. Final transaction approval must be obtained from the Board; however, it may be in the form of a delegated authority.

H. Reporting and Compliance

A monthly report entitled "Schedule of Outstanding Indebtedness" will be provided to the Board that summarizes the principal amount, the range of interest rates and maturity dates of all outstanding debt.

JEA is committed to full and complete compliance with all applicable laws and regulations with respect to its debt. Because of the complexity of the tax regulations and the consequences of non-compliance, the advice of bond counsel and other qualified professionals will be sought whenever necessary. In carrying out its responsibility, JEA shall monitor and analyze the investments and use of bond proceeds and calculate the amount of arbitrage rebate liability due to the U.S. Treasury.

VIII. VARIABLE RATE DEBT INSTRUMENTS

A. Overview

Variable rate debt is authorized to finance capital projects and for any other allowable purpose as stipulated in the governing bond resolutions and tax regulations.

JEA must adhere to the variable rate debt limits outlined in this Policy.

B. Type

JEA may issue any type of variable rate debt as authorized by JEA's various bond resolutions and recommended by JEA's Financial Advisor. Some of the various types of debt authorized include, but are not limited to, Commercial Paper, Variable Rate Demand Obligations, and Medium-Term Notes.

C. Management

On a periodic basis, the Treasury Services Department will make decisions regarding any changes to the interest mode for variable rate demand obligations and desired maturities for commercial paper.

D. Maturity and Call Provisions

As with fixed rate debt, JEA will structure the maturity dates of the variable rate debt to match the lives of the assets being financed. JEA will, at all times, structure the amortization and maturity of any variable rate debt to comply with the appropriate tax regulations. For JEA commercial paper program, the maturity of a Commercial Paper Note shall not exceed 270 days and the term of a commercial paper program shall not exceed 30 years in order to stay within the current safe harbor rules to be treated as part of a single issue. For variable rate debt with tender rights, the current safe harbor rules limit the maturity to no longer than 35 years.

E. Providers

Underwriters, remarketing agents or dealers of JEA's variable rate debt program will be selected pursuant to the Financial Instruments and Services Directive of JEA's Procurement Code.

Banks providing Liquidity Facilities for variable rate debt shall be reviewed regularly with the Financial Advisor and minimum short-term ratings (if rated) established for these providers shall be F1, P1, A1 from the three rating agencies: Fitch Ratings, Moody's, and Standard & Poor's, respectively. The long-term credit rating should generally have a minimum rating equal to JEA's credit rating on the underlying debt.

If bond insurance is necessary for variable rate debt, the insurance provider will be selected pursuant to the Financial Instruments and Services Directive of JEA's Procurement Code. Financial institutions which insure bonds for investors of JEA must have, at the time the bonds are issued, a short-term credit rating (if rated) of F1, P1, A1 and a long-term credit rating (if rated) not less than AA/Aa2/AA from Fitch Ratings, Moody's, and Standard & Poor's, respectively.

F. Approvals

The structure, maturity, and call provisions for each variable rate financing must be approved in writing by the CFO prior to the transaction. The CFO has the responsibility to review the structure of each debt transaction with the CEO. Final transaction approval must be obtained from the Board; however, it may be in the form of a delegated authority.

G. Compliance/Reporting Requirements

The amount of variable rate debt outstanding for JEA shall be included on the report entitled "Schedule of Outstanding Indebtedness" and will be reported to the Board ~~monthly in conjunction with the monthly report of financial position of JEA. For variable rate debt, this report shall summarize the various types, maturities, and current rates of interest on each variable debt issue then outstanding.~~ in conjunction with the Monthly Financial Statements of JEA.

~~A report shall be prepared semiannually for the Committee, showing the comparison of the monthly interest rates (including all fees) paid for each variable rate issue then outstanding, comparing each of these with the monthly average interest rate of LIBOR, SIFMA, and such other short-term variable interest rate indices, which may accurately reflect the existing variable interest rate market. This comparison will provide information on the most cost-beneficial type and mode of variable rate debt for various periods of time. This information will be used as part of a recommendation on what type of variable rate debt will be issued in future periods or for changes to JEA's existing variable rate program.~~

JEA will monitor and report any arbitrage rebate liability due to the U.S. Treasury on bond proceeds from variable rate transactions.

IX. DEBT REFUNDING

A. Overview

The refunding of outstanding debt represents an opportunity for JEA to realize debt service savings. Refundings may allow JEA to restructure its existing debt portfolio to enable JEA to operate in a more competitive manner. Many of the policies and practices applicable to new money fixed and variable rate financings are applicable to debt refundings as well.

B. Management

Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refundings will be considered within federal tax law constraints. JEA and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings. Current tax regulations do not permit tax-exempt Advance Refunding transactions. There are no limitations with respect to a current refunding of bonds. The following guidelines should apply to the issuance of refunding bonds:

- (1) Any refunding will be evaluated on the economic savings or structure advantages relating to issuing the new debt. For a fixed rate refunding, a five percent savings target is a general guideline.

However, refunding issues that produce a net present value savings of less than five percent may be issued for various business and/or economic purposes. Examples include but are not limited to (a) restructuring debt, (b) amending provisions of a bond document, and (c) taking savings based on structure or low interest rate environment considerations. Savings below the five percent guideline must be approved by the CFO or by delegated authority from the Board prior to the execution of the refunding transaction.

- (2) Refundings involving variable rate debt generally do not produce savings and will not have a savings guideline. These transactions are usually executed to take advantage of structuring opportunities or to reduce risk, or may be utilized to take advantage of low long-term interest rates.
- (3) The final structure (including the use of hedging products) will be recommended by the Treasury Services Department to the CFO for approval prior to the execution of any refunding transaction. The CFO has the responsibility to review the structure of each debt transaction with the CEO.

C. Fixed and Variable

JEA can utilize fixed or variable rate debt for refunding purposes and must adhere to the variable rate debt limits outlined in this Policy.

D. Maturity and Call Provisions

The maturity of refunding bonds shall, absent a bond counsel opinion, be in accordance with the safe harbor rules for the creation of replacement proceeds found in the tax regulations.

To provide the maximum amount of flexibility, JEA will utilize ~~five-year, but no longer than 10-year calls, at par, call provisions~~ whenever possible for tax-exempt debt. Call provisions for taxable debt will be based on terms and conditions prevalent in the taxable bond market at the time of pricing. JEA staff along with the financial advisor and underwriter will assess the market at the time of pricing to determine its ability to issue bonds with such features while minimizing interest costs.

E. Debt Service Reserve

In the event ~~that~~where a refunding transaction reduces the debt service reserve requirement, JEA may deposit any such reduction into the defeasance escrow account for the refunded bonds or utilize the reduction for any lawful purpose.

F. Approvals

The structure, maturity, and call provisions for each refunding must be approved in writing by the CFO on or prior to the date of pricing. The CFO has the responsibility to review the structure of each debt transaction with the CEO. Negotiation with the underwriter on negotiated bond transactions will be conducted by the Treasurer. Final transaction approval (which may be delegated) must be obtained from the Board.

X. INTEREST RATE SWAPS, CAPS, COLLARS, AND RELATED HEDGING INSTRUMENTS

A. Overview

The prudent use of hedging instruments, including interest rate swaps, caps and collars, ~~can~~ may be an effective tool in meeting funding needs and structuring a balance sheet while managing risk associated with the movement of interest rates. Utilizing hedging products ~~can~~ may provide JEA with cost effective alternatives to traditional debt financing choices.

~~Utilizing interest rate swaps to achieve substantially lower interest costs is a main component in building the desired capital structure to allow JEA to compete effectively.~~ There are three types of interest rate swaps JEA is authorized to enter into:

- Floating ~~to~~ fixed interest rate swaps;
 - Hedge interest rate risk on variable rate debt; ~~;~~
 - Lock in fixed rates on refunding bonds that will be issued in the future; ~~;~~ or
 - Take advantage of opportunities to obtain fixed swap rates that are lower than comparable fixed rate bonds; ~~;~~
- Fixed rate to floating interest rate swaps
 - Increase the amount of variable rate exposure without incurring the remarketing and liquidity costs; ~~;~~
 - Eliminate the put risk associated with variable rate debt; ~~;~~ or
 - Take advantage of opportunities to obtain variable swap rates that are lower than comparable variable rate bonds; ~~;~~
- Basis swaps to manage the risk associated with
 - ~~• The the~~ mismatch between two benchmarks; ~~;~~
 - ~~– Methodologies used to set interest rates.~~

B. Risks

Interest rate swaps and related hedging instruments may introduce additional risks to JEA's credit profile. These risks include, but are not necessarily limited to, termination risk, counterparty risk, re-execution risk, amortization risk, Basis Risk, and tax event risk. Prior to entering into each interest rate swap transaction, these risks are evaluated to ensure adequate provisions are in place to minimize the downside and provide the maximum benefit the transaction originally intended.

C. Limits

The percentage of variable rate exposure (the notional amount of Net Fixed to Floating Interest Rate Swaps and Total Variable Rate Debt outstanding) to Total Debt outstanding shall not exceed 55%. The Total Variable Rate Debt outstanding and Net Fixed to Floating Interest Rate Swaps shall be calculated as set forth in Section VI.D of this Policy. The notional amount of interest rate swaps, caps, collars, and related hedging instruments will be limited to the amount approved in resolutions approved by the Board from time to time.

~~Interest rate caps and related hedging instruments will be utilized to help manage interest rate risk in the debt portfolio.~~ At all times, a fixed to floating interest rate swap will have an associated interest rate cap for the same notional amount at a level no greater than 200 basis points above the interest rate swap fixed rate. (See waiver in Section K)

Additionally, it is contemplated that an interest rate cap will not always have the same maturity as the interest swap with which it is associated. The average life of aggregate outstanding caps will not be less than 75% of average life of the associated aggregate swaps.

From time to time, the Treasury Services Department will evaluate the use of collar (cap and floor instrument) transactions as a hedging tool to minimize cost and risk. The cap portion will be executed pursuant to the above referenced rules. The related floor rate will be approved by the Committee prior to execution.

D. Fixed to Floating Rate Swap Management

The Committee shall have the overall responsibility, ~~from an overview standpoint,~~ for the execution and management of fixed to floating interest rate swaps. ~~One of the main components of the debt management strategy is to use intermediate term fixed to floating rate swaps to achieve a long-term goal of having up to 55% of the total debt based on a floating/variable interest rate.~~

~~Based on Committee approval, interest rate swaps will be executed semiannually to achieve an averaging into the market philosophy. The Committee shall determine the size of the total interest rate swap program and the maturity date for the swaps within the parameters of this Policy, which has been approved by the Board.~~

~~Forecasts of interest rate volatility over the intermediate term (4 to 7 years) and expected performance of the swaps, caps, collars, and related hedging instruments under various interest rate scenarios shall be updated on not less than a semiannual basis. Short and long term interest rates will be monitored over varying time periods. If current interest rates are either above or below the moving averages as measured by varying time periods, the Committee may elect to alter the timing of adding additional fixed to variable swaps to either increase or decrease the amount of variable exposure. Furthermore, the Committee may elect to enter into "reversing" swaps to take advantage of market opportunities. In the event a fixed to floating swap is "reversed", any associated floor will be simultaneously "reversed". Any associated cap will be evaluated and "reversed" if approved by the Committee.~~

~~The amount of interest rate caps shall not exceed the amount of variable rate exposure to JEA.~~

The following "decision rules" will govern the decision to initially execute a fixed to floating interest rate swap, cap, or other hedging instruments within the Debt Management Program:

1. JEA receives payments based on a fixed rate and pays based on a floating rate.
2. Floating rate is based on either SIFMA or LIBORSOFR.
3. If the SIFMA Index is selected, no adjustment to the notional amount is needed.
4. If the LIBORSOFR index is selected, the notional amount of the interest rate swap and cap will be adjusted by the current ratio of the SIFMA based fixed rate to the LIBORSOFR based fixed rate. (See example below)

$$\frac{\text{SIFMA Fixed Rate}}{\text{LIBOR Fixed Rate}} = \frac{\text{SIFMA Fixed Rate}}{\text{SOFR Fixed Rate}} = \frac{1.56\%}{2.36\%} = 66.1\%$$

The notional amount will be multiplied by the ratio to obtain the adjusted notional amount.

5. Decision to select LIBORSOFR or SIFMA will be based on a combination of historical, current, and future expectations for the relationships of floating SIFMA to floating LIBORSOFR and fixed SIFMA to fixed LIBOR/SOFR. Generally, if the floating SIFMA to LIBORSOFR ratio is lower than the fixed SIFMA to LIBORSOFR ratio, a SIFMA based swap is preferred. However, historical and future expectations must be evaluated in order to make the decision.
6. Term of the interest rate swap and cap shall not exceed 10 years.
~~The overall average for the program will be four to seven years.~~
7. An interest rate swap will not be executed unless the spread between the fixed rate and initial floating rate is a positive 10 basis points or more.
~~In addition, as stated above, the execution of a swap may be affected by the relationship of current rates to historical averages.~~
- ~~8. If a swap is not executed or re-executed due to the 10 basis point decision rule, the swap will be executed during the following quarter, decision rule permitting. If a swap is not entered into due to the historical relationship of rates to the current level, the Committee will decide when the appropriate time to enter into the next transaction. In the event swaps are delayed for two or more consecutive periods, only one additional swap per quarter will be executed until the original schedule can be re-established.~~
98. An interest rate cap is to be entered into at the time of each swap transaction for the identical notional amount if JEA does not have a current interest rate cap in place that meets the criteria. The cap should be at a level no greater than 200 basis points above the fixed rate of the swap. However, if JEA has current interest rate cap positions that are not associated with any particular interest rate swap, but are being utilized generally to manage variable rate risk, an interest rate cap meeting the conditions listed above may be utilized to satisfy the requirements of this section.

The Committee will meet on a semiannual/periodic basis to review the performance of the any fixed to floating interest rate swaps, swap and review the current interest rate swap and cap decision rules.
~~Any changes to the “decision” rules recommended by the Committee must be approved by the Board prior to implementation. The Committee may, however, elect not to execute an interest rate swap or cap normally scheduled to be executed based on the “decision rules” if a change to the “decision rules” has been recommended by the Committee but not yet acted on by the Board.~~

E. Floating to Fixed Rate Swap Management

The Committee shall have the overall responsibility regarding the execution and management of floating to fixed interest rate swaps. An additional component of the debt management strategy is to use floating to fixed rate swaps to lock in the lowest possible borrowing costs over a long period of time. Floating to fixed rate swaps can be used in conjunction with issuing variable rate debt to obtain the lowest fixed rate when compared to traditional forms of fixed rate financings. In addition, floating to fixed swaps may be desirable when the cycle of long-term rates moves down to or near historical lows and “fixing” a portion of the outstanding variable rate debt appears advantageous. Swaps will be evaluated as alternatives to traditional financing instruments considering their comparable costs, ease of entry and exit provisions, and the amount of potential risk exposure.

Interest rate swaps will be executed for notional amounts, maturities and other related terms and conditions as determined by the Committee. Re-execution risk, amortization risk, tax event risk and Basis Risk will be evaluated in order to minimize any potential negative results.

Forecasts of interest rate volatility over the term of the swaps and expected performance of the swaps under various interest rate scenarios shall be analyzed prior to the execution of the swaps. Short and long-term interest rates will be monitored over varying time periods. The Committee may elect to enter into “reversing” swaps to take advantage of market opportunities.

The following “decision rules” will govern the decision to execute and/or re-execute a floating to fixed interest rate swap:

1. JEA receives payments based on a floating rate and pays based on a fixed rate.
2. Floating rate is based on either SIFMA or a percent of LIBORSOFR.
3. If the SIFMA Index is selected, no additional analysis is needed.
4. If the LIBORSOFR index is selected, the historical relationship of SIFMA to LIBORSOFR will be used as a guide when selecting the percent of LIBORSOFR as the index. A risk analysis will be done on a projected basis to quantify the risk versus potential reward.
5. Decision to select LIBORSOFR or SIFMA will be based on a combination of historical, current, and future expectations for the relationships of floating SIFMA to floating LIBORSOFR and fixed SIFMA base rate versus the fixed rate based on the LIBORSOFR index.

6. Term of the interest rate swap is a maximum of 30 years or if the swap is executed with the purpose of synthetically fixing a specific variable rate debt issue, the swap transaction is permitted to have a term which matches the term of the variable rate debt, ~~but will be determined based on the life of the related debt being hedged. If the term of the swap is less than the underlying debt that it may generally be hedging, JEA is exposed to re-execution risk. In a rising interest rate environment, a new swap may potentially be re-executed at a higher fixed rate than the original swap. Additionally, the amortization of the principal on the debt that the swap is generally hedging is taken into consideration when structuring the terms and conditions of the swap. This is referred to as amortization risk, but will be determined based on the life of the related debt being hedged.~~

Interest rate caps and collars are additional hedging instruments that JEA may utilize to manage risks associated with variable rate debt. ~~All cap or collar transactions executed must comply with the requirements set forth in items F through K listed immediately below.~~

F. Compliance and Reporting Requirements

Resolutions approving the use of interest rate swap, cap, and other hedging instruments outlining, among other things, size, and maturity restrictions, must be approved by the JEA Board prior to execution.

JEA Board must approve the overall Debt Management Policy including explicit parameters for the use of interest rate swaps, caps, and other hedging instruments.

JEA CEO must sign all interest rate swap, cap, or collar confirmations.

JEA external auditors shall perform an annual review relating to fixed to floating interest rate swap management ~~and present to the JEA Board as part of its annual financial statement audit.~~

Monthly performance reports regarding outstanding interest rate swaps, caps and related hedging instruments will be provided to Accounting Services to be included in the monthly financial statements to the Board. Mark to market valuations will be updated on a ~~semiannual~~ periodic basis and provided to Committee members and Accounting Services to be included in the financial statements.

Collateral reports will be updated on a monthly basis providing information relating to specific swap transactions that may require collateral posted based on mark to market valuations.

JEA's CFO or Treasurer must approve the interest rate swap term sheet prior to execution. In addition, the purpose of the transaction, ~~asset~~

~~matched, debt management, etc.)~~ will be included as part of the swap paperwork file kept for each executed swap transaction.

G. Providers

Financial Institutions and Dealers executing interest rate swaps, caps, and other hedging instruments for JEA shall be selected pursuant to the Financial Instruments and Services Directive of the JEA Procurement Code. JEA shall require that all institutions and dealers entering into interest rate swap, cap and other hedging instrument agreements execute a Master Swap Agreement (the ISDA Master Agreement must be used as a part of the Master Swap Agreement) that is signed by both parties. All transactions ~~entered into~~ shall adhere to the requirements of the Master Swap Agreement.

H. Diversification

No more than \$500 million of net interest rate swap and cap or other hedging instruments shall be outstanding in the aggregate with any one provider or affiliate thereof unless approved in writing by the CEO. The aggregate amount of all ~~“long-dated”~~ (greater than 10 years) transactions executed with financial institutions and all affiliates thereof, shall be limited to an amount based on the credit rating of the financial institution at the time of the entry into the ~~long-dated~~ hedging transaction as shown below:

Rating Level	Notional Amount
AAA/Aaa by one or more Rating Agencies	\$400,000,000
AA-/Aa3 or better by at least two Rating Agencies	\$300,000,000
A/A2 or better by at least two Rating Agencies	\$200,000,000
Below A/A2 by at least two Rating Agencies	\$0

The rating criteria shown above apply either to the counterparty to the ~~long-dated~~ transaction or, if the payment obligation of such counterparty under the relevant Swap Agreement shall be guaranteed by an affiliate thereof, such affiliate. The overall maximum ~~by definition~~ of the above limits cannot exceed \$400 million for ~~“long-dated”~~ transactions.

This provision includes all interest rate swap, cap and other hedging instruments JEA may utilize to manage interest rate risk ~~including, but not limited to, debt management, and 100% investment/asset matched program.~~

I. Bid

All ~~“initial”~~ interest rate swap and cap transactions shall be competitively bid by at least ~~(3)~~ three providers that have executed interest rate swap

agreements with JEA. Upon written authorization from the CEO or his designee, 1) a “reversing transaction” resulting in an upfront payment to JEA may be negotiated with the original swap, cap, or collar counterparty, 2) a negotiated swap with a counterparty may be executed as part of a debt financing or (3) a cap/collar can be procured either with bids received from two providers or negotiated with only one provider if JEA receives a letter from the then current Financial Advisor stating that the payment for such cap/collar was executed at market levels.

J. Reserve Fund

An annual budgeted reserve contribution will be made to a reserve fund to cover any payments made as a result of the use of swaps as part of the Policy. Three percent of the notional amount of each fixed to floating interest rate swap initially executed will be retained in the reserve fund and used if needed to make interest rate swap payments. The contributions to the reserve fund will be funded in three equal installments of 1% of the notional amount beginning in the month the swap is executed. Once funded, the reserve fund shall at all times be not less than three percent of the notional amount of fixed to floating debt interest rate swaps outstanding unless the reserve fund is used as stipulated below. Accounting will be consistent with the variable rate reserve fund.

The reserve fund can be used for any lawful purpose including debt service, debt repayment and capital outlay. The use of this reserve fund must be approved in writing by the CEO.

K. Other

If a fixed to floating interest rate swap is executed in conjunction with a refunding transaction where the net effect is to maintain the current level of variable rate exposure, (1) the requirement to execute a cap with an associated fixed to floating swap is waived and (2) any reserve requirement needed for the fixed to floating swap is waived; however, the reserve requirement shall be calculated as if the variable rate debt is outstanding in the amount of the notional amount of the associated fixed to floating interest rate swap.

XI. INSIDER TRADING POLICY GUIDELINES

Insider trading is a court developed doctrine under which it is unlawful to purchase or sell a security while in possession of material non-public information in breach of a duty or other relationship of trust or confidence.

Insider trading likely would not be found where an issuer is communicating in good faith with investors or analysts and disclosing information that is (1)

Public, (2) not material or “market-moving” or (3) both public and non-material.

~~A written procedure, approved by the CEO, will provide specific guidelines that JEA employees will follow to ensure compliance with insider rules and regulations~~

XII. POLICY EXCEPTIONS

Any financing activity not included in this Policy will be brought to the Board for review and approval prior to execution.

XIII. EFFECTIVE DATE

This Policy will become effective May 20, 2003 (as revised April 19, 2005, October 10, 2005, November 20, 2007, December 15, 2009, September 24, 2019 and September ~~24, 2019~~26, 2023).

XIV. DEFINITIONS

Advance Refunding A bond is treated as issued to advance refund another bond if it is issued more than 90 days before the redemption of the refunded bond.

Basis Risk Movement in the underlying variable rate indices may not be perfectly in tandem, creating a cost differential that could result in a net cash outflow from the issuer. Also, the mismatch that can occur in a swap with both sides using floating, but different, rates.

Capacity Expansion Capital expansion projects are those projects designed to accommodate new customers, acquisitions, new “plants”, and expansion of existing system capacity.

Commercial Paper Note ~~shall~~Shall mean any Bond which has a maturity date which is not more than 270 days after the date of issuance thereof.

Competitive Bid ~~a~~A method of submitting proposals for the purchase of new issue of municipal securities by which the securities are awarded to the underwriting syndicate presenting the best bid according to stipulated criteria set forth in the notice of sale.

Construction Loan Credit Facility ~~means obligations~~Obligations of JEA of a particular credit facility for construction advance purposes which shall be similar to Bond Anticipation Notes.

Counterparty Risk ~~the~~The risk that the other party in the derivative transaction fails to meet its obligations under the contract.

Credit Enhancement ~~shall~~Shall mean, with respect to the Bonds of a Series, a maturity within a Series or an interest rate within a maturity, the issuance of an insurance policy, letter of credit, surety bond or any other similar obligation, whereby the issuer thereof becomes unconditionally obligated to pay when due, to the extent not paid by JEA or otherwise, the principal of and interest on such Bonds.

Current Refunding A bond is treated as issued to current refund another bond if the refunding issue is issued not more than 90 days before the redemption of the refunded bond.

Hedge ~~a~~A transaction entered into to reduce exposure to market fluctuations.

Interest Rate Swap ~~a~~A transaction in which two parties agree to exchange future net cash flows based on predetermined interest rate indices calculated on an agreed notional amount. The swap is not a debt instrument between the issuer and the counterparty, and there is no exchange of principal.

ISDA International Swap Dealers Association, the global trade association with over 550 members that include dealers in the derivatives industry.

ISDA Master Agreement ~~the~~The standardized master agreement for all swaps between the issuer and the dealer that identifies the definitions and terms governing the swap transaction.

~~**LIBOR** the principal benchmark for floating rate payments for taxable issuers. The London Inter Bank Offer Rate (LIBOR) is calculated as the average interest rate on Eurodollars traded between banks in London and can vary depending upon the maturity (e.g., one month or six months).~~

~~Because the regulator for LIBOR has announced the LIBOR benchmark will be discontinued as of December 31 2021, JEA shall not enter into any new LIBOR-based transactions extending past that date; any LIBOR-based transactions terminating after December 31, 2021 shall use the replacement benchmark agreed upon by JEA after that date.~~

Long-Dated Swap ~~a~~A swap with a term of more than ten years. Often used in the municipal market, as issuers often prefer to use a hedge that matches the maturity of the underlying debt or investment.

Mark-to-Market ~~calculation~~Calculation of the value of a financial instrument (like an interest rate swap) based on the current market rates or prices of the underlying (i.e. the variable on which the derivative is based).

Medium-Term Note ~~any~~Any bond which has a maturity date which is more than 365 days, but not more than 15 years, after the date of issuance and is designated as a medium-term note in the supplemental resolution authorizing such bond.

Negotiated Sale ~~the~~The sale of a new issue of municipal securities by an issuer through an exclusive agreement with an underwriter or underwriting syndicate selected by the issuer.

SIFMA Index ~~The~~ SIFMA Municipal Swap index is a 7-day high-grade market index comprised of tax-exempt VRDO reset rates that are reported to the Municipal Securities Rule Making Board's Short-Term Obligation Rate Transparency reporting system.

SOFR Index Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. JEA agreed to use SOFR as the replacement benchmark for LIBOR based transactions effective as of July 1, 2023.

Termination Risk ~~the~~The risk that a swap will be terminated by the counterparty before maturity that could require the issuer to make a cash termination payment to the counterparty.

True Interest Cost ~~is the~~The rate, compounded semiannually, necessary to discount the amounts payable on the respective principal and interest payment date to the purchase price received for the bonds.

Variable Rate Bond ~~shall~~Shall mean any Bond not bearing interest throughout its term at a specified rate or specified rates determined at the time of initial issuance.

Variable Rate Demand Obligations (VRDO) A long-term maturity security which is subject to a frequently available put option or tender option feature under which the holder may put the security back to the issuer or its agent at a predetermined price (generally par) after giving specified notice or as a result of a mandatory tender. Optional tenders are typically available to investors on a daily basis while in the daily or weekly mode and mandatory tenders are required upon a change in the interest rate while in the flexible or term mode. The frequency of a change in the interest rate of a variable rate demand obligation is based upon the particular mode the security is in at the time.



Amy Fu, President & Owner, Alpha Envirotech Consulting, Inc.

Jacksonville Small and Emerging Business (JSEB) Quarterly Report

Rita Scott, Manager, Supplier Diversity Programs and Procurement Services

DEEPEN CUSTOMER & COMMUNITY ENGAGEMENT

JSEB Scorecard

JSEB Goal

AVAILABLE SPEND

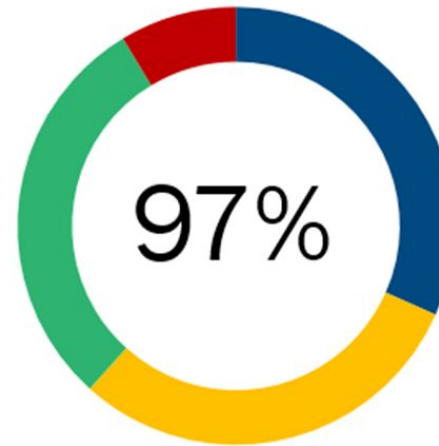
\$111,000,000

JSEB GOAL

\$22,200,000

JSEB ACTUAL SPEND

\$21,502,357



QTR 1	\$6,803,591
QTR 2	\$6,455,595
QTR 3	\$6,384,706
QTR 4	\$1,858,465

JSEB Spend Results as of July 2023

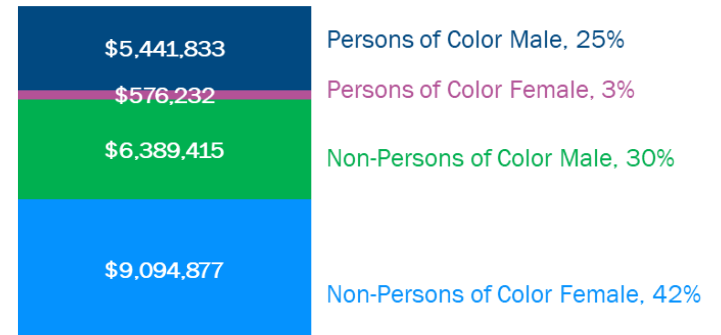
Available spend is \$111M

JSEB goal is \$22.2M

As of July, we have achieved \$21.5M in actual spend, representing 97% of the goal

Prime JSEB vendors account for 43% of the actual spend

Diverse mix of JSEB vendors that account for the actual spend



JSEB Scorecard

Contracts Awarded to JSEB Vendors as of July 2023

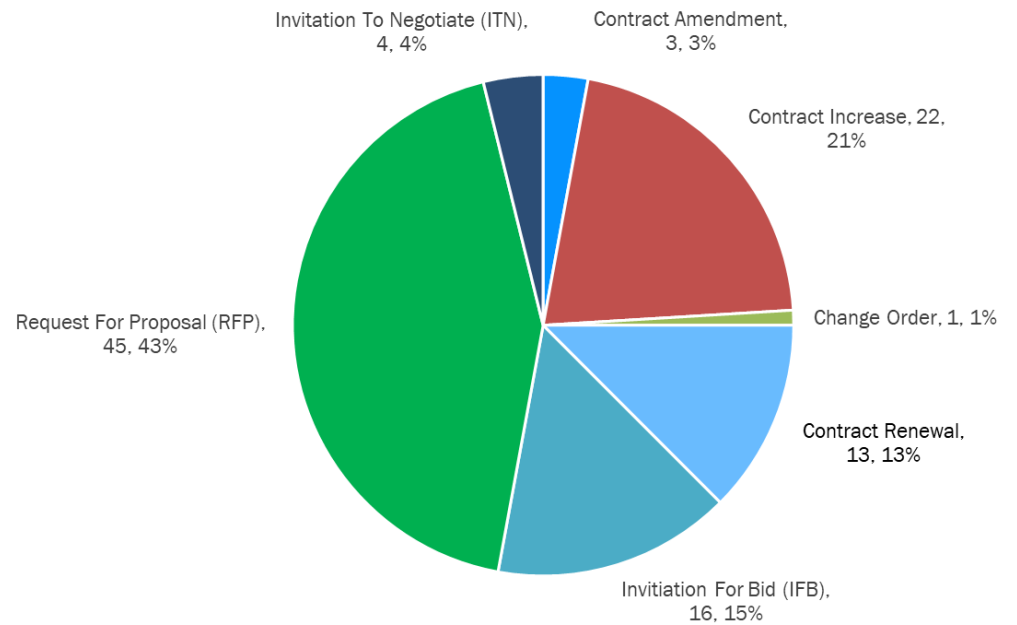
104 contracts awarded to JSEB vendors -
19 prime contracts and 85 subcontracts

Contracts awarded are valued at \$26M

Projects within the Electric, Facilities, and
Water/Wastewater groups

Contract awards typically range from 1 to 5 years

JSEB Contract Award Types



**Contract Awarded,
Quantity Awarded, Percentage of
Overall Awarded**



Reserve Report

**For the Third Quarter Ending
June 2023**

Electric System and Water System Reserve and Fund Balances (1)

For the Years Ending September 30
(In Thousands of Dollars)

Electric System

	<u>Actual</u> <u>Fiscal Year</u> <u>2020</u>	<u>Actual</u> <u>Fiscal Year</u> <u>2021</u>	<u>Actual</u> <u>Fiscal Year</u> <u>2022</u>	<u>Projected</u> <u>Fiscal Year</u> <u>2023</u>	<u>Detail</u> <u>Page #</u>
Unrestricted					
Operations/Revenue Fund	\$ 47,449	\$ 55,662	\$ 2,140	16,376	
Self Insurance Reserve Fund					
• Property	10,000	10,000	10,000	10,000	3
• Employee health insurance	10,890	14,272	14,145	16,947	4
Rate Stabilization					
• Fuel	73,347	41,767	-	-	5
• DSM / Conservation	5,423	7,233	8,823	5,815	6
• Environmental	21,818	19,756	20,728	13,880	7
• Non-Fuel Purchased Power	36,326	10,513	55,000	254,641	8
Environmental	16,568	16,568	15,797	15,257	9
Customer Deposits	43,641	45,179	45,044	46,084	10
Total Unrestricted	265,462	220,950	171,675	378,999	
Days of Cash on Hand (2)	183	166	126	163	
Days of Liquidity (3)	359	331	254	255	
Restricted					
Debt Service Funds (Sinking Funds)	81,220	80,988	66,706	38,635	11
Debt Service Reserve Funds	50,993	50,993	50,993	50,993	12
Renewal and Replacement Funds/OCO	137,643	183,800	233,018	143,423	13
Environmental Fund [Capital Projects]	301	83	-	-	14
Construction Funds	311	286	111	-	15
Total Restricted	270,468	316,150	350,828	233,051	
Total Electric System	\$ 535,930	\$ 537,101	\$ 522,503	\$ 612,050	

Water System

Unrestricted					
Operations/Revenue Fund	\$ 26,701	\$ 28,517	\$ 27,055	\$ 8,775	
Rate Stabilization					
• Environmental	23,372	30,077	26,094	-	16
Customer Deposit	16,926	17,043	14,710	13,402	17
Total Unrestricted	81,208	75,637	67,859	22,177	
Days of Cash on Hand (2)	176	297	252	60	
Days of Liquidity (3)	353	459	370	150	
Restricted					
Debt Service Funds (Sinking Funds)	41,660	30,006	32,499	75,041	18
Debt Service Reserve Funds	58,228	55,665	56,606	57,587	19
Renewal and Replacement Funds	38,131	97,066	112,930	23,034	20
Environmental Fund [Capital Projects]	619	3,118	4,400	6,198	21
Construction Funds	25,541	14,266	646	665	22
Total Restricted	164,179	200,121	207,081	162,525	
Total Water & Sewer System	\$ 245,387	\$ 275,758	\$ 274,940	\$ 184,702	

- (1) This report does not include Scherer, SJRPP, DES or funds held on behalf of the City of Jacksonville.
 (2) Days of Cash on Hand includes R&R Fund in the cash balances, and includes the Contribution to the City of Jacksonville General Fund with the Operating Expenses net of Depreciation.
 (3) Days of Liquidity includes R&R Fund in the cash balances, and includes the Contribution to the City of Jacksonville General Fund with the Operating Expenses, net of Depreciation. Revolving credit facility is allocated between Electric and Water & Sewer Systems based on their portion of the Operating Expenses, net of Depreciation.

Funds Established Per the Bond Resolutions

Fund/Account Description	Electric System	Water and Sewer System
Revenue Fund	Net Revenues (i.e. Revenues minus Cost of Operation and Maintenance), pledged to bondholders, balance available for any lawful purpose after other required payments under the bond resolution have been made.	Pledged to bondholders; balance available for any lawful purpose after other required payments under the bond resolution have been made, however, revenues representing impact fees may only be used to finance costs of expanding the system or on the debt service on bonds issued for such expansion purposes.
Rate Stabilization Fund	Not pledged to bondholders; available for any lawful purpose.	Pledged to bondholders; able to transfer to any other fund or account established under the resolution or use to redeem Bonds.
Subordinated Rate Stabilization Fund	Pledged to bondholders; available for any lawful purpose.	Pledged to bondholders; available for any lawful purpose.
Debt Service Account	Pledged to bondholders; used to pay debt service on bonds.	Pledged to bondholders; used to pay debt service on bonds.
Debt Service Reserve Account	Pledged to bondholders; used to pay debt service on bonds in the event revenues were insufficient to make such payments.	Pledged to bondholders; used to pay debt service on bonds in the event revenues were insufficient to make such payments.
Renewal and Replacement Fund	Not pledged to bondholders but required amounts deposited into this Fund pursuant to the bond resolution are limited as to what they can be spent on (e.g. capital expenditures and, bond redemptions) .	Pledged to bondholders; but required amounts deposited into this Fund pursuant to the bond resolution are limited as to what they can be spent on (e.g. capital expenditures and, bond redemptions).
Construction Fund	Pledged to bondholders; applied to the payment of costs of the system.	Pledged to bondholders; applied to the payment of costs of the system.
Subordinated Construction Fund	Pledged to bondholders; applied to the payment of costs of the system	Pledged to bondholders; applied to the payment of costs of the system
Construction Fund - Construction Reserve Account	Pledged to bondholders; applied to fund downgraded reserve fund sureties.	Pledged to bondholders; applied to fund downgraded debt service reserve fund sureties.
General Reserve Fund	Not pledged to bondholders; available for any lawful purpose.	n/a

Regardless of whether the Funds/Accounts are designated as pledged, in the event that monies in the Debt Service Account are insufficient to pay debt service on the bonds, pursuant to the respective bond resolutions, amounts in the various Funds/Accounts are required to be transferred to the respective Debt Service Accounts and used to pay debt service.

Electric System Self Insurance - Property

For the Third Quarter Ending June 30, 2023

Definitions and Goals

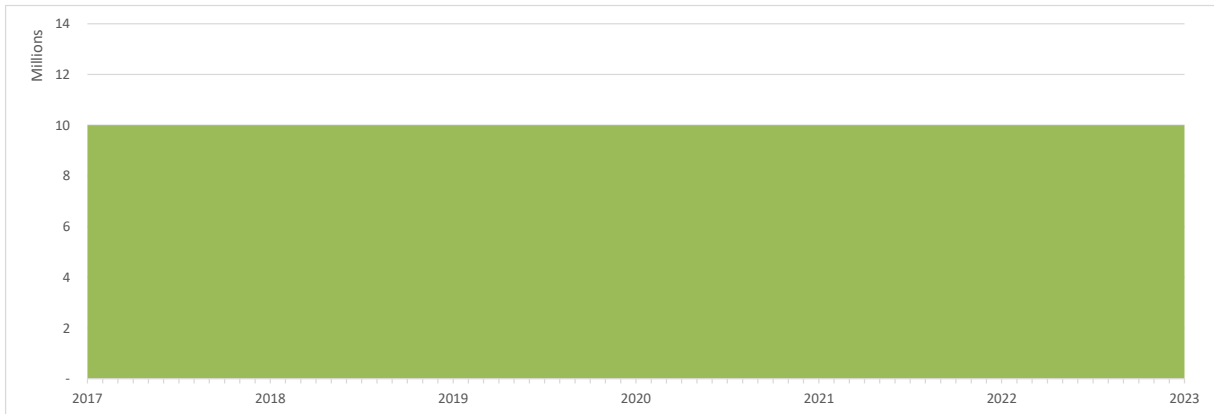
JEA's self-insurance fund is for catastrophic damage to JEA's electric lines (transmission and distribution) caused by the perils of hurricanes, tornadoes, and ice storms. This fund was established in October, 1992, as an alternative to JEA's procurement of commercial property insurance.

Current Activity

<i>(In Thousands)</i>	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ 10,000	\$ 10,000	\$ 10,000
Additions:			
Contributions			
Sub-total	\$ -	\$ -	\$ -
Withdrawals			
Sub-total	\$ -	\$ -	\$ -
Ending Balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Additions:					
Contributions	-	-	-		
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Ending balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>



Observations

- Reserve/Fund Authorization: Budget Appropriation.

Electric System Self Insurance - Employee Health Insurance

For the Third Quarter Ending June 30, 2023

Definitions and Goals

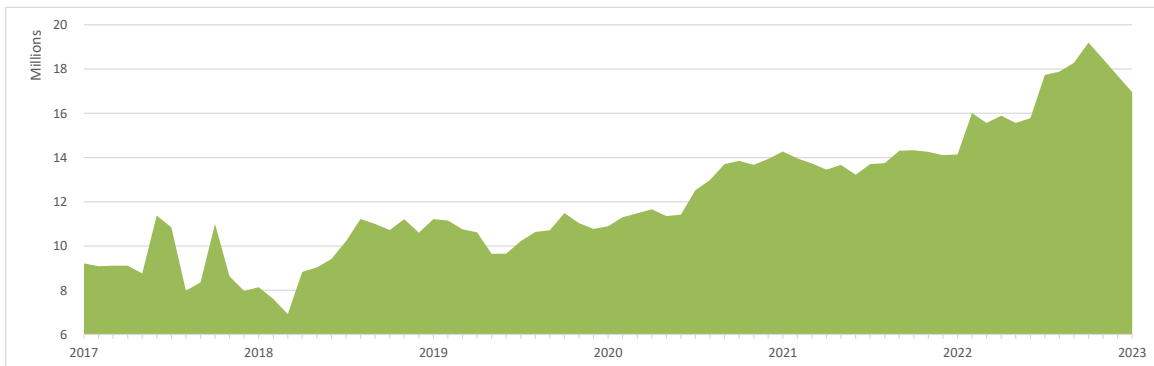
This reserve fund is a requirement under Florida Statute 112.08 that requires self insured government plans to have enough money in a reserve fund to cover the Incurred But Not Reimbursed (IBNR) claims and a 60 day surplus of claims. The IBNR claims are claims that would still need to be paid if the company went back to a fully insured plan or dropped coverage all together. An actuary calculates this amount annually.

Current Activity

(In Thousands)	Quarter-End	Year-to-Date	2023
Opening Balance	\$ 17,734	\$ 14,145	\$ 14,145
Additions:			
Employee Contributions	1,497	4,669	5,708
Retirees and Other	2,329	9,176	10,476
Employer Contributions	5,895	16,976	20,500
Sub-total	\$ 9,722	\$ 30,822	\$ 36,684
Withdrawals:			
Payments for Claims	7,096	23,137	30,902
Actuary & Other Payments	758	2,228	2,980
Sub-total	\$ 7,854	\$ 25,365	\$ 33,882
Ending Balance	\$ 19,602	\$ 19,602	\$ 16,947

Historical Activity

	2019	2020	2021	2022	2023
Opening Balance	\$ 8,138	\$ 11,210	\$ 10,890	\$ 14,272	\$ 14,145
Additions:					
Employee Contributions	6,423	6,534	6,596	6,714	5,708
Retiree & Other Contributions	8,270	6,914	7,518	5,713	10,476
Employer Contributions	20,662	18,900	19,635	20,688	20,500
Sub-total	\$ 35,355	\$ 32,348	\$ 33,749	\$ 33,115	\$ 36,684
Withdrawals:					
Payments for Claims	29,860	30,387	28,408	30,819	30,902
Actuary & Other Payments	2,423	2,281	1,959	2,423	2,980
Sub-total	\$ 32,283	\$ 32,668	\$ 30,367	\$ 33,242	\$ 33,882
Ending balance	\$ 11,210	\$ 10,890	\$ 14,272	\$ 14,145	\$ 16,947



Maximum Balance: 19,197 Average Balance: 12,177
 Minimum Balance: 6,922

Observations

- Self Insurance for Employee Health Insurance began in July 2009.

Electric System Rate Stabilization - Non-Fuel Purchased Power

For the Third Quarter Ending June 30, 2023

Definitions and Goals

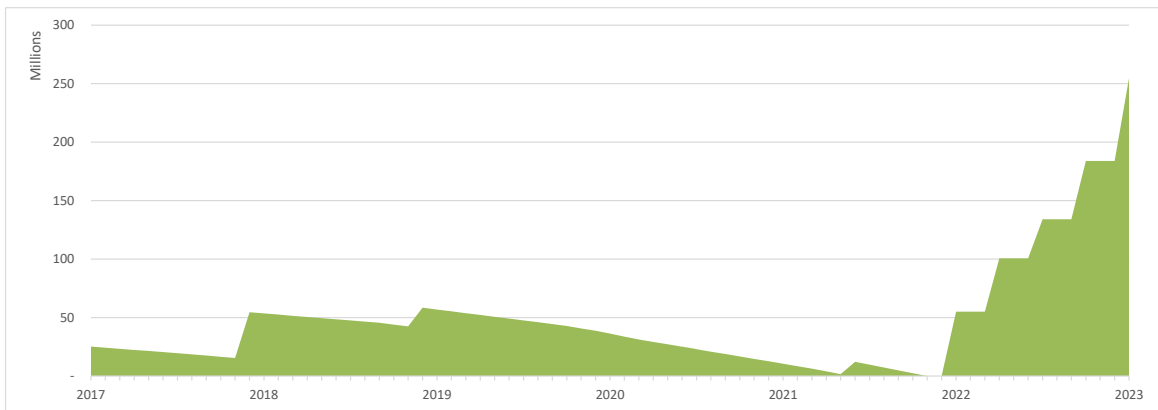
The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which deposits or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Funds provide a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Deposits to the Rate Stabilization Fund for Non-Fuel Purchased Power Stabilization during the fiscal year are made with the approval of the CEO or CFO, provided such deposits are not in excess of JEA's total operating budget for the current fiscal year. Withdrawals from the Rate Stabilization Fund for Non-Fuel Purchased Power are to reimburse the costs associated with any non-fuel purchased power activities. Withdrawals can be made as necessary during the fiscal year and requires the approval of the CEO or the CFO.

Current Activity

(In Thousands)	Quarter-End	Year-to-Date	2023
Opening Balance	\$ 133,956	\$ 55,000	\$ 55,000
Additions:			
Contributions	50,000	128,956	199,641
Sub-total	\$ 50,000	\$ 128,956	\$ 199,641
Withdrawals:			
Withdrawals	-	-	-
Ending Balance	\$ 183,956	\$ 183,956	\$ 254,641

Historical Activity

	2019	2020	2021	2022	2023
Opening Balance	\$ 53,493	\$ 56,870	\$ 36,326	\$ 10,513	\$ 55,000
Additions:					
Contributions	17,566	-	-	72,731	199,641
Sub-total	\$ 17,566	\$ -	\$ -	\$ 72,731	\$ 199,641
Withdrawals:					
Withdrawals	14,189	20,544	25,813	28,244	-
Sub-total	\$ 14,189	\$ 20,544	\$ 25,813	\$ 28,244	\$ -
Ending balance	\$ 56,870	\$ 36,326	\$ 10,513	\$ 55,000	\$ 254,641



Maximum Balance: 254,641 Average Balance: 47,660
 Minimum Balance: -

Observations

- The Non-Fuel Purchased Power Rate Stabilization Fund began in FY 2014.

Electric System Environmental Reserve

For the Third Quarter Ending June 30, 2023

Definitions and Goals

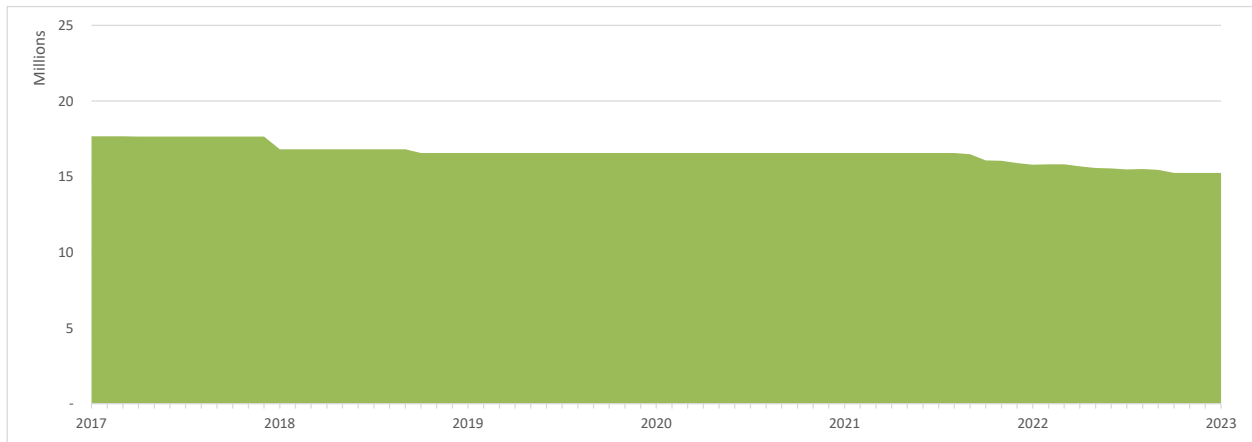
This reserve represents the initial amounts collected from the Electric System Environmental Charge and will be deposited until the balance in this reserve equals the balance in the environmental liability account. Withdrawals from this account will represent payments for these liabilities.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ 15,481	\$ 15,797	\$ 15,797
Additions:			
Contributions	30	60	58
Sub-total	<u>\$ 30</u>	<u>\$ 60</u>	<u>\$ 58</u>
Withdrawals:			
Withdrawals	253	569	598
Ending Balance	<u>\$ 15,258</u>	<u>\$ 15,288</u>	<u>\$ 15,257</u>

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 16,818	\$ 16,568	\$ 16,568	\$ 16,568	\$ 15,797
Additions:					
Contributions					58
Sub-total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58</u>
Withdrawals:					
Withdrawals	250			771	598
Sub-total	<u>\$ 250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 771</u>	<u>\$ 598</u>
Ending balance	<u>\$ 16,568</u>	<u>\$ 16,568</u>	<u>\$ 16,568</u>	<u>\$ 15,797</u>	<u>\$ 15,257</u>



Maximum Balance:	17,672	Average Balance:	16,566
Minimum Balance:	15,257		

Observations

- The Environmental Reserve began in FY 2008.

Electric System Customer Deposits

For the Third Quarter Ending June 30, 2023

Definitions and Goals

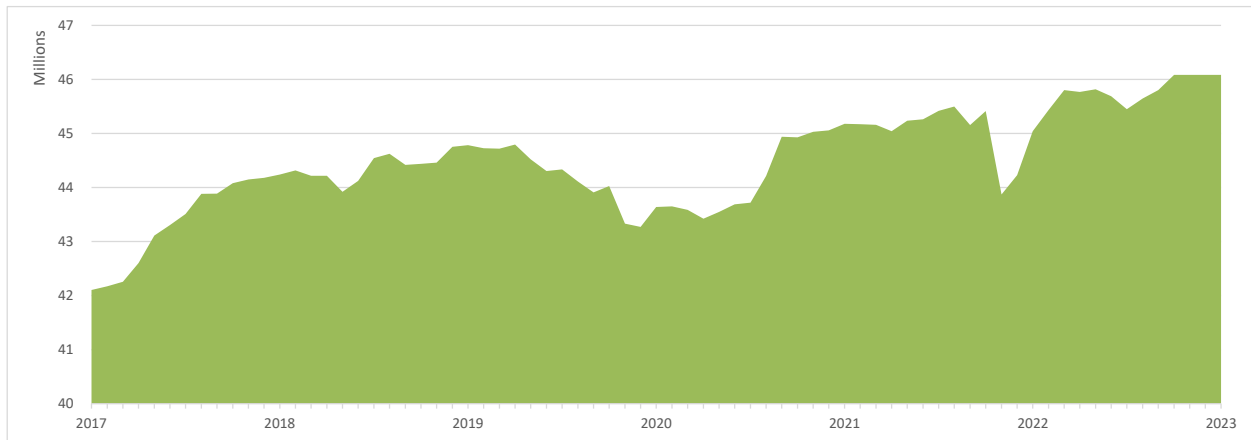
Pursuant to internal procedure CR40400 MBC302 Credit and Collections, JEA accesses customers a deposit that may be used to offset any future unpaid amounts during the course of providing utility service to a customer.

Current Activity

<i>(In Thousands)</i>	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ 45,451	\$ 45,044	\$ 45,044
Additions:			
Net Customer Activity	634	1,442	1,736
Sub-total	<u>\$ 634</u>	<u>\$ 1,442</u>	<u>\$ 1,736</u>
Withdrawals:			
Net Customer Activity	-	401	696
Sub-total	<u>\$ -</u>	<u>\$ 401</u>	<u>\$ 696</u>
Ending Balance	<u><u>\$ 46,085</u></u>	<u><u>\$ 46,085</u></u>	<u><u>\$ 46,084</u></u>

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 42,105	\$ 44,242	\$ 44,785	\$ 43,641	\$ 45,044
Additions:					
Net Customer Activity	2,137	543	596	3,666	1,736
Sub-total	<u>\$ 2,137</u>	<u>\$ 543</u>	<u>\$ 596</u>	<u>\$ 3,666</u>	<u>\$ 1,736</u>
Withdrawals:					
Net Customer Activity			1,740	2,263	696
Sub-total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,740</u>	<u>\$ 2,263</u>	<u>\$ 696</u>
Ending balance	<u><u>\$ 44,242</u></u>	<u><u>\$ 44,785</u></u>	<u><u>\$ 43,641</u></u>	<u><u>\$ 45,044</u></u>	<u><u>\$ 46,084</u></u>



Maximum Balance:	45,500	Average Balance:	44,256
Minimum Balance:	42,174		

Observations

Electric System Debt Service Sinking Fund

For the Third Quarter Ending June 30, 2023

Definitions and Goals

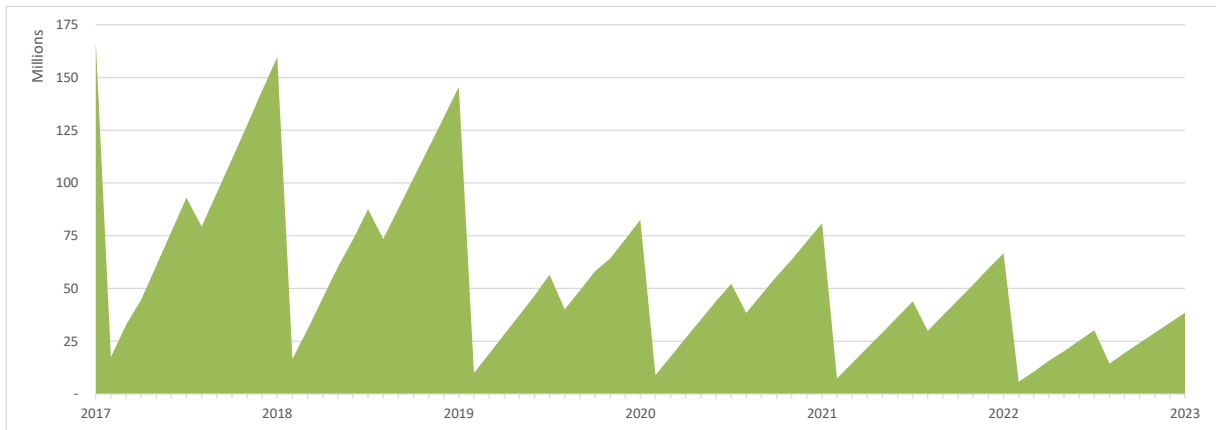
JEA is required monthly to fund from revenues an amount equal to the aggregate of the Debt Service Requirement for senior and subordinated bonds for such month into this account. On or before such interest payment date, JEA shall pay out of this account to the paying agents the amount required for the interest and principal due on such date.

Current Activity

<i>(In Thousands)</i>	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ 30,154	\$ 66,705	\$ 66,705
Additions:			
Revenue Fund Deposits	18,565	54,285	72,883
Sub-total	<u>\$ 18,565</u>	<u>\$ 54,285</u>	<u>\$ 72,883</u>
Withdrawals:			
Principal and Int Payments	24,492	96,762	100,953
Sub-total	<u>\$ 24,492</u>	<u>\$ 96,762</u>	<u>\$ 100,953</u>
Ending Balance	<u>\$ 24,228</u>	<u>\$ 24,228</u>	<u>\$ 38,635</u>

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 158,351	\$ 144,215	\$ 81,220	\$ 80,988	\$ 66,705
Additions:					
Revenue Fund Deposits	186,135	116,826	107,672	91,059	72,883
Sub-total	<u>\$ 186,135</u>	<u>\$ 116,826</u>	<u>\$ 107,672</u>	<u>\$ 91,059</u>	<u>\$ 72,883</u>
Withdrawals:					
Principal and Int Payments	200,271	179,821	107,904	105,342	100,953
Sub-total	<u>\$ 200,271</u>	<u>\$ 179,821</u>	<u>\$ 107,904</u>	<u>\$ 105,342</u>	<u>\$ 100,953</u>
Ending balance	<u>\$ 144,215</u>	<u>\$ 81,220</u>	<u>\$ 80,988</u>	<u>\$ 66,705</u>	<u>\$ 38,635</u>



Maximum Balance:	159,656	Average Balance:	52,187
Minimum Balance:	5,778		

Observations

- September 30th ending balances are used to pay the October 1st interest and principal payments.
- This report does not include any Scherer debt service sinking funds.
- Timing differences occur due to the accrual of debt service during one fiscal year and the payment in the following fiscal year (primarily fixed rate principal and interest on October 1st of the following fiscal year).
- Projections are based on the debt outstanding as of the quarter-end referenced above.

Electric System Debt Service Reserve Account

For the Third Quarter Ending June 30, 2023

Definitions and Goals

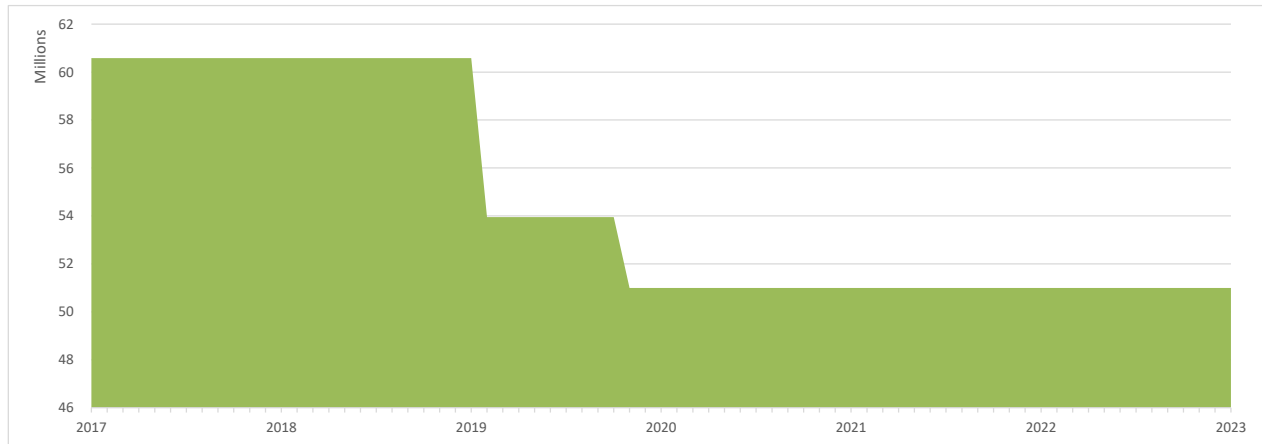
This reserve will be funded, maintained and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate bond resolution. It is JEA's current practice to fund this reserve account with cash from the sale of bonds; however, revenues may be utilized to fund this reserve when necessary.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ 50,993	\$ 50,993	\$ 50,993
Additions:			
Proceeds from Bonds	-	-	-
Sub-total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:			
	-	-	-
Ending Balance	<u>\$ 50,993</u>	<u>\$ 50,993</u>	<u>\$ 50,993</u>

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 60,582	\$ 60,582	\$ 50,993	\$ 50,993	\$ 50,993
Additions:					
Proceeds from Bonds					
Sub-total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:					
Release to Revenue Fund		2,956			
Release for Defeasance		6,633			
Sub-total	<u>\$ -</u>	<u>\$ 9,589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending balance	<u>\$ 60,582</u>	<u>\$ 50,993</u>	<u>\$ 50,993</u>	<u>\$ 50,993</u>	<u>\$ 50,993</u>



Maximum Balance:	60,582	Average Balance:	53,473
Minimum Balance:	50,993		

Observations

- This report does not include any Scherer debt service reserves.
- Projections are based on the debt outstanding as of the quarter-end referenced above.

Electric System Renewal and Replacement (R&R) / Operating Capital Outlay (OCO)

For the Third Quarter Ending June 30, 2023

Definitions and Goals

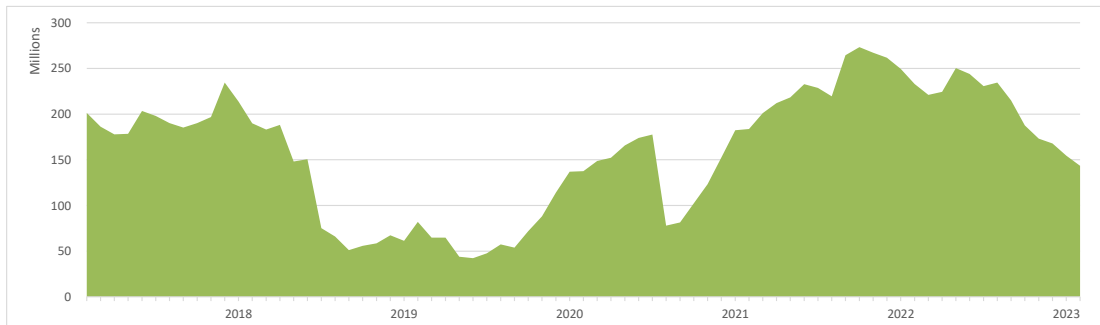
Pursuant to the bond resolution and Article 21 of the City of Jacksonville Charter, JEA is required to deposit from the revenue fund annually an amount for Renewal and Replacement of system assets. According to the bond resolutions the amount is equal to the greater of 10% of the prior year defined annual net revenues or 5% of the prior year defined gross revenues. The funds shall be used for the purposes of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets. In addition, as a portion of the base rate, JEA will recover from current revenue a formula driven amount for capital expenditures known as Operating Capital Outlay. This amount is calculated separately from the R&R deposit and may be allocated for use between capacity or non-capacity related expenditures based on the most beneficial economic and tax related financing structure incorporating the use of internal and bond funding.

Current Activity

(In Thousands)	Quarter-End	Year-to-Date	2023
Opening Balance	\$ 234,513	\$ 233,019	\$ 233,019
Additions:			
R&R/OCO Contribution	20,835	122,622	143,457
Transfers betw Capital Fds			
Other	648	9,939	10,617
Sub-total	\$ 21,483	\$ 132,561	\$ 154,074
Withdrawals:			
Capital Expenditures	82,721	192,305	243,670
Transfers betw Capital Fds			
Debt Reduction	-	-	-
Other			
Sub-total	\$ 82,721	\$ 192,305	\$ 243,670
Ending Balance	\$ 173,275	\$ 173,275	\$ 143,423

Historical Activity

	2019	2020	2021	2022	2023
Opening Balance	\$ 189,922	\$ 81,964	\$ 137,643	\$ 183,800	\$ 233,019
Additions:					
R&R/OCO Contribution	197,623	272,342	296,824	240,825	143,457
Loans betw Capital Fds					
Other	39,521	8,389	11,668	6,031	10,617
Sub-total	\$ 237,144	\$ 280,731	\$ 308,492	\$ 246,856	\$ 154,074
Withdrawals:					
Capital Expenditures	275,042	206,415	155,486	197,637	243,670
Transfers/loans b/w Capital Fds					
Debt Defeasance	70,000	18,637	106,849	-	-
Other	60	-	-	-	-
Sub-total	\$ 345,102	\$ 225,052	\$ 262,335	\$ 197,637	\$ 243,670
Ending balance	\$ 81,964	\$ 137,643	\$ 183,800	\$ 233,019	\$ 143,423



Maximum Balance: 273,391 Average Balance: 160,137
 Minimum Balance: 42,396

Observations

- Other includes Sale of Property and miscellaneous billings.

Electric System Environmental Fund - Capital Projects

For the Third Quarter Ending June 30, 2023

Definitions and Goals

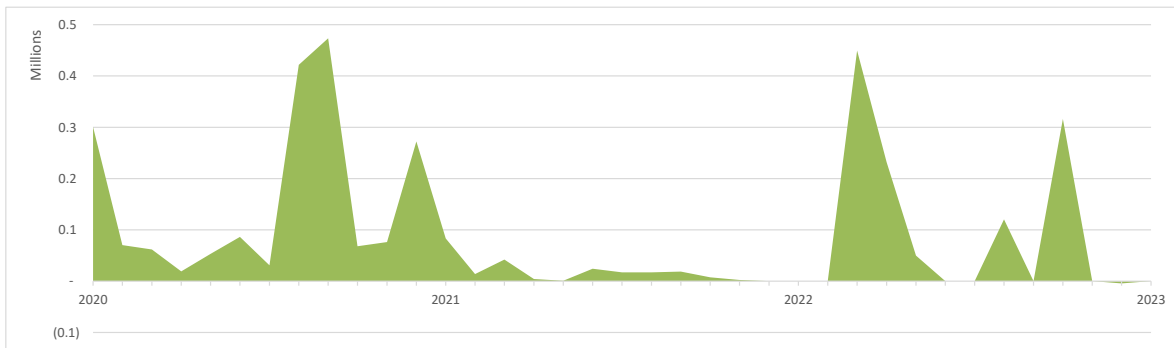
The Environmental Charge will be applied to all kWh consumption and structured to provide funding for major specific environmental and regulatory program needs. The Environmental Charge is designed to recover from customers all costs of environmental remediation and compliance with new and existing environmental regulations, excluding the amount already collected in the Environmental Liability Reserve, as specified in the Pricing Policy for specific environmental and regulatory programs. This fund represents the amounts collected from the Electric System Environmental Charge and used on expenditures for capital projects.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	2023
Opening Balance	\$ -	\$ -	\$ -
Additions:			
Environmental Contributions	618	1,088	3,299
Transfers betw Capital Fds			
Other			
Sub-total	\$ 618	\$ 1,088	\$ 3,299
Withdrawals:			
Capital Expenditures	302	772	3,299
Transfers betw Capital Fds			
Other			
Sub-total	\$ 302	\$ 772	\$ 3,299
Ending Balance	\$ 316	\$ 316	\$ -

Historical Activity

	2019	2020	2021	2022	2023
Opening Balance	\$ -	\$ -	\$ 301	\$ 83	\$ -
Additions:					
Environmental Contributions		4,389	2,769	503	3,299
Loans betw Capital Fds					
Other					
Sub-total	\$ -	\$ 4,389	\$ 2,769	\$ 503	\$ 3,299
Withdrawals:					
Capital Expenditures		4,088	2,987	586	3,299
Transfers/loans b/w Capital Fds					
Other					
Sub-total	\$ -	\$ 4,088	\$ 2,987	\$ 586	\$ 3,299
Ending balance	\$ -	\$ 301	\$ 83	\$ -	\$ -



Maximum Balance: 686
Minimum Balance: (4)

Average Balance: 120

Observations

- The Environmental Construction Fund began in October 2019.

Electric System Construction / Bond Fund

For the Third Quarter Ending June 30, 2023

Definitions and Goals

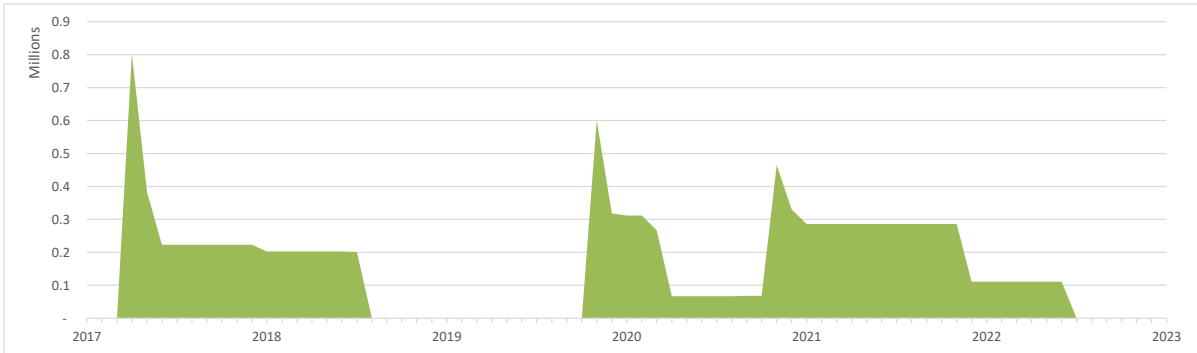
JEA maintains a senior and subordinated construction fund of which bonds proceeds are deposited and used for the payment of the costs of additions, extensions and improvements to the Electric System. The senior construction fund is limited to the costs of additions, extension and improvements relating to non-generation capital expenditures. The subordinated construction fund is used for capital projects relating to all categories of capital expenditures but primarily targeted to fund generation capital expenditures.

Current Activity

<i>(In Thousands)</i>	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ -	\$ 111	\$ 111
Additions:			
Bond Proceeds	-	-	-
Loans betw Capital Fds			
Other			
Sub-total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:			
Capital Expenditures	-	111	111
Transfers betw Capital Fds			
Other			
Sub-total	<u>\$ -</u>	<u>\$ 111</u>	<u>\$ 111</u>
Ending Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 205	\$ 2	\$ 314	\$ 286	\$ 111
Additions:					
Bond Proceeds		601	397	-	-
Loans betw Capital Fds					
Other					
Sub-total	<u>\$ -</u>	<u>\$ 601</u>	<u>\$ 397</u>	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:					
Capital Expenditures		289	425	175	111
Transfers/loans b/w Capital Fds	201				
Other	2				
Sub-total	<u>\$ 203</u>	<u>\$ 289</u>	<u>\$ 425</u>	<u>\$ 175</u>	<u>\$ 111</u>
Ending balance	<u>\$ 2</u>	<u>\$ 314</u>	<u>\$ 286</u>	<u>\$ 111</u>	<u>\$ -</u>



Maximum Balance:	803	Average Balance:	155
Minimum Balance:	(4)		

Observations

- JEA's philosophy has been to borrow bond funds on a "just-in-time" basis. Staff has used revolving credit facility borrowings and loans between capital funds to decrease borrowing costs.

Water System Rate Stabilization - Environmental

For the Third Quarter Ending June 30, 2023

Definitions and Goals

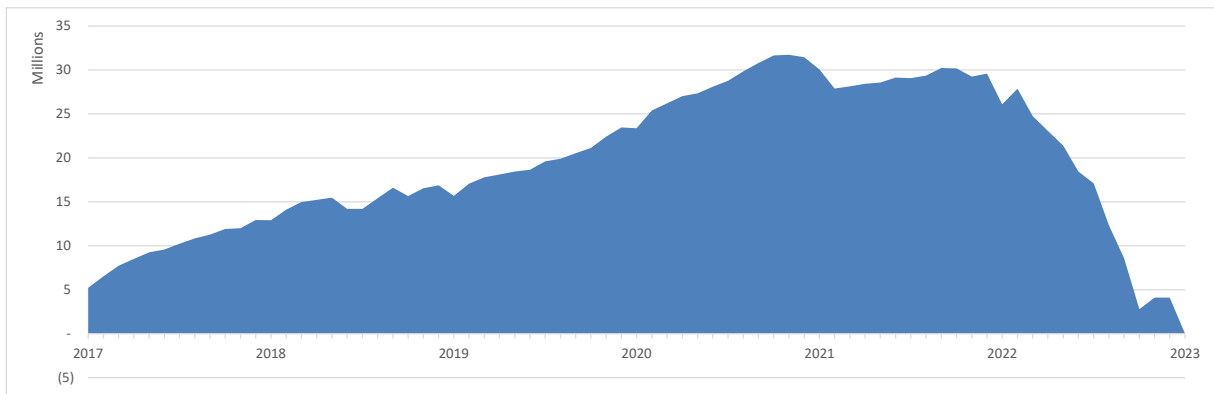
The Water System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as debt management and regulatory requirements or initiatives.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	2023
Opening Balance	\$ 17,111	\$ 26,094	\$ 26,094
Additions:			
Contributions	(920)	12,391	17,726
Sub-total	\$ (920)	\$ 12,391	\$ 17,726
Withdrawals:			
Withdrawals	13,387	35,682	43,820
COJ Septic Tank Agreement			-
Sub-total	\$ 13,387	\$ 35,682	\$ 43,820
Ending Balance	\$ 2,803	\$ 2,803	\$ -

Historical Activity

	2019	2020	2021	2022	2023
Opening Balance	\$ 12,914	\$ 15,687	\$ 23,372	\$ 30,077	\$ 26,094
Additions:					
Contributions	25,099	25,677	25,198	27,434	17,726
Sub-total	\$ 25,099	\$ 25,677	\$ 25,198	\$ 27,434	\$ 17,726
Withdrawals:					
Withdrawals	22,326	17,992	18,493	31,417	43,820
Sub-total	\$ 22,326	\$ 17,992	\$ 18,493	\$ 31,417	\$ 43,820
Ending balance	\$ 15,687	\$ 23,372	\$ 30,077	\$ 26,094	\$ -



Maximum Balance: 31,730 Average Balance: 19,364
 Minimum Balance: -

Observations

- Rate Stabilization Fund for Environmental began in June 2010.

Water System Customer Deposits

For the Third Quarter Ending June 30, 2023

Definitions and Goals

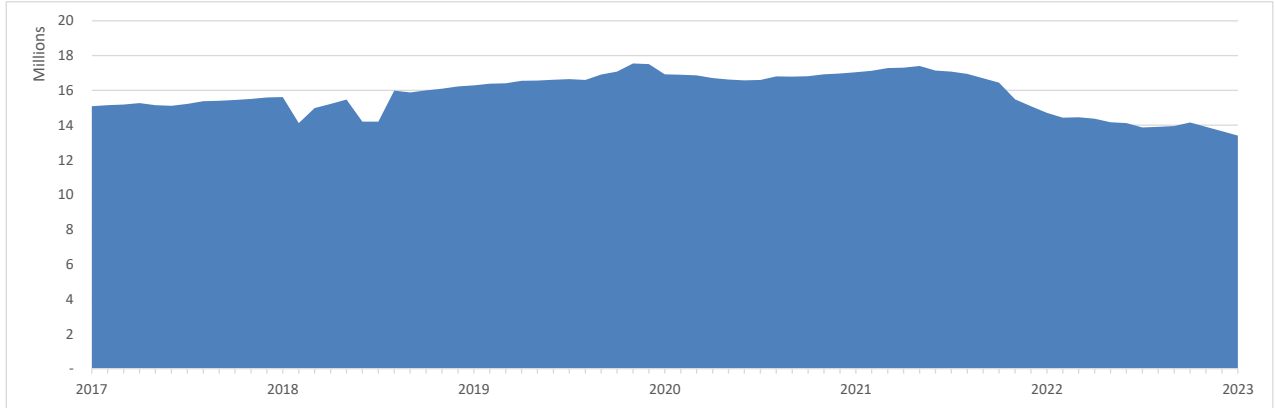
Pursuant to internal procedure CR40400 MBC302 Credit and Collections, JEA accesses customers a deposit that may be used to offset any future unpaid amounts during the course of providing utility service to a customer.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ 13,864	\$ 14,710	\$ 14,710
Additions:			
Allocated from Electric	288	576	1,216
Sub-total	<u>\$ 288</u>	<u>\$ 576</u>	<u>\$ 1,216</u>
Withdrawals:			
Allocated from Electric	-	1,134	2,524
Sub-total	<u>\$ -</u>	<u>\$ 1,134</u>	<u>\$ 2,524</u>
Ending Balance	<u>\$ 14,152</u>	<u>\$ 14,152</u>	<u>\$ 13,402</u>

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 15,616	\$ 16,289	\$ 16,926	\$ 17,043	\$ 14,710
Additions:					
Allocated from Electric	888	1,318	480	356	1,216
Sub-total	<u>\$ 888</u>	<u>\$ 1,318</u>	<u>\$ 480</u>	<u>\$ 356</u>	<u>\$ 1,216</u>
Withdrawals:					
Allocated from Electric	215	681	363	2,689	2,524
Sub-total	<u>\$ 215</u>	<u>\$ 681</u>	<u>\$ 363</u>	<u>\$ 2,689</u>	<u>\$ 2,524</u>
Ending balance	<u>\$ 16,289</u>	<u>\$ 16,926</u>	<u>\$ 17,043</u>	<u>\$ 14,710</u>	<u>\$ 13,402</u>



Maximum Balance: 17,549
 Minimum Balance: 13,402

Average Balance: 15,812

Observations

Water System Debt Service Sinking Fund

For the Third Quarter Ending June 30, 2023

Definitions and Goals

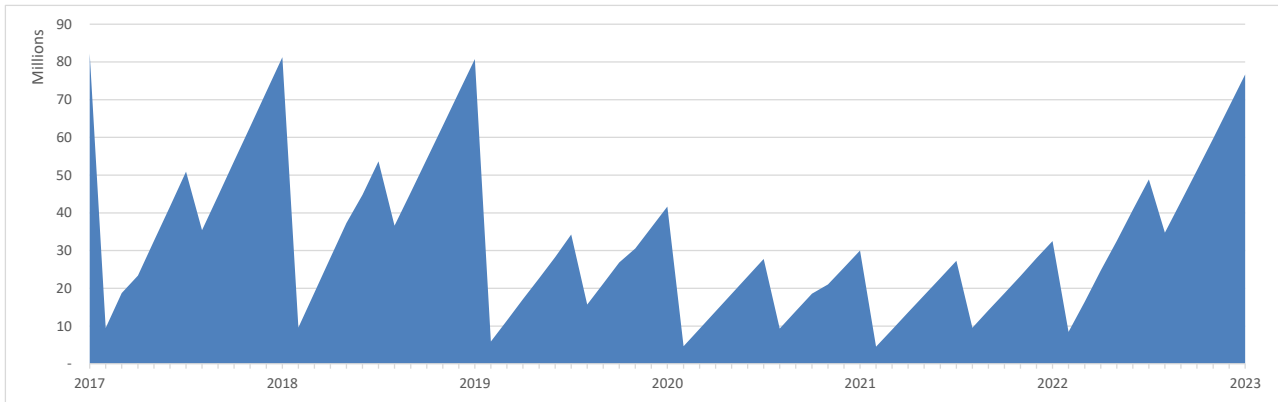
JEA is required monthly to fund from revenues an amount equal to the aggregate of the Debt Service Requirement for senior and subordinated bonds for such month into this account. On or before such interest payment date, JEA shall pay out of this account to the paying agents the amount required for the interest and principal due on such date.

Current Activity

<i>(In Thousands)</i>	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ 48,853	\$ 32,499	\$ 32,499
Additions:			
Revenue fund deposits	26,289	77,647	104,762
Sub-total	<u>\$ 26,289</u>	<u>\$ 77,647</u>	<u>\$ 104,762</u>
Withdrawals:			
Principal and interest payments	23,907	58,911	62,220
Sub-total	<u>\$ 23,907</u>	<u>\$ 58,911</u>	<u>\$ 62,220</u>
Ending Balance	<u>\$ 51,235</u>	<u>\$ 51,235</u>	<u>\$ 75,041</u>

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 81,241	\$ 80,775	\$ 41,660	\$ 30,006	\$ 32,499
Additions:					
Revenue fund deposits	112,251	69,515	59,573	55,811	104,762
Sub-total	<u>\$ 112,251</u>	<u>\$ 69,515</u>	<u>\$ 59,573</u>	<u>\$ 55,811</u>	<u>\$ 104,762</u>
Withdrawals:					
Principal and interest payments	112,717	108,630	71,227	53,318	62,220
Sub-total	<u>\$ 112,717</u>	<u>\$ 108,630</u>	<u>\$ 71,227</u>	<u>\$ 53,318</u>	<u>\$ 62,220</u>
Ending balance	<u>\$ 80,775</u>	<u>\$ 41,660</u>	<u>\$ 30,006</u>	<u>\$ 32,499</u>	<u>\$ 75,041</u>



Maximum Balance:	81,242	Average Balance:	30,491
Minimum Balance:	4,545		

Observations

- September 30th ending balances are used to pay Oct 1st interest and principal payments.
- Timing differences occur due to the accrual of debt service during one fiscal year and the payment in the following fiscal year (primarily fixed rate principal and interest on Oct 1st of the following fiscal year).
- Projections are based on the debt outstanding as of the quarter referenced above plus projected new money issuance.

Water System Debt Service Reserve Account

For the Third Quarter Ending June 30, 2023

Definitions and Goals

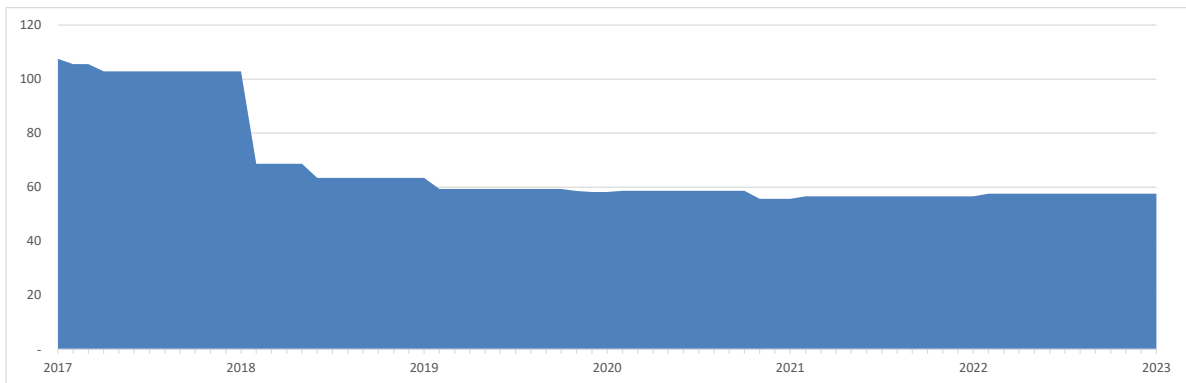
This reserve will be funded, maintained and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate bond resolution. It is JEA's current practice to fund this reserve account with cash from the sale of bonds; however, revenues may be utilized to fund this reserve when necessary.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	<u>2023</u>
Opening Balance	\$ 57,587	\$ 56,606	\$ 56,606
Additions:			
Bond Issue			
Revenue Fund	-	981	981
Sub-total	\$ -	\$ 981	\$ 981
Withdrawals:			
Revenue Fund			
Release to Refunding Defeasance			
Sub-total	\$ -	\$ -	\$ -
Ending Balance	\$ 57,587	\$ 57,587	\$ 57,587

Historical Activity

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Opening Balance	\$ 102,850	\$ 63,441	\$ 58,228	\$ 55,665	\$ 56,606
Additions:					
Bond Issue		737			
Revenue Fund			435	941	981
Sub-total	\$ -	\$ 737	\$ 435	\$ 941	\$ 981
Withdrawals:					
Revenue Fund	5,525	1,689	795		-
Release to Construction Fund	33,884				-
Release for Defeasance		2,791	2,203		-
Release to Refunding Defeasance		1,470			-
Sub-total	\$ 39,409	\$ 5,950	\$ 2,998	\$ -	\$ -
Ending balance	\$ 63,441	\$ 58,228	\$ 55,665	\$ 56,606	\$ 57,587



Maximum Balance: 102,850 Average Balance: 59,987
 Minimum Balance: 55,665

Observations

- In 2008, debt service reserve sureties downgraded and JEA began replacing those downgraded sureties with cash/investments as required by the bond resolutions. Sureties of \$149.8 million are still outstanding but are not eligible to be utilized as debt service reserve deposits per the Bond Resolutions.
- 2018 Bond Resolution amendment allows the use of \$33 million AA+ rated Berkshire Hathaway Assurance surety policy to be included in Debt Service Reserve Fund funding calculation which allowed the release of \$33.8 million to the Construction Fund.
- Projections are based on the debt outstanding as of the quarter referenced above.

Water System Renewal and Replacement (R&R) / Operating Capital Outlay (OCO)

For the Third Quarter Ending June 30, 2023

Definitions and Goals

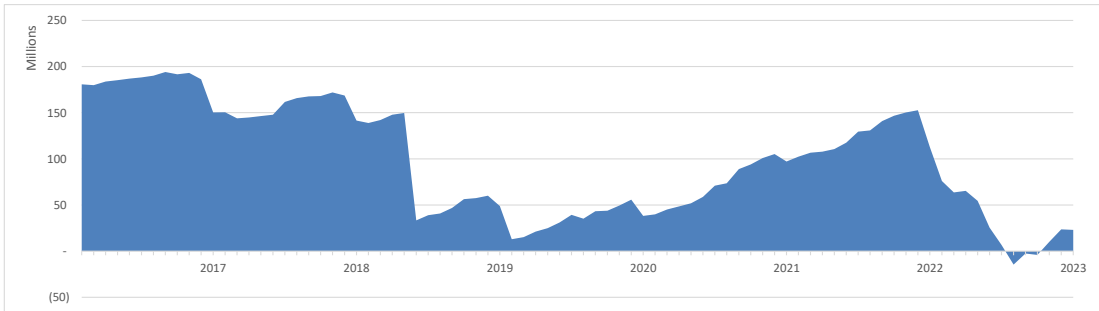
Pursuant to the Water System bond resolutions and Article 21 of the City of Jacksonville Charter, JEA is required to deposit from the revenue fund annually an amount for Renewal and Replacement of system assets. According to the bond resolutions the amount is equal to the greater of 10% of the prior year defined annual net revenues or 5% of the prior year defined gross revenues. The funds shall be used for the purposes of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets of the Electric System. In addition, as a portion of the base rate, JEA will recover from current revenue a formula driven amount for capital expenditures which is referred to as Operating Capital Outlay. This amount is calculated separately from the R&R deposit. In accordance with the Pricing Policy, by 2013, the objective is to fund an amount equal to all non-capacity capital expenditures with current year internally generated funds. Capacity fees are charged to customers as a one-time fee for a new connection to the Water System and a one-time fee for a new connection to the Water Reclamation System. Capacity charges may be used and applied for the purpose of paying costs of expansion of the Water System or paying or providing for the payment of debt that was issued for the same purpose.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	2023
Opening Balance	\$ 6,749	\$ 112,930	\$ 112,930
Additions:			
R&R/OCO Contribution	24,515	80,545	106,199
Capacity Fees	23,018	47,787	88,314
Debt Issue	50,048	50,048	127,047
Other	9,893	34,786	34,786
Sub-total	<u>\$ 107,474</u>	<u>\$ 213,166</u>	<u>\$ 356,346</u>
Withdrawals:			
Capital Expenditures	117,904	321,373	432,722
Debt Defeasance			
Other	418	8,822	13,520
Sub-total	<u>\$ 118,322</u>	<u>\$ 330,195</u>	<u>\$ 446,242</u>
Ending Balance	<u>\$ (4,099)</u>	<u>\$ (4,099)</u>	<u>\$ 23,034</u>

Historical Activity

	2019	2020	2021	2022	2023
Opening Balance	\$ 141,415	\$ 48,796	\$ 38,131	\$ 97,066	\$ 112,930
Additions:					
R&R/OCO Contribution	150,171	166,107	193,071	197,357	106,199
Capacity Fees	29,389	32,857	39,930	48,027	88,314
Debt Issue	268				127,047
Other (incl septic tank)	16,390	12,654	7,571	18,654	34,786
Sub-total	<u>\$ 196,218</u>	<u>\$ 211,618</u>	<u>\$ 240,572</u>	<u>\$ 264,038</u>	<u>\$ 356,346</u>
Withdrawals:					
Capital Expenditures	189,626	191,087	181,637	234,775	432,722
Loan Repayment	99,189	31,196			-
Transfer to Constr. Fund					
Other (incl septic tank)	22			13,399	13,520
Sub-total	<u>\$ 288,837</u>	<u>\$ 222,283</u>	<u>\$ 181,637</u>	<u>\$ 248,174</u>	<u>\$ 446,242</u>
Ending balance	<u>\$ 48,796</u>	<u>\$ 38,131</u>	<u>\$ 97,066</u>	<u>\$ 112,930</u>	<u>\$ 23,034</u>



Maximum Balance:	152,710	Average Balance:	69,235
Minimum Balance:	(14,567)		

Observations

- Other includes the Septic Tank Phase-out project, Sale of Property, and the transfer of RSF - Environmental in FY 2016 - 2025.

Water System - Environmental Fund [Capital Projects]

For the Third Quarter Ending June 30, 2023

Definitions and Goals

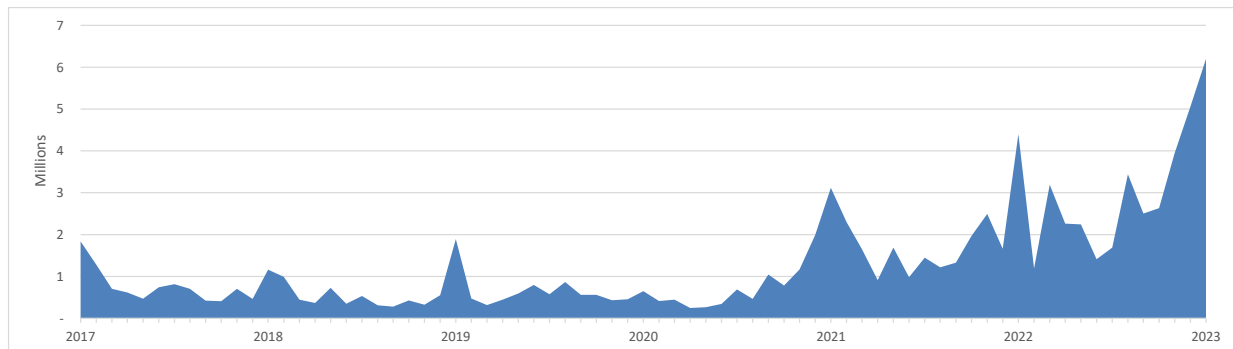
The Environmental Charge will be applied to all water, water reclamation, irrigation and non bulk user reclaimed consumption. The environmental charge revenue will be collected from customers to partially offset current and future environmental and regulatory needs as specified in the Pricing Policy for specific environmental and regulatory programs.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	2023
Opening Balance	\$ 1,691	\$ 4,400	\$ 4,400
Additions:			
Environmental Contributions	5,540	14,426	14,426
Loans betw Capital Fds			
Other			17,656
Sub-total	\$ 5,540	\$ 14,426	\$ 32,082
Withdrawals:			
Capital Expenditures	4,598	16,193	30,284
Other			
Sub-total	\$ 4,598	\$ 16,193	\$ 30,284
Ending Balance	\$ 2,633	\$ 2,633	\$ 6,198

Historical Activity

	2019	2020	2021	2022	2023
Opening Balance	\$ 1,159	\$ 1,891	\$ 648	\$ 3,118	\$ 4,400
Additions:					
Environmental Contributions	10,656	6,649	9,743	15,918	14,426
Loans betw Capital Fds					
Other					17,656
Sub-total	\$ 10,656	\$ 6,649	\$ 9,743	\$ 15,918	\$ 32,082
Withdrawals:					
Capital Expenditures	9,924	7,892	7,273	14,636	30,284
Septic Tank Phase Out					
Other					
Sub-total	\$ 9,924	\$ 7,892	\$ 7,273	\$ 14,636	\$ 30,284
Ending balance	\$ 1,891	\$ 648	\$ 3,118	\$ 4,400	\$ 6,198



Maximum Balance: 6,198 Average Balance: 1,274
 Minimum Balance: 244

Observations

Water System - Construction / Bond Fund

For the Third Quarter Ending June 30, 2023

Definitions and Goals

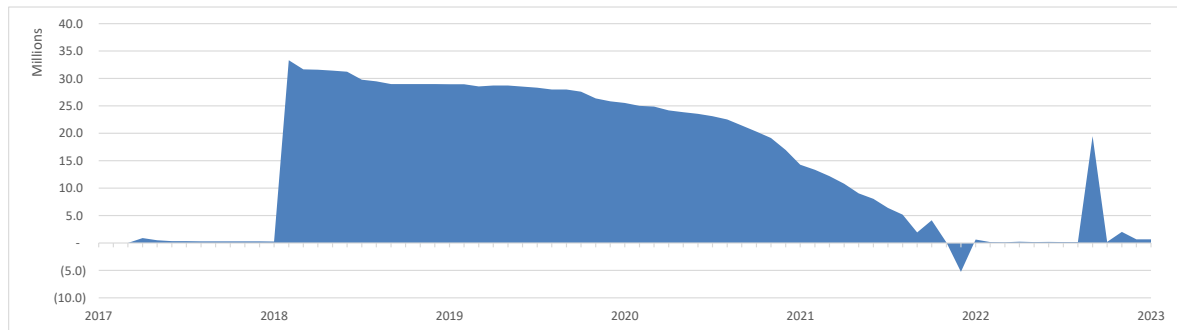
JEA maintains a senior and subordinated construction fund of which bonds proceeds are deposited and used for the payment of the costs of additions, extensions and improvements to the Water System.

Current Activity

(In Thousands)	Quarter-End	Year -to-Date	2023
Opening Balance	\$ 189	\$ 646	\$ 646
Additions:			
Bond Proceeds	50,000	50,000	127,000
Revolving credit facility			
Other	492	5,458	7,306
Sub-total	\$ 50,492	\$ 55,458	\$ 134,306
Withdrawals:			
Capital Expenditures/Bond Issue Costs	50,486	5,862	7,287
Other		50,047	127,000
Sub-total	\$ 50,486	\$ 55,909	\$ 134,287
Ending Balance	\$ 195	\$ 195	\$ 665

Historical Activity

	2019	2020	2021	2022	2023
Opening Balance	\$ 284	\$ 28,968	\$ 25,541	\$ 14,266	\$ 646
Additions:					
Bond Proceeds	33,884	506	520	7,304	127,000
Revolving credit facility					
Loans/transfers b/w Capital Fds					
Other		837	34	-	7,306
Sub-total	\$ 33,884	\$ 1,343	\$ 554	\$ 7,304	\$ 134,306
Withdrawals:					
Capital Expenditures	4,930	4,770	11,829	20,924	134,287
Bond Proceeds					
Loans/trnsf btw CapFds					
Other	270	-	-	-	
Sub-total	\$ 5,200	\$ 4,770	\$ 11,829	\$ 20,924	\$ 134,287
Ending balance	\$ 28,968	\$ 25,541	\$ 14,266	\$ 646	\$ 665



Maximum Balance: 33,333 Average Balance: 17,166
 Minimum Balance: (5,260)

Observations

- JEA's philosophy has been to borrow bond funds on a "just-in-time" basis. Staff has used revolving credit facility borrowings and loans between capital funds to decrease borrowing costs. Release of Debt Service Reserve Funds in Oct 2018.

Energy Market Risk Management: Physical and Financial Positions

Summary as of 8/1/2023	
Projected FY23 Fuel Expense (Budget = \$672M)	\$593
Proposed FY24 Fuel Expense Budget	\$446
EMRM Compliance	Yes
Counterparty Credit Limit Exceptions	No
Any Issues of Concern	No

Table 1: Physical Counterparties (Contracts One Year or Greater) as of 8/1/2023

Generating Unit	Fuel Type	Supplier/Counterparty	Contract Type	Remaining Contract Value	Remaining Contract Term
NS CFB	Limestone	CY23-CY24 Vulcan	Fixed Price	\$7,419,584	1.42 years
NG Fleet	Natural Gas	Shell Energy	Index w/Fixed Price Option	\$650,747,027	7.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$158,750,793	25.66 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$86,982,972	15.66 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$153,259,514	25.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$148,785,050	25.91 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$249,195,374	29.25 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$332,605,263	29.75 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$411,508,769	29.83 years

Table 2: Financial Positions as of 8/1/2023

Year	Commodity	Physical Volume (mmBtu)	Hedged Volume (mmBtu)	Percent Hedged	Unhedged Cost	Hedge Type	Hedge Price	Mark-to-Market Credit/(Cost)	Counterparty
FY23	Natural Gas	4,616,515	2,760,000	59.8%	\$ 2.56	Swap	\$ 3.47	\$ (2,500,200)	Wells Fargo & RBC
FY24	Natural Gas	56,149,536	36,787,214	65.5%	\$ 3.28	Swap	\$ 3.65	\$ (13,152,565)	Wells Fargo & RBC
FY25	Natural Gas	50,368,867	25,033,788	49.7%	\$ 3.85	Swap	\$ 3.74	\$ 2,299,295	Wells Fargo & RBC
FY26	Natural Gas	50,135,080	20,183,583	40.3%	\$ 4.01	Swap	\$ 4.02	\$ (1,029,235)	Wells Fargo & RBC
FY27	Natural Gas	51,177,617	13,288,376	26.0%	\$ 3.94	Swap	\$ 4.33	\$ (5,846,155)	Wells Fargo & RBC
FY28	Natural Gas	57,406,230	899,000	1.6%	\$ 3.84	Swap	\$ 4.34	\$ (536,703)	RBC
CY23-31	Nat.Gas-PPA	102,191,429	71,534,000	70.0%	\$ 3.78	Swap	\$ 2.58	\$ 85,666,454	Nextera

Table 3: Fuel & Purchase Power Procurement as of 8/1/2023

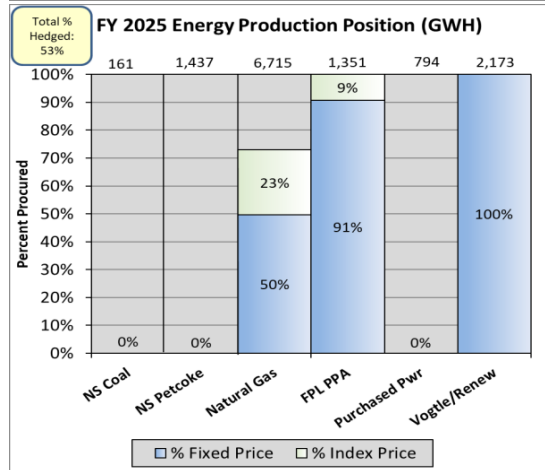
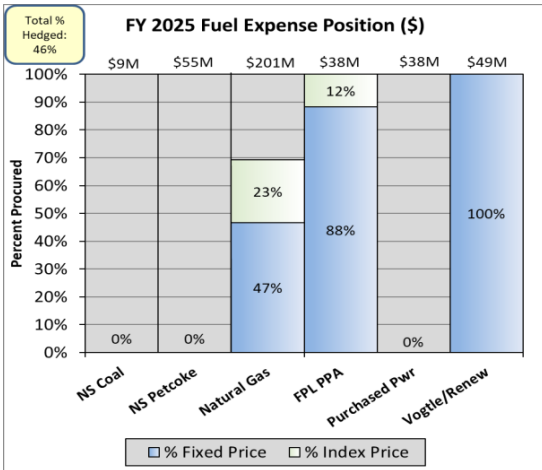
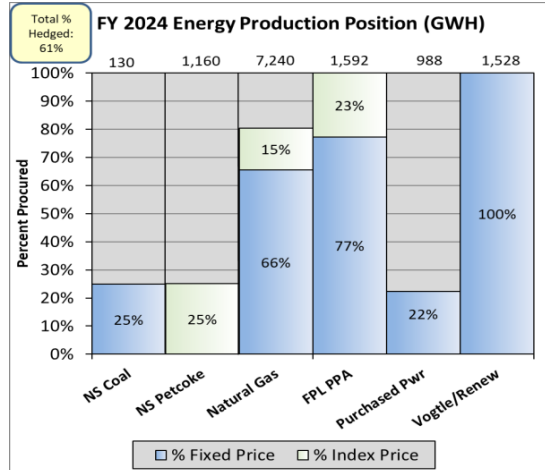
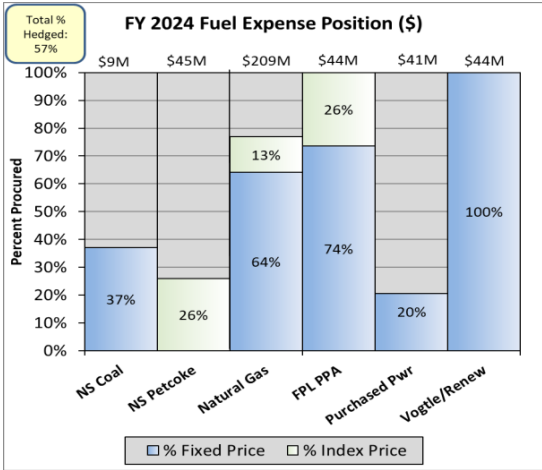
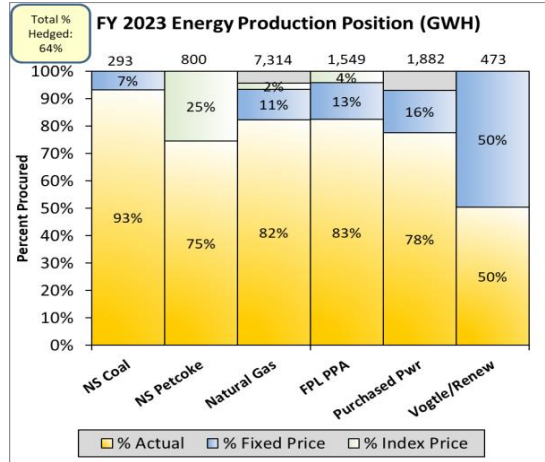
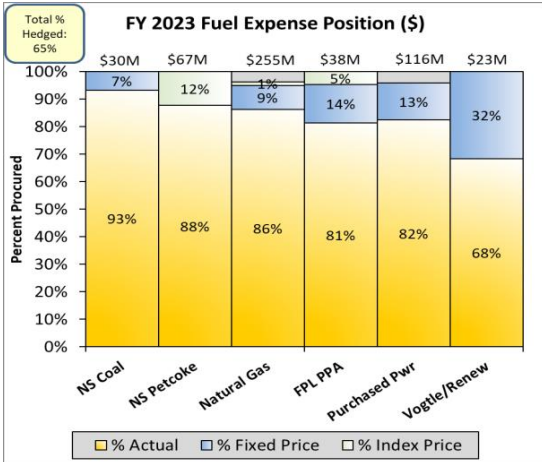
Fuel Type	Natural Gas	Coal	Petcoke	Limestone	FPL PPA	PurchPwr	Oil/Diesel	Renewables	Vogtle
FY23 Remaining / Energy Mix	40%	1%	6%	N/A	31%	13%	0%	3%	5%
Expected Spend (\$)	35M	2M	8.2M	0.9M	7.1M	20.4M	0M	5.3M	2.2M
% Procured	73%	100%	100%	100%	100%	76%	100%	100%	100%
% Hedged	63%	100%	0%	100%	75%	76%	100%	93%	100%
FY24 Projection / Energy Mix	57%	1%	9%	N/A	13%	8%	0%	5%	8%
Expected Spend (\$)	209.1M	8.5M	44.8M	5.3M	43.8M	41.2M	2.9M	31.1M	14.6M
% Procured	77%	37%	26%	100%	100%	0%	100%	100%	100%
% Hedged	64%	37%	0%	100%	88%	0%	100%	94%	100%
FY25 Projection / Energy Mix	53%	1%	11%	N/A	11%	6%	0%	5%	13%
Expected Spend (\$)	200.7M	8.8M	54.8M	6.5M	38M	37.8M	3.1M	32.2M	18.6M
% Procured	39%	0%	0%	19%	100%	0%	100%	100%	100%
% Hedged	47%	0%	0%	19%	88%	0%	100%	94%	100%

Supporting Notes:

- Renewable purchase power agreements are not included in Table 1
- Table 1: Natural Gas discount - Municipal Gas Authority of Georgia (MGAG) issues municipal bonds to prepay for gas, allowing them to offer discounts to JEA for qualified use
- Table 1: MGAG prepay agreement remaining contract values are based on current discounts, future discounts are subject to change
- Table 1: Limestone contract value is based on current contract pricing; due to supply disruption this price is expected to increase
- Table 2: Shows positive Mark-to-Market values, this indicates a projected payment to JEA for realized hedges (*new this report - sign change)
- Table 3: FY Energy Mix based on MWH; the procured percent relates to inventory on hand or contracted and the percent hedged is inventory on hand or contracted with fixed pricing or financial hedges
- Biomass consumption is part of the reported renewables; pricing is subject to market conditions
- New five year solar purchase power agreement with FPL reported as renewable in Table 3

Finance and Operations Committee Report

9/5/2023



Delegation of Authority Summary

On January 24, 2023, the Board approved the following resolutions to delegate authority to the Managing Director/CEO through December 31, 2025, to issue refunding bonds in the not-to-exceed amounts described below:

Board Authorized Jan. 24, 2023			NOT-TO-EXCEED DELEGATIONS			
Resolution	Bonds	End Date	New Money	Refunding	Total	
2023-1	Electric System Sr.	12/31/2025	\$ -	\$ 454,000,000	\$ 454,000,000	
2023-2	Electric System Sub.	12/31/2025	-	160,000,000	160,000,000	
2023-3	Water & Sewer System Sr.	12/31/2025	-	405,000,000	405,000,000	
2023-4	Water & Sewer System Sub.	12/31/2025	-	109,000,000	109,000,000	
2023-5	SJRPP Series Three	12/31/2025	-	88,000,000	88,000,000	
2023-6	District Energy System	12/31/2025	-	31,000,000	31,000,000	

Due to upcoming capital needs for the Water & Sewer and District Energy System (DES) systems approved in the FY24 Budget, JEA requires additional delegations of authority to issue “new money” bonds in FY24.

In addition, management has decided that it makes sense going forward to ask the JEA Board for delegations of authority for refunding and new money on an annual basis in concert with JEA’s budget approval process. This new methodology clearly aligns potential debt issuance to the budget and provides better oversight and transparency for the Board and other stakeholders.

The following proposed resolutions **repeal and replace** the resolutions listed above (2023-1 through 2023-6) with new 1-year delegations of authority to issue both new money and refunding bonds in the not-to-exceed amounts described below:

PROPOSED			NOT-TO-EXCEED DELEGATIONS			
Resolution	Bonds	End Date	New Money	Refunding	Total	
2023-36	Electric System Sr.	9/30/2024	\$ -	\$ 454,000,000	\$ 454,000,000	
2023-41	Electric System Sub.	9/30/2024	-	160,000,000	160,000,000	
2023-38	Water & Sewer System Sr.	9/30/2024	353,000,000	532,000,000	885,000,000	
2023-42	Water & Sewer System Sub.	9/30/2024	-	109,000,000	109,000,000	
2023-37	SJRPP Series Three	9/30/2024	-	88,000,000	88,000,000	
2023-39	District Energy System	9/30/2024	22,000,000	42,000,000	64,000,000	

Differences from the repealed resolutions are highlighted in red and include:

1. Shortening the end date of the delegation to the end of FY24 to coincide with the FY24 Budget;
2. Adding new money delegation for the Water & Sewer System (\$353M) and DES (\$22M) to coincide with new borrowing approved by the FY24 Budget;
3. Increasing the refunding delegations for the Water & Sewer System (\$127M) and DES (\$11M), which are the projected outstanding amounts of draws on JEA’s revolving line of credit at the end of FY23; and
4. Increasing the maximum All-in True Interest Cost of any issuance authorized by these delegations from 5.00% to 7.00% due to the current interest rate environment.

RESOLUTION NO. 2023-36

A RESOLUTION OF JEA SUPPLEMENTING A RESOLUTION OF JEA ADOPTED ON AUGUST 16, 1988 ENTITLED "A RESOLUTION OF THE JACKSONVILLE ELECTRIC AUTHORITY FURTHER AMENDING AND SUPPLEMENTING THE RESOLUTION OF THE AUTHORITY ADOPTED MARCH 30, 1982 ENTITLED: 'A RESOLUTION AUTHORIZING THE REFUNDING OF PRESENTLY OUTSTANDING REVENUE OBLIGATIONS OF THE JACKSONVILLE ELECTRIC AUTHORITY AND THE ACQUISITION AND CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE ELECTRIC GENERATION, TRANSMISSION AND DISTRIBUTION SYSTEM OWNED AND OPERATED BY THE AUTHORITY; PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING \$487,000,000 ELECTRIC SYSTEM REVENUE BONDS, SERIES ONE, OF THE JACKSONVILLE ELECTRIC AUTHORITY TO PAY THE COST OF SUCH REFUNDING AND THE COST OF SUCH ADDITIONS, EXTENSIONS AND IMPROVEMENTS; PROVIDING FOR THE PAYMENT OF THE BONDS FROM THE NET REVENUES OF THE ELECTRIC SYSTEM AND MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE', AS HERETOFORE AMENDED AND SUPPLEMENTED, FOR THE PURPOSES OF FINANCING THE CONSTRUCTION OR ACQUISITION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE ELECTRIC SYSTEM OF THE AUTHORITY AND PROVIDING FOR THE REFUNDING OF CERTAIN INDEBTEDNESS OF THE AUTHORITY; SPECIFYING DEFINITIONS AND THE STATUTORY AUTHORITY THEREFOR; AUTHORIZING THE ISSUANCE BY THE AUTHORITY OF ELECTRIC SYSTEM REVENUE BONDS, SERIES THREE, TO FINANCE A PART OF THE COST OF SUCH CONSTRUCTION OR ACQUISITION AND SUCH REFUNDING; SPECIFYING GENERAL TERMS AND PROVISIONS OF SUCH SERIES THREE BONDS; PLEDGING THE NET REVENUES OF THE SYSTEM TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH SERIES THREE BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH SERIES THREE BONDS AND ENTERING INTO CERTAIN COVENANTS AND AGREEMENTS WITH SUCH HOLDERS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION WITH SUCH SERIES THREE BONDS; AND PROVIDING AN EFFECTIVE DATE"; AUTHORIZING THE ISSUANCE IN ONE OR MORE INSTALLMENTS OF NOT TO EXCEED \$454,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF ELECTRIC SYSTEM REVENUE BONDS, SERIES THREE 2023/24 X OF JEA FOR THE PURPOSE OF FINANCING THE REFUNDING OF OUTSTANDING JEA ELECTRIC SYSTEM REVENUE BONDS, SERIES THREE, FINANCING THE TERMINATION OR PARTIAL TERMINATION OF INTEREST RATE SWAP TRANSACTIONS ASSOCIATED WITH OUTSTANDING VARIABLE RATE ELECTRIC SYSTEM REVENUE BONDS, SERIES

THREE TO BE REFUNDED AND PAYING THE COSTS OF ISSUANCE OF SUCH SERIES THREE 2023/24 X BONDS; FIXING THE DATE(S), PAYING AGENT AND REGISTRAR, FORM, APPLICATION OF PROCEEDS AND CERTAIN OTHER DETAILS OF EACH INSTALLMENT OF SUCH SERIES THREE 2023/24 X BONDS; DELEGATING THE AUTHORITY TO DETERMINE MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, MANDATORY AMORTIZATION INSTALLMENTS, REDEMPTION PROVISIONS AND CERTAIN OTHER DETAILS FOR EACH INSTALLMENT OF SUCH SERIES THREE 2023/24 X BONDS; PROVIDING FOR THE REFUNDING OF CERTAIN OUTSTANDING BONDS OF JEA; AUTHORIZING THE TERMINATION OR PARTIAL TERMINATION OF FLOATING-TO-FIXED RATE INTEREST RATE SWAP TRANSACTIONS ASSOCIATED WITH OUTSTANDING VARIABLE RATE ELECTRIC SYSTEM REVENUE BONDS, SERIES THREE TO BE REFUNDED; PROVIDING FOR THE QUALIFICATION OF SUCH SERIES THREE 2023/24 X BONDS AS BOOK-ENTRY-ONLY BONDS; DESIGNATING SUCH SERIES THREE 2023/24 X BONDS AS "ADDITIONALLY SECURED BONDS"; ESTABLISHING CRITERIA FOR AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; AUTHORIZING THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER TO AWARD THE SALE OF EACH INSTALLMENT OF SAID SERIES THREE 2023/24 X BONDS TO THE UNDERWRITERS DESCRIBED HEREIN PURSUANT TO A NEGOTIATED SALE AND APPROVING THE CONDITIONS AND CRITERIA FOR SUCH SALE; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; PROVIDING FOR THE APPOINTMENT OF AN ESCROW AGENT FOR THE REFUNDED BONDS AND APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT; APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO EACH INSTALLMENT OF THE SERIES THREE 2023/24 X BONDS AND AUTHORIZING THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER, THE CHIEF FINANCIAL OFFICER, THE VICE PRESIDENT, FINANCIAL SERVICES OR THE TREASURER TO DEEM THE PRELIMINARY OFFICIAL STATEMENT FINAL FOR PURPOSES OF SEC RULE 15C2-12; AUTHORIZING THE APPROVAL AND EXECUTION OF A FINAL OFFICIAL STATEMENT WITH RESPECT TO EACH INSTALLMENT OF SAID SERIES THREE 2023/24 X BONDS; AUTHORIZING THE REGISTRATION OR QUALIFICATION OF EACH INSTALLMENT OF SAID SERIES THREE 2023/24 X BONDS UNDER THE BLUE SKY LAWS OF THE VARIOUS STATES; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; PROVIDING FEDERAL INCOME TAX COVENANTS; AUTHORIZING CERTAIN OFFICIALS OF

JEA TO TAKE OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID SERIES THREE 2023/24 X BONDS, THE REFUNDING AND REDEMPTION OF SAID REFUNDED BONDS AND THE TERMINATION OR PARTIAL TERMINATION OF THE INTEREST RATE SWAP TRANSACTIONS; PROVIDING FOR SEVERABILITY AND CERTAIN OTHER DETAILS WITH RESPECT THERETO; SUPERSEDING AND REPEALING THE AUTHORIZATION TO ISSUE ANY ADDITIONAL DEBT UNDER RESOLUTION NO. 2023-01 OF JEA, AS AMENDED AND SUPPLEMENTED; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED by JEA as follows:

SECTION 1. DEFINITIONS. Unless the context otherwise requires, the terms defined in this section shall have the meanings specified in this section. Reference is made to the Electric System Resolution hereinafter referred to for definitions of terms used in this resolution which are not defined in this section. Words importing a singular number shall include the plural number in each case and vice versa, and words importing persons shall include business entities.

(A) "Authorized Officer of JEA" shall mean (1) the Chair, the Vice Chair, the Secretary and any Assistant Secretary of JEA, (2) the Managing Director/CEO, (3) the Chief Operating Officer, (4) the Vice President, Electric Systems, the Chief Financial Officer, the Vice President, Financial Services and the Treasurer of JEA (or any officer of JEA hereafter serving in a capacity equivalent to that of any of the foregoing officers) or (5) any other officer or employee of JEA authorized to perform specific acts or duties by resolution duly adopted by JEA.

(B) "Bond Purchase Agreement" shall mean the Bond Purchase Agreement to be entered into between JEA and the Underwriters named therein relating to a particular installment of the Series Three 2023/24 X Bonds, the form of which is attached hereto as Exhibit A.

(C) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(D) "Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement to be delivered by JEA in connection with the issuance of a particular installment of the Series Three 2023/24 X Bonds, a form of which is attached as Appendix I to the Form Preliminary Official Statement.

(E) "Debt Service Account" shall mean the Debt Service Account in the Sinking Fund established pursuant to the Electric System Resolution.

(F) "Delivery Date" shall mean the date of the initial issuance and delivery of a particular installment of the Series Three 2023/24 X Bonds.

(G) "DTC" shall mean The Depository Trust Company.

(H) "Electric System Resolution" shall mean the Original Resolution, as amended, restated and supplemented.

(I) "Escrow Agent" shall mean the bank or trust company appointed as escrow agent under an Escrow Deposit Agreement, if any, and its duly appointed successors, such appointment, with respect to the Refunded Bonds, to be made in the certificate referred to in Section 5 hereof relating to the Series Three 2023/24 X Bonds of such installment.

(J) "Escrow Deposit Agreement" shall mean each escrow deposit agreement between JEA and an Escrow Agent, if any, that may be entered into concurrently with the authentication and delivery of any installment of the Series Three 2023/24 X Bonds, the form of which is attached hereto as Exhibit B.

(K) "Form Preliminary Official Statement" shall have the meaning set forth in Section 19.

(L) "Initial Subaccount" shall mean the Initial Subaccount in the Debt Service Reserve Account in the Sinking Fund established pursuant to the Electric System Resolution.

(M) "Interest Rate Swap Transactions" means the floating-to-fixed rate interest rate swap transactions entered into by JEA associated with variable rate Refunded Bonds which interest rate swap transactions are to be terminated, in whole or in part, contemporaneously with the issuance of an installment of the Series Three 2023/24 X Bonds.

(N) "Letter of Representations" shall mean the Blanket Issuer Letter of Representations, dated May 6, 2004, from JEA to DTC, providing for the issuance of certain obligations of JEA (including the Series Three 2023/24 X Bonds) in book-entry form through the facilities of DTC or any successor Blanket Issuer Letter of Representations from JEA to DTC.

(O) "Managing Director/CEO" shall mean the Managing Director and Chief Executive Officer of JEA.

(P) "Original Resolution" shall mean a resolution of JEA adopted on March 30, 1982 authorizing the issuance of not exceeding \$487,000,000 Electric System Revenue Bonds, Series One.

(Q) "Refunded Bonds" shall mean, for any particular installment of the Series Three 2023/24 X Bonds, the Series Three Bonds of the installments and maturities (and, if applicable, interest rates within maturities) and in the respective principal amounts to be refunded thereby, as identified by the Managing Director/CEO in the certificate described in Section 5 hereof relating to the Series Three 2023/24 X Bonds of such installment.

(R) "Rule 15c2-12" shall mean Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

(S) "Sale Date" with respect to a particular installment of the Series Three 2023/24 X Bonds, shall mean the date on which JEA enters into a Bond Purchase Agreement with respect to such installment of Series Three 2023/24 X Bonds.

(T) "Series Three Bonds" shall mean JEA's Electric System Revenue Bonds, Series Three, issued pursuant to the Electric System Resolution.

(U) "Series Three Resolution" shall mean a resolution of JEA adopted on August 16, 1988, the title of which is quoted in the title of this resolution.

(V) "Series Three 2023/24 X Bonds" shall mean JEA's Electric System Revenue Bonds, Series Three 2023/24 X, authorized by Section 4 of this resolution.

(W) "Underwriters" shall mean any or all of the investment banking firms under contract with JEA for the purpose of underwriting negotiated sales of JEA's debt named in the Bond Purchase Agreement.

SECTION 2. AUTHORITY FOR THIS RESOLUTION. This resolution is adopted pursuant to the provisions of the Act and the Electric System Resolution and is supplemental to the Series Three Resolution and the Electric System Resolution.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

(A) Pursuant to the Electric System Resolution, JEA has heretofore authorized the issuance of not to exceed \$487,000,000 aggregate principal amount of Series One Bonds, and, subject to the satisfaction of the conditions contained in subsection L of Section 13 of the Electric System Resolution, has authorized the issuance of Additional Parity Obligations.

(B) Pursuant to the Series Three Resolution, JEA has heretofore authorized the issuance of Additional Parity Obligations to be known as "Electric System Revenue Bonds, Series Three."

(C) Pursuant to its Ordinances 88-1108-554, 92-1411-902, 95-736-450, 1999-797-E, 2001-664-E, 2003-844-E, 2005-460-E, 2008-581-E and 2013-490-E, the Council of the City has authorized, among other things, the issuance and sale by JEA of Series Three Bonds for the purposes, among others, of financing the refunding of any Series Three Bonds.

(D) It is in the best interests of JEA to provide for the refunding of the Refunded Bonds to permit JEA to (i) refund fixed rate bonds at favorable fixed interest rates; (ii) refund variable rate debt with fixed rate bonds at favorable fixed interest rates; and (iii) to terminate or partially terminate Interest Rate Swap Transactions in an aggregate notional amount not to exceed the principal amount of the associated variable rate Refunded Bonds on favorable terms and thereby reduce the put, liquidity, renewal, counterparty, basis and other risks associated with bonds structured as variable rate demand obligations with associated variable-to-fixed rate interest rate swaps. Anything provided herein to the contrary notwithstanding, in no event shall interest rate swap transactions remain outstanding in a notional amount in excess of the outstanding principal amount of debt hedged thereby.

(E) It is in the best interests and serves a valid public purpose of JEA to issue and sell the Series Three 2023/24 X Bonds as authorized herein for the purpose of providing all or a portion of funds required to refund the Refunded Bonds, to pay the costs of terminating or partially terminating the Interest Rate Swap Transactions in an aggregate notional amount not to exceed the aggregate principal amount of the associated variable rate Refunded Bonds and to pay the costs of issuance of the Series Three 2023/24 X Bonds.

(F) Because of the characteristics of the Series Three 2023/24 X Bonds, prevailing and anticipated market conditions, the need for flexibility in timing the issuance of each installment of the Series Three 2023/24 X Bonds and the coordination of the termination or partial termination of the Interest Rate Swap Transactions, it is necessary and in the best interests of JEA to sell the Series Three 2023/24 X Bonds of each installment at a negotiated sale or sales to the Underwriters, upon satisfaction of the terms and conditions set forth herein and in the Bond Purchase Agreement.

(G) Upon issuance in accordance with the terms hereof, the Series Three 2023/24 X Bonds will constitute Additional Parity Obligations under the Electric System Resolution and Series Three Bonds under the Series Three Resolution, entitled to all the security and benefits thereof.

(H) The Series Three 2023/24 X Bonds shall be limited obligations of JEA payable solely from and secured by a lien upon and pledge of (i) the Net Revenues derived by JEA from the operation of the Electric System and (ii) the amounts on deposit in the Revenue Fund and the Debt Service Account in the Sinking Fund established pursuant to the Electric System Resolution as may from time to time be available therefor, in each such case, prior and superior to all other liens or encumbrances on such Net Revenues and amounts, subject only to the provisions of the Electric System Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein. The Series Three 2023/24 X Bonds shall also be secured by amounts on deposit in the Initial Subaccount in the Debt Service Reserve Account in the Sinking Fund. The Series Three 2023/24 X Bonds shall not constitute general obligations or indebtedness of the City or JEA as "bonds" within the meaning of the Constitution of the State of Florida, but shall be payable solely from and secured by a lien upon and pledge of the amounts provided in the Electric System Resolution. In no event shall any owner of Series Three 2023/24 X Bonds ever have the right to compel the ad valorem taxing power of the City or JEA, if any, or taxation of any form to pay the Series Three 2023/24 X Bonds or be entitled to payment thereof from any other funds of the City or JEA.

(I) Prior to the sale of an installment of the Series Three 2023/24 X Bonds, the Underwriters will provide JEA with a disclosure statement containing the information required by Section 218.385(6), Florida Statutes. The Bond Purchase Agreement shall include a Truth-In-Bonding Statement pursuant to Section 218.385, Florida Statutes.

SECTION 4. SERIES DESIGNATION; PURPOSE. Not to exceed \$454,000,000 aggregate principal amount of the Series Three Bonds are hereby authorized to be issued in one or more installments; *provided*, that not to exceed \$14,000,000 principal amount of the Series Three 2023/24 X Bonds may be issued for the purpose of refunding fixed rate Refunded Bonds and not to exceed \$440,000,000 principal amount of Series Three 2023/24 X Bonds may be issued for the purpose of refunding variable rate Refunded Bonds. Such Series Three Bonds shall be designated as the "Electric System Revenue Bonds, Series Three 2023/24 X"; provided, that the Managing Director/CEO may alter the year and letter designation, all as he deems appropriate to reflect the year of issue or sale of the Series Three 2023/24 X Bonds of an installment, the designation of Series Three Bonds previously issued and JEA's custom in identifying Series Three Bonds or as he otherwise deems desirable, such determination to be set forth in the certificate referred to in Section 5 hereof. Notwithstanding any such alteration of the designation for installments of the

Series Three 2023/24 X Bonds, references in this resolution to "Series Three 2023/24 X Bonds" shall include all Series Three Bonds issued pursuant to the authority contained in this Section 4.

The Series Three 2023/24 X Bonds shall be issued for the following purposes: (a) providing all or a portion of the funds required to refund the Refunded Bonds, (b) providing all or a portion of the funds necessary to pay the cost of terminating or partially terminating the Interest Rate Swap Transactions in an aggregate notional amount not to exceed the principal amount of the associated variable rate Refunded Bonds, (c) making a deposit, if any, to the Initial Subaccount, as determined by the Managing Director/CEO as set forth in the certificate referred to in Section 5 hereof, and (d) paying the costs of issuance of the Series Three 2023/24 X Bonds.

The actual aggregate principal amount of the Series Three 2023/24 X Bonds of each installment to be issued shall be determined by the Managing Director/CEO on or prior to the Sale Date therefor as the amount necessary to accomplish the purposes for which the Series Three 2023/24 X Bonds of such installment are being issued, such determination to be set forth in the certificate referred to in Section 5 hereof to be executed with respect to such installment of the Series Three 2023/24 X Bonds.

The Series Three 2023/24 X Bonds of each installment authorized to be issued hereunder may be sold pursuant to a Bond Purchase Agreement entered into not later than September 30, 2024.

SECTION 5. DATE(S), MATURITIES AND INTEREST RATES; CERTAIN DETERMINATIONS WITH RESPECT TO THE SERIES THREE 2023/24 X BONDS. The Series Three 2023/24 X Bonds of each installment shall be issued as fully registered bonds in the denomination of \$5,000 each or integral multiples thereof, shall be numbered from 1 upward, shall bear interest from their respective dates (payable semiannually thereafter on April 1 and October 1 in each year, commencing on either of the October 1 or April 1 next following the Delivery Date of such installment of Series Three 2023/24 X Bonds, as determined by the Managing Director/CEO) at such rates per annum and shall mature on October 1 in such years and amounts, all as shall be determined by the Managing Director/CEO in the manner hereinafter set forth.

On or prior to the Sale Date for a particular installment of the Series Three 2023/24 X Bonds, the Managing Director/CEO shall execute a certificate setting forth the following determinations and the Managing Director/CEO may rely on a certificate from JEA's financial advisor in order to confirm the savings determinations made in clause (E) below:

(A) the aggregate principal amount of the Series Three 2023/24 X Bonds of such installment; *provided*, that the aggregate principal amount of all Series Three 2023/24 X Bonds shall not exceed \$454,000,000, the aggregate principal amount of Series Three 2023/24 X Bonds issued to refund fixed rate Refunded Bonds shall not exceed \$14,000,000 and the aggregate principal amount of Series Three 2023/24 X Bonds issued to refund variable rate Refunded Bonds shall not exceed \$440,000,000;

(B) the year and letter and any other designation and the Delivery Date for such installment of the Series Three 2023/24 X Bonds;

(C) the Refunded Bonds to be refunded through the issuance of such installment of the Series Three 2023/24 X Bonds and the date on which such Refunded Bonds are to be redeemed, which shall be such date as the Managing Director/CEO determines to be the earliest date on which such Refunded Bonds may be redeemed in light of the circumstances then existing; and the identity of the Escrow Agent, if any, for such Refunded Bonds and the Amortization Installments to which the principal amount of the Refunded Bonds shall be credited;

(D) the respective dates on which the Series Three 2023/24 X Bonds of such installment shall mature and the principal amounts of each such maturity; *provided, however*, that the Series Three 2023/24 X Bonds of each installment (i) that are issued for refunding purposes to achieve debt service savings shall have a weighted average life no greater than the remaining weighted average life of the Refunded Bonds being refunded thereby, plus one year, and (ii) that are being issued for refunding purposes to refund variable rate Series Three Bonds shall have a weighted average life no greater than the remaining weighted average life of the Refunded Bonds, plus one year;

(E) the respective rate or rates of interest to be borne by the Series Three 2023/24 X Bonds of such installment maturing on each such date; *provided, however*, that (1) with respect to any Series Three 2023/24 X Bonds of such installment that are issued for the purpose of refunding variable rate Series Three Bonds, the true interest cost of such Series Three 2023/24 X Bonds shall not exceed 7.00 percent; and (2) with respect to any such Series Three 2023/24 X Bonds of such installment issued for the purpose of refunding fixed rate Refunded Bonds and to achieve debt service savings (i) if any such Series Three 2023/24 X Bonds mature on the October 1 next following the Delivery Date of such Series Three 2023/24 X Bonds, such refunding shall result in positive net present value savings; (ii) the present value savings from (A) the issuance of such Series Three 2023/24 X Bonds that are issued to refund any Refunded Bonds maturing on an October 1 occurring at least one year and less than three years after the Delivery Date of such installment of Series Three 2023/24 X Bonds shall not be less than 3.00 percent of the aggregate principal amount of such Refunded Bonds; (B) the issuance of such Series Three 2023/24 X Bonds that are issued to refund any Refunded Bonds maturing on an October 1 occurring at least three years and less than nine years after the Delivery Date of such installment of Series Three 2023/24 X Bonds, shall not be less than 4.00 percent of the aggregate principal amount of such Refunded Bonds; and (C) the issuance of such Series Three 2023/24 X Bonds that are issued to refund any Refunded Bonds maturing on or after the October 1 occurring at least nine years after the Delivery Date of such installment of Series Three 2023/24 X Bonds shall not be less than 5.00 percent of the aggregate principal amount of the Refunded Bonds; or (3) in lieu of complying with the requirements of clauses (1) and (2) above, the present value savings resulting from the issuance of such Series Three 2023/24 X Bonds that are issued to refund any Refunded Bonds other than variable rate Series Three Bonds, shall not be less than 5.00 percent of the aggregate principal amount of such Refunded Bonds; *provided, further*, that compliance with the foregoing requirements of this clause (E) shall be effected by dividing the installment into its constituent purposes (*i.e.*, refunding of variable rate Series Three Bonds and refunding fixed rate Series Three Bonds for debt service savings) and allocating on a ratable basis (based on the respective issue prices for federal income tax purposes) costs of issuance, underwriting discount, any deposit to the Initial Subaccount and any other items to the purpose that gave rise to such expenses; *provided, however*, that if the Managing Director/CEO determines that some other allocation method will result in a more accurate determination of the true interest cost or present value savings attributable

to such constituent purpose (which determination shall be confirmed by JEA's financial advisor), then such other allocation method shall be used in lieu of the foregoing method;

(F) the commencement date of interest payments on the Series Three 2023/24 X Bonds of such installment, which shall be either of the October 1 or April 1 next following the Delivery Date of such installment of Series Three 2023/24 X Bonds;

(G) if the Series Three 2023/24 X Bonds of such installment maturing on a particular date and bearing interest at a particular rate are to be subject to redemption prior to maturity as provided in Section 9 of the Electric System Resolution by operation of the Debt Service Account from mandatory Amortization Installments, the due dates and amounts of such Amortization Installments; *provided, however*, that each Amortization Installment due date shall fall upon an interest payment date for the Series Three 2023/24 X Bonds;

(H) if the Series Three 2023/24 X Bonds of such installment maturing on a particular date and bearing interest at a particular rate are to be subject to optional redemption, the terms upon which such Series Three 2023/24 X Bonds shall be subject to redemption at the election of JEA; *provided, however*, that the highest redemption price at which such Series Three 2023/24 X Bonds may be so redeemed shall be not greater than 101 percent of the principal amount thereof, plus accrued interest to the date of redemption and the first such optional redemption date shall not be less than four years nor more than ten years from the Delivery Date of such Series Three 2023/24 X Bonds;

(I) the identity of the senior managing underwriter and co-senior managing underwriter, if applicable, for the Series Three 2023/24 X Bonds of such installment from any of the Underwriters;

(J) the purchase price for the Series Three 2023/24 X Bonds of such installment to be paid by the Underwriters pursuant to the applicable Bond Purchase Agreement; *provided, however*, that such purchase price shall result in compliance with the limitations set forth in this Section 5;

(K) the Interest Rate Swap Transactions and the notional amounts thereof to be terminated upon the issuance of such installment of the Series Three 2023/24 X Bonds and the termination payment, if any, to be paid in connection therewith; *provided*, that the aggregate notional amount of Interest Rate Swap Transactions terminated in connection with the issuance of such installment of the Series Three 2023/24 X Bonds shall not exceed the principal amount of the variable rate Refunded Bonds to which such Interest Rate Swap Transactions are associated to be refunded through the issuance of such installment of the Series Three 2023/24 X Bonds; and

(L) the amount, if any, of the proceeds of the Series Three 2023/24 X Bonds of such installment to be deposited in the Initial Subaccount.

In the event that one or more Series of Series Three 2023/24 X Bonds are issued on the same day as part of a common plan of finance for the same Bond financing, JEA may demonstrate compliance with the savings requirements set forth in clause (e) above by calculating such savings either on an aggregate basis (e.g., each Series of the Series Three 2023/24 X Bonds issued on the same day as part of the same Bond financing are combined into one Series and compliance with

the savings criteria is measured using the combined Series) or on a Series by Series basis (e.g., each individual Series that is issued as part of the same Bond financing must satisfy the savings criteria independently of any other Series issued on the same day).

SECTION 6. REDEMPTION PROVISIONS. (A). If the Managing Director/CEO determines that the Series Three 2023/24 X Bonds of an installment maturing on a particular date and bearing interest at a particular rate shall be subject to redemption prior to maturity as provided in Section 9 of the Electric System Resolution by operation of the Debt Service Account from mandatory Amortization Installments, such determination to be set forth in the certificate referred to in Section 5 hereof, then the Series Three 2023/24 X Bonds of such installment maturing on such date and bearing interest at such rate shall be subject to redemption prior to maturity as provided in Section 9 of the Electric System Resolution, on the respective dates and in the respective amounts set forth in such certificate, in each such case, at a redemption price equal to 100 percent of the principal amount thereof, together with accrued interest to the redemption date.

(B) If the Managing Director/CEO determines that the Series Three 2023/24 X Bonds of an installment maturing on a particular date and bearing interest at a particular rate shall be subject to optional redemption, such Series Three 2023/24 X Bonds shall be subject to redemption prior to maturity at the election of JEA, in the case of Series Three 2023/24 X Bonds, as a whole or in part, at any time on and after the initial date on which such Series Three 2023/24 X Bonds may be so redeemed set forth in the certificate referred to in Section 5 hereof, at the respective redemption prices set forth in such certificate, in each case, together with accrued interest to the redemption date.

SECTION 7. BOOK-ENTRY SYSTEM. (A). Except as provided in paragraphs (B) and (C) of this Section 7, the registered holder of all Series Three 2023/24 X Bonds shall be, and the Series Three 2023/24 X Bonds shall be registered in the name of, Cede & Co. ("Cede"), as nominee of DTC. Payment of interest on any Series Three 2023/24 X Bond shall be made in accordance with the provisions of the Electric System Resolution to the account of Cede on the interest payment date for the Series Three 2023/24 X Bonds at the address indicated for Cede in the registry books of JEA kept by the Registrar.

(B) The Series Three 2023/24 X Bonds of each installment shall be issued initially in the form of a separate single, fully registered Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of the Series Three 2023/24 X Bonds of such installment. The Registrar shall authenticate and deliver to or on behalf of DTC a separate single, fully registered Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of the Series Three 2023/24 X Bonds of such installment, registered in the name of Cede, as nominee of DTC. With respect to Series Three 2023/24 X Bonds so registered in the name of Cede, JEA and the Paying Agent and Registrar shall have no responsibility or obligation to any DTC participant or to any beneficial owner of such Series Three 2023/24 X Bonds. Without limiting the immediately preceding sentence, JEA and the Paying Agent and Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the Series Three 2023/24 X Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Series Three 2023/24 X Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner

or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, the Series Three 2023/24 X Bonds. JEA and the Paying Agent and Registrar may treat DTC as, and deem DTC to be, the absolute owner of each Series Three 2023/24 X Bond for all purposes whatsoever, including (but not limited to) (i) payment of the principal or redemption price of, and interest on, each such Series Three 2023/24 X Bond, (ii) giving notices of redemption and other matters with respect to such Series Three 2023/24 X Bonds, (iii) registering transfers with respect to such Series Three 2023/24 X Bonds and (iv) giving to JEA any notice, consent, request or demand pursuant to the Electric System Resolution for any purpose whatsoever. The Paying Agent shall pay the principal or redemption price of, and interest on, all Series Three 2023/24 X Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge JEA's obligations with respect to such principal or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in this paragraph (B) and in paragraph (C) of this Section 7, no person other than DTC shall receive a Series Three 2023/24 X Bond evidencing the obligation of JEA to make payments of principal or redemption price of, and interest on, such Bond pursuant to the Electric System Resolution. Upon delivery by DTC to JEA or the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of the Electric System Resolution, the word "Cede" in this resolution shall refer to such new nominee of DTC.

(C) (i) DTC may determine to discontinue providing its services with respect to the Series Three 2023/24 X Bonds of a particular installment at any time by giving reasonable notice thereof to JEA or to the Paying Agent and Registrar.

(ii) JEA, in its sole discretion and without the consent of any other person, may, upon satisfaction of the applicable procedures of DTC with respect thereto, terminate the services of DTC with respect to the Series Three 2023/24 X Bonds of a particular installment if JEA determines that (a) DTC is unable to discharge its responsibilities with respect to the Series Three 2023/24 X Bonds of such installment or (b) a continuation of the system of book-entry-only transfers through DTC (or a successor securities depository) is not in the best interests of the beneficial owners of the Series Three 2023/24 X Bonds of such installment or of JEA.

(D) Upon the termination of the services of DTC with respect to the Series Three 2023/24 X Bonds of a particular installment pursuant to paragraph (C)(ii)(b) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series Three 2023/24 X Bonds of a particular installment pursuant to paragraph (3)(a) or paragraph (C)(ii)(a) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of JEA, is willing and able to undertake such functions upon reasonable and customary terms, such Series Three 2023/24 X Bonds no longer shall be restricted to being registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC. In such event, JEA shall issue and the Registrar shall authenticate Series Three 2023/24 X Bond certificates as requested by DTC of like installment, aggregate principal amount, maturity and interest rate, in authorized denominations, to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interests in the Series Three 2023/24 X Bonds; *provided, however*, that in the case of any discontinuance or termination provided for in paragraph C(i) or C(ii)(b) of this Section, JEA may within 90 days thereafter appoint a substitute securities depository which, in JEA's opinion, is willing and able to undertake the functions of DTC upon

reasonable and customary terms. In such event, and subject to the transfer provisions of the Electric System Resolution, the word "DTC" in this resolution shall refer to such substitute securities depository and the word "Cede" in this resolution shall refer to the nominee, if any, of such substitute securities depository (or, if there shall be no such nominee, then the word "Cede" in this resolution shall refer to such substitute securities depository).

(E) Notwithstanding any other provision of the Electric System Resolution or this resolution to the contrary, so long as any Series Three 2023/24 X Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such Series Three 2023/24 X Bond and all notices with respect to such Series Three 2023/24 X Bond shall be made and given, respectively, to DTC as provided in DTC's Operational Arrangements (as defined in the Letter of Representations); *provided, however*, that if a substitute securities depository shall be appointed, all payments with respect to the principal or redemption price of, and interest on, the Series Three 2023/24 X Bonds and all notices with respect to the Series Three 2023/24 X Bond shall be made and given, respectively, to such substitute securities depository (or any nominee thereof) as provided in the procedures of such substitute securities depository.

SECTION 8. PAYING AGENT AND REGISTRAR. The Series Three 2023/24 X Bonds shall be payable as to principal and shall be redeemable at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (or such other city as may be designated by such bank), which bank is hereby appointed Paying Agent and Registrar.

SECTION 9. FORM OF SERIES THREE 2023/24 X BONDS. The text of the Series Three 2023/24 X Bonds, together with the Registrar's Certificate of Authentication to be endorsed thereon, shall be substantially of the following tenor, with such omissions, insertions and variations as may be necessary or desirable and authorized or permitted by this resolution or any subsequent resolution adopted prior to the issuance thereof, or as may be necessary to comply with applicable laws, rules and regulations of the United States Government and the State of Florida in effect upon the issuance thereof:

[FORM OF SERIES THREE 2023/24 X BONDS]

At such times as the Series Three 2023/24 X Bonds of a particular installment are restricted to being registered in the registration books kept by the Registrar in the name of DTC (or a successor securities depository), each Series Three 2023/24 X Bond of such installment shall contain or have endorsed thereon the following legend:

AS PROVIDED IN THE RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE RESOLUTION TO THE CONTRARY, (A) THIS BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO A NOMINEE OF DTC, OR BY A NOMINEE OF DTC TO DTC OR A NOMINEE OF DTC, OR BY DTC OR A NOMINEE OF DTC TO ANY SUCCESSOR SECURITIES DEPOSITORY OR ANY NOMINEE THEREOF AND (B) A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE RESOLUTION.

In addition, so long as DTC shall serve as securities depository for the Series Three 2023/24 X Bonds, each Series Three 2023/24 X Bond shall contain or have endorsed thereon the following legend:

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT FOR PAYMENT OF PRINCIPAL OR REDEMPTION PRICE, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC OR ITS NOMINEE OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, CEDE & CO., AS NOMINEE OF DTC, HAS AN INTEREST HEREIN.

No. R-____

\$_____

UNITED STATES OF AMERICA
 STATE OF FLORIDA
 CITY OF JACKSONVILLE
 JEA
 ELECTRIC SYSTEM REVENUE BOND,
 SERIES THREE 2023/24 X

<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP</u>
October 1, _____	_____ %	_____ __, 20__	_____

REGISTERED OWNER:

PRINCIPAL SUM: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that JEA, a body politic and corporate under the laws of the State of Florida, and an independent agency of the City of Jacksonville, Florida (hereinafter called the "City"), for value received, hereby promises to pay to the Registered Owner specified above on the Maturity Date specified above solely from the revenues and other amounts hereinafter mentioned the Principal Sum specified above and to pay solely from such revenues and other amounts interest thereon to the Registered Owner hereof at the rate per annum specified above, from the Original Issue Date specified above or from the most recent interest payment date to which interest has been paid, until payment of the Principal Sum, such interest to the payment hereof being payable in lawful money of the United States of America semiannually on April 1 and October 1 in each year commencing [April 1] [October 1], 20__, by check or draft mailed to the Registered Owner at his address as it appears on the registration books of the Registrar hereinafter mentioned on the Record Date (as defined in the Resolution hereinafter referred to). However, so long as this Bond and the issue of which it is one are held in book-entry form pursuant to the Resolution, the provisions of the Resolution governing such book-entry form shall govern repayment of the principal or redemption price of and interest on such bonds. The principal or redemption price of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida.

This Bond is one of an authorized issue of bonds (the "Series Three 2023/24 X Bonds") in the aggregate principal amount of \$_____ of like date, tenor and effect, except as to number, interest rate and date of maturity, issued to refund certain bonds of JEA previously issued to finance or refinance a portion of the costs of the construction and acquisition of additions, extensions and improvements to the electric system owned and operated by JEA, as defined in the Resolution (the "Electric System"), other than the generating facilities of the Electric System pursuant to the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Article 21 of the Charter of the City, as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended in accordance with the terms thereof prior to the date hereof (collectively, the "Act"), and other applicable provisions of

law, and a resolution duly adopted by JEA on March 30, 1982 (approved by ordinance of the Council of the City enacted on March 30, 1982), as amended, restated and supplemented, including as amended and supplemented by a resolution duly adopted by JEA on August 16, 1988 authorizing the Series Three Bonds (approved by ordinance of the Council of the City which became effective on September 30, 1988), as amended and supplemented (hereinafter collectively called the "Resolution"), and is subject to all the terms and conditions of the Resolution.

[Insert Redemption Provisions]

The payment of the principal of and interest on the Series Three 2023/24 X Bonds is secured by a first lien upon and pledge of (a) the Net Revenues (as defined in the Resolution) derived by JEA from the operation of the Electric System and (b) the amounts on deposit in the Revenue Fund and the Debt Service Account in the Sinking Fund established pursuant to the Resolution as may from time to time be available therefor, in each such case, prior and superior to all other liens or encumbrances on such Net Revenues and amounts, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein. In addition, as provided in the Resolution, the payment of the principal of and interest on the Series Three 2023/24 X Bonds is additionally secured by a pledge of the amounts on deposit in the Initial Subaccount in the Debt Service Reserve Account in the Sinking Fund established pursuant to the Resolution as may from time to time be available therefor, in each such case, prior and superior to all other liens or encumbrances on such amounts, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein. As provided in the Resolution, bonds of JEA may be issued from time to time in one or more installments, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of bonds which may be issued under the Resolution is not limited except as provided in the Resolution and in the Act, and all bonds issued and to be issued under the Resolution (including the Series Three 2023/24 X Bonds) are and will be equally and ratably secured by the pledge and covenants made therein, except as expressly provided or permitted in the Resolution.

This Bond and the issue of which it is one shall not be or constitute general obligations or indebtedness of the City or JEA as "bonds" within the meaning of the Constitution of Florida, but shall be payable solely from and secured by a lien upon and a pledge of the Net Revenues and other amounts as provided in the Resolution. No holder of this Bond shall ever have the right to compel the exercise of the ad valorem taxing power of the City or of JEA, if any, or taxation in any form of any real property in the City to pay this Bond or the interest thereon or be entitled to payment of such principal and interest from any other funds of the City or JEA except from the special funds in the manner provided in the Resolution.

JEA has entered into certain further covenants with the owners of the Series Three 2023/24 X Bonds for the terms of which reference is made to the Resolution.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the Laws and

Constitution of the State of Florida applicable thereto, and that the issuance of the Series Three 2023/24 X Bonds does not violate any constitutional or statutory limitations or provisions.

This Bond is and has all the qualities and incidents of negotiable instruments under the laws of the State of Florida.

The Series Three 2023/24 X Bonds are issuable as fully registered Bonds which may be exchanged for like aggregate principal amount of fully registered Series Three 2023/24 X Bonds of like installment, interest rate and maturity in denominations of \$5,000 and any integral multiple thereof. JEA and U.S. Bank Trust Company, National Association, or its successor, as Registrar, may charge the Registered Owner or the transferee or transferees, as the case may be, a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer of this Bond. The Registrar or JEA may also require payment from the Registered Owner or transferee of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Series Three 2023/24 X Bond shall be delivered.

IN WITNESS WHEREOF, JEA has issued this Bond and has caused the same to be signed by its Chair or Vice-Chair and attested by its Secretary or an Assistant Secretary, either manually or with their facsimile signatures, and its corporate seal or a facsimile thereof to be affixed, imprinted or reproduced hereon.

JEA

(SEAL)

Chair or Vice-Chair

ATTESTED:

Secretary or Assistant Secretary

[FORM OF
REGISTRAR'S CERTIFICATE OF AUTHENTICATION
ON ALL SERIES THREE 2023/24 X BONDS]

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the bonds delivered pursuant to the within mentioned Resolution.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Registrar

By: _____
Authorized Signatory

Date of Authentication: _____, 20__

[Insert Statement of Insurance, if applicable.]

The following abbreviations, when used in the inscription on the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -	as tenants in common	UNIF GIF MIN ACT _____ (Cust.)
TEN ENT -	as tenants by the entireties	Custodian for _____ (Minor)
JT TEN	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act of _____ (State)

Additional abbreviations may also be used although not listed above.

ASSIGNMENT

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

[PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

the within bond and does hereby irrevocably constitute and appoint the Registrar as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: This signature to this assignment must correspond with the name of the registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SECTION 10. APPLICATION OF BOND PROCEEDS. The proceeds from the sale of the Series Three 2023/24 X Bonds of a particular installment, together with other available funds of the Electric System shall be applied simultaneously with the delivery as follows:

(A) if applicable, there shall be delivered to the Escrow Agent, simultaneously with the delivery of the Series Three 2023/24 X Bonds of such installment, for deposit in the Escrow Account (the "Escrow Account") to be created under the Escrow Deposit Agreement, an amount determined by an Authorized Officer of JEA as being equal to the amount necessary, when combined with the moneys, if any, transferred to the Escrow Account as provided in Section 11 hereof, to purchase such securities as are permitted by Section 17 of the Electric System Resolution, the principal of and interest to be received on which, together with any initial cash balance, will provide moneys which will be sufficient to pay when due the principal or redemption price, as applicable, of the Refunded Bonds being refunded thereby on the respective maturity dates of such Refunded Bonds or the date such Refunded Bonds are to be called for redemption, as applicable, and the interest to become due on such Refunded Bonds on and prior to such respective maturity or redemption dates, as the case may be;

(B) if applicable, an amount shall be deposited in the Initial Subaccount as determined by the Managing Director/CEO in the certificate referred to in Section 5 hereof relating to the Series Three 2023/24 X Bonds;

(C) there shall be paid to the counterparties in the Interest Rate Swap Transactions to be terminated or partially terminated in connection with the issuance of the Series Three 2023/24 X Bonds of such installment, the termination payments, if any, with respect to the termination or partial termination of such Interest Rate Swap Transactions as determined by the Managing Director/CEO pursuant to Section 5(K) hereof; and

(D) all proceeds remaining after application as provided in subsections (A), (B) and (C) hereof shall be deposited into the Construction Fund or a separate sub-account thereof and used for the purposes of paying the principal or redemption price, as applicable, of Refunded Bonds when due if the Refunded Bonds that are not being defeased within the meaning of Section 17 of the Electric System Resolution and paying costs of issuance of the Series Three 2023/24 X Bonds of such installment.

SECTION 11. TRANSFER OF CERTAIN AMOUNTS. Subject to the provisions of the third paragraph of Section 13(B)(2) of the Electric System Resolution, simultaneously with the delivery of the Series Three 2023/24 X Bonds of a particular installment, there shall be withdrawn from the Debt Service Account cash in an amount determined by an Authorized Officer of JEA as being not greater than the amount accumulated therein with respect to the Refunded Bonds to be refunded through the issuance of the Series Three 2023/24 X Bonds of such installment. Such withdrawal shall, however, not be made if and to the extent that the effect thereof would cause the amounts on deposit in the Debt Service Account to be less than the amount required to be maintained therein after giving effect to the issuance of the Series Three 2023/24 X Bonds of such installment and the refunding of the Refunded Bonds. There shall be transferred to the Escrow Agent, if any, for deposit in the Escrow Account the amount so withdrawn, otherwise, such amount shall be applied together with the funds described in Section 10(D) above to the payment of the Refunded Bonds.

Subject to the provisions of the fifth paragraph of Section 13(B)(3) of the Electric System Resolution, simultaneously with the delivery of the Series Three 2023/24 X Bonds of a particular installment, there may be withdrawn from the Initial Subaccount of the Debt Service Reserve Account cash in an amount determined by an Authorized Officer of JEA as being not greater than the amount of the decrease in the Debt Service Reserve Requirement with respect to such Initial Subaccount due to the defeasance of the Refunded Bonds being refunded through the issuance of such installment of the Series Three 2023/24 X Bonds. There shall be transferred to the Escrow Agent, if any, for deposit in the Escrow Account the amount so withdrawn, otherwise, such amount shall be applied together with the funds described in Section 10(D) above to the payment of the Refunded Bonds.

SECTION 12. SERIES THREE 2023/24 X BONDS TO CONSTITUTE ADDITIONALLY SECURED BONDS. In accordance with the provisions of clause (3) of subsection B of Section 13 of the Electric System Resolution, the Series Three 2023/24 X Bonds of each installment shall be Additionally Secured Bonds, and the payment of the principal or sinking fund redemption price, if any, thereof and interest thereon shall be secured, in addition to the pledge created pursuant to the first sentence of the second paragraph of Section 11 of the Electric System Resolution in favor of all of the Bonds, by amounts on deposit in the Initial Subaccount. In furtherance of the foregoing, simultaneously with the authentication and delivery of any particular installment of the Series Three 2023/24 X Bonds, JEA shall cause to be deposited to the credit of the Initial Subaccount cash from the proceeds of the Series Three 2023/24 X Bonds of such installment, in an amount equal to the difference (if any) between (a) the Debt Service Reserve Requirement for the Initial Subaccount calculated immediately after the authentication and delivery of such Series Three 2023/24 X Bonds of such installment and (b) the sum of the amounts then on deposit in the Initial Subaccount and the eligible reserve fund credit instruments credited thereto, if any.

SECTION 13. TAX COVENANTS. (A). JEA covenants that it shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series Three 2023/24 X Bonds under Section 103 of the Code and the applicable Treasury Regulations promulgated thereunder. Without limiting the generality of the foregoing, JEA covenants that it will comply with the instructions and requirements of the Tax Certificate to be executed and delivered on the date of issuance of each installment of the Series Three 2023/24 X Bonds concerning certain matters pertaining to the use of proceeds of the Series Three 2023/24 X Bonds of such installment, including any and all exhibits attached thereto (the "Tax Certificate"). This covenant shall survive payment in full or defeasance of the Series Three 2023/24 X Bonds.

(B) Notwithstanding any provisions of this Section, if JEA shall obtain an opinion of nationally recognized municipal bond attorneys to the effect that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on the applicable installment of the Series Three 2023/24 X Bonds, JEA may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

(C) Notwithstanding any other provision of the Electric System Resolution to the contrary, (i) upon JEA's failure to observe or refusal to comply with the above covenants with respect to the Series Three 2023/24 X Bonds of a particular installment, the holders of the Series Three 2023/24 X Bonds of such installment shall be entitled to the rights and remedies provided to Bondholders under the Electric System Resolution, other than the right (which is hereby abrogated solely in regard to JEA's failure to observe or refusal to comply with the covenants of this Section) to declare the principal of all Series Three 2023/24 X Bonds of such installment then outstanding, and the interest accrued thereon, to be due and payable and (ii) the holders of any Bonds other than the Series Three 2023/24 X Bonds of a particular installment shall not be entitled to exercise any right or remedy provided to Bondholders under the Electric System Resolution based upon JEA's failure to observe, or refusal to comply with, the above covenants with respect to the Series Three 2023/24 X Bonds of such installment.

SECTION 14. REDEMPTION OF REFUNDED BONDS. The Refunded Bonds to be refunded by the Series Three 2023/24 X Bonds are hereby designated for redemption and the Escrow Agent (if any) or the respective paying agents for such Refunded Bonds, as applicable, are hereby directed to redeem such Refunded Bonds on the respective dates determined by the Managing Director/CEO pursuant to clause (C) of the second paragraph of Section 5 hereof and at a redemption price equal to the principal amount of the Refunded Bonds to be redeemed plus the redemption premium(s) for the applicable redemption date(s) (in each case, together with the interest accrued thereon to the date fixed for redemption).

Such designation for redemption, and such direction to the Escrow Agent (if any) or the respective paying agents for the Refunded Bonds, as applicable, shall be, and hereby are declared to be, irrevocable upon the delivery of the applicable installment of Series Three 2023/24 X Bonds to or upon the order of the Underwriters; *provided*, that notice of such redemption as provided below shall be revocable and conditional upon the issuance of the Series Three 2023/24 X Bonds of the applicable installment.

In order to effectuate this designation, on or prior to the applicable Delivery Date, an Authorized Officer of JEA shall give the Escrow Agent or the Registrar, as applicable, for any Refunded Bonds to be redeemed prior to maturity instructions to mail, postage prepaid, not less than 30 days (or such lesser period as permitted by the applicable supplemental resolution(s) for the Refunded Bonds) prior to the redemption date therefor, to (i) all registered owners of such Refunded Bonds at their addresses as they appear of record on the books of the Registrar as of 45 days (or such lesser number of days as is permitted pursuant to the applicable supplemental resolution(s) for the Refunded Bonds) prior to such redemption date and (ii) the paying agent for such Refunded Bonds (or its successor), a notice of redemption in substantially the following form:

REVOCABLE NOTICE OF [PARTIAL] REDEMPTION

JEA

**ELECTRIC SYSTEM REVENUE BONDS, SERIES THREE
DESCRIBED BELOW**

Notice is hereby given to the holders of the outstanding JEA Electric System Revenue Bonds, Series Three described below (the "Bonds") that the Bonds have been called for redemption prior to maturity on _____, 20__ in accordance with their terms at a redemption price of 100 percent of the principal amount thereof [, together with accrued interest thereon to _____, 20__]. [The source of funds to be used for such redemption is certain moneys heretofore deposited with _____, as Escrow Agent.]

<u>Series Three</u>	<u>Maturity Date</u> (October 1)	<u>Interest Rate</u>	<u>Principal Amount</u>	<u>CUSIP</u>
		_____%	\$_____	_____

THIS CALL FOR REDEMPTION IS REVOCABLE AND IS CONDITIONED UPON THE ISSUANCE BY JEA OF ITS SERIES THREE 2023/24 X BONDS TO REFUND SUCH BONDS ON OR PRIOR TO _____, 20__. In the event that JEA's refunding bonds are not issued on or prior to 20__, this notice shall be of no further force or effect and the Bonds shall continue to bear interest until paid at the same rates they would have borne had this notice not been given. If JEA's refunding bonds are not issued on or prior to 20__, the undersigned, on behalf of JEA, shall give notice forthwith of such fact to the holders of the Bonds, and this notice shall thereupon be revoked and shall be of no further force and effect.

Subject to the foregoing, the redemption price of and accrued interest on the Bonds shall become due and payable on _____, 20__ and from and after _____, 20__ interest on the Bonds shall cease to accrue and be payable.

Holders of the Bonds will receive payment of the redemption price and accrued interest to which they are entitled upon presentation and surrender thereof at the principal corporate trust offices of [specify names of current Paying Agents].

Dated this ___ day of _____, 20__.

JEA

By: _____,
as [Escrow Agent/Registrar]

SECTION 15. AUTHORIZATION AND APPROVAL OF THE NEGOTIATED SALE OF THE SERIES THREE 2023/24 X BONDS AND EXECUTION AND DELIVERY OF THE BOND PURCHASE AGREEMENT; DELEGATION OF AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH. The terms and conditions of the bond purchase agreement between JEA and the Underwriters, providing for the negotiated sale and purchase of the Series Three 2023/24 X Bonds of each installment, in substantially the form attached hereto as Exhibit A (the "Bond Purchase Agreement"), are hereby approved. At such time or times as the Managing Director/CEO of JEA shall determine is advantageous to JEA, such officer shall execute and deliver the Bond Purchase Agreement (with such changes as are necessary to reflect, among other things, the terms of the Series Three 2023/24 X Bonds of a particular installment, such determination to be evidenced by the execution and delivery thereof; *provided, however*, that at or prior to the time of the execution and delivery of the Bond Purchase Agreement, JEA shall have received from the senior managing underwriter the disclosure statement required pursuant to Section 218.385(6), Florida Statutes. The purchase price of the Series Three 2023/24 X Bonds of a particular installment to be paid by the Underwriters pursuant to the Bond Purchase Agreement shall be determined as provided in Section 5 hereof, subject to the limitations set forth therein.

SECTION 16. APPOINTMENT OF BOND REGISTRAR AND PAYING AGENT. U.S. Bank Trust Company, National Association is hereby appointed as Bond Registrar and Paying Agent for the Series Three 2023/24 X Bonds.

SECTION 17. AUTHORIZATION OF AUTHENTICATION. In the event that the Managing Director/CEO shall determine that it is desirable to sell and issue Series Three 2023/24 X Bonds as provided herein, U.S. Bank Trust Company, National Association, as Bond Registrar for the Series Three 2023/24 X Bonds, is hereby requested and authorized to authenticate and deliver such Series Three 2023/24 X Bonds in the aggregate principal amount determined as provided in Section 5 hereof, to or upon the order of the Underwriters, upon payment to JEA of the sum to be specified in the Bond Purchase Agreement.

SECTION 18. APPOINTMENT OF ESCROW AGENT AND AUTHORIZATION AND APPROVAL OF ESCROW DEPOSIT AGREEMENT. The Managing Director/CEO is hereby authorized to appoint U.S. Bank Trust Company, National Association, The Bank of New York Mellon Trust Company, N.A. or any other bank or trust company selected pursuant to JEA's purchasing code to act as Escrow Agent under the Escrow Deposit Agreement. The Escrow Deposit Agreement is hereby approved in substantially the form attached hereto as Exhibit B. The Escrow Deposit Agreement may be executed and delivered as provided in Section 23 hereof. Pursuant to the Escrow Deposit Agreement, the Escrow Agent may be directed to invest the funds held thereunder in the manner provided therein.

In connection with the refunding of the Refunded Bonds as provided herein, each Authorized Officer of JEA is hereby authorized, if deemed desirable, to cause proceeds of the Series Three 2023/24 X Bonds and other available amounts, and earnings thereon, to be invested in United States Treasury Securities - State and Local Government Series ("SLGS") or other obligations permitted to be used to accomplish the defeasance of such Refunded Bonds in such amounts, at such times, maturing at such times and having such rate or rates of interest as any Authorized Officer of JEA shall determine is necessary or desirable; and each such Authorized

Officer of JEA and, upon receipt of instructions from an Authorized Officer of JEA, any authorized officer of the Escrow Agent is hereby authorized in the name and on behalf of JEA to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations.

SECTION 19. APPROVAL OF THE FORM AND USE OF PRELIMINARY OFFICIAL STATEMENT. The form and use of a preliminary official statement for each installment of the Series Three 2023/24 X Bonds, in substantially the form of the Preliminary Official Statement relating to Electric System Revenue Bonds, Series Three 2021A or any other Preliminary Official Statement more recently executed and delivered by JEA in connection with the sale of bonds with such changes, omissions, insertions and revisions as an Authorized Officer of JEA shall deem necessary or appropriate (collectively, the "Form Preliminary Official Statement"), is hereby authorized and approved in connection with the offering and sale of the Series Three 2023/24 X Bonds of each installment.

In the event that the Managing Director/CEO shall determine that it is desirable to issue and sell the Series Three 2023/24 X Bonds of one or more installments as provided herein, the Managing Director/CEO is hereby authorized and directed to cause to be prepared a Preliminary Official Statement with respect to such bonds in substantially the form of the Form Preliminary Official Statement and with such changes thereto as are necessary so that such Preliminary Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading and, in such case, to cause such Preliminary Official Statement to be used in connection with the offering and sale of the Series Three 2023/24 X Bonds of such installment and, if applicable, the Managing Director/CEO, the Chief Financial Officer, the Vice President, Financial Services and the Treasurer of JEA are each hereby authorized to deem said Preliminary Official Statement final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. In the event that the Managing Director/CEO shall cause to be prepared a Preliminary Official Statement for such Series Three 2023/24 X Bonds as aforesaid, an Official Statement relating to the Series Three 2023/24 X Bonds of such installment, in substantially the form of said Preliminary Official Statement, with such changes thereto as are necessary (a) to reflect the terms of such Series Three 2023/24 X Bonds and (b) so that such Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, is hereby authorized and approved for use in connection with the offering and sale of such Series Three 2023/24 X Bonds. In such event, such Official Statement shall be executed as provided in Section 23 hereof.

SECTION 20. APPROVAL WITH RESPECT TO REGISTRATION OR QUALIFICATION OF THE AUTHORIZED BONDS UNDER THE BLUE SKY OR SECURITIES LAWS OF VARIOUS STATES. The Authorized Officers of JEA shall be, and hereby are, authorized in the name and on behalf of JEA, to take any and all action which they deem necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of the Series Three 2023/24 X Bonds of each installment for issue, offer, sale or trade under the Blue Sky or securities laws of any of the states of the United States of America and in

connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorneys to receive service of process and other papers and instruments which may be required under such laws, and to take any and all further action which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law or by the Underwriters.

SECTION 21. CONTINUING DISCLOSURE. For the benefit of holders and beneficial owners from time to time of the Series Three 2023/24 X Bonds of each installment, JEA agrees, as an obligated person with respect to the Series Three 2023/24 X Bonds of such installment under Rule 15c2-12, to provide or cause to be provided such financial information and operating data, audited financial statements and notices, in such manner as may be required for purposes of paragraph (b)(5) of Rule 15c2-12. In order to describe and specify certain terms of JEA's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Authorized Officers of JEA are, and each of them hereby is, authorized and directed to sign and deliver, in the name and on behalf of JEA, a Continuing Disclosure Agreement with respect to the Series Three 2023/24 X Bonds of a particular installment substantially in the form of Appendix I to the Form Preliminary Official Statement, with any changes or amendments that (i) are not inconsistent with this resolution, (ii) are not substantially adverse to JEA, or (iii) may be required by Rule 15c2-12, and that are approved by the Authorized Officer of JEA executing the same on behalf of JEA, all of which shall be conclusively evidenced by the signing of that agreement or amendments to it. The agreement formed, collectively, by this paragraph and that agreement, shall be JEA's continuing disclosure agreement with respect to the Series Three 2023/24 X Bonds of the applicable installment for purposes of Rule 15c2-12, and its performance shall be subject to the annual appropriation of any funds that may be necessary to perform it.

The Authorized Officers of JEA are, and each of them hereby is, further authorized and directed to take such actions as shall be necessary to comply with each such continuing disclosure agreement, including timely provision of information and notices. Prior to making any filing in accordance with any such agreement or providing notice of the occurrence of any other events, any such officer of JEA shall consult with and obtain legal advice from, as appropriate, the Office of the General Counsel and bond or other qualified independent special counsel selected by JEA. Any such officer of JEA, acting in the name and on behalf of JEA, shall be entitled to rely upon any such legal advice in determining whether a filing should be made.

SECTION 22. REPRESENTATIONS AND COVENANTS REGARDING THE PLEDGE OF THE ELECTRIC SYSTEM RESOLUTION. JEA represents that, pursuant to the Act, the Electric System Resolution creates a valid, binding and irrevocable first lien on (a) the Net Revenues derived from the operation of the Electric System and (b) the amounts on deposit in the Revenue Fund and the Debt Service Account as may from time to time be available therefor (collectively, the "Pledged Assets"), in each such case, prior and superior to all other liens or encumbrances on such Net Revenues and amounts, subject only to the provisions of the Electric System Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein, for the benefit of the Holders of the Electric System Bonds, including the Series Three 2023/24 X Bonds, as security for the payment of the Electric System Bonds,

including the Series Three 2023/24 X Bonds, to the extent set forth therein, enforceable in accordance with the terms thereof.

JEA has not heretofore made or granted a pledge or assignment of, lien on or security interest in the Pledged Assets that ranks on a parity with or prior to the lien and pledge made or granted in the Electric System Resolution. JEA shall not hereafter make or grant a pledge or assignment of, lien on or security interest in such Pledged Assets that ranks prior to or on a parity with the lien and pledge made or granted in the Electric System Resolution, except as expressly permitted thereby.

SECTION 23. AUTHORIZATION OF THE EXECUTION AND DELIVERY OF AUTHORIZED BONDS AND RELATED DOCUMENTS. The Authorized Officers of JEA are hereby authorized to execute the Series Three 2023/24 X Bonds of each installment, the Bond Purchase Agreement, the Escrow Deposit Agreement, if any, the Continuing Disclosure Agreement and the Official Statement, each subject to completion thereof, and with such changes therein as they may approve as necessary and desirable and in the best interest of JEA, such approval to be evidenced by the execution and delivery thereof; *provided, however*, that the Series Three 2023/24 X Bonds shall be executed and delivered pursuant to the Electric System Resolution and applicable law. The Secretary or an Assistant Secretary of JEA is hereby authorized (but not required) to cause the seal of JEA to be affixed to the Series Three 2023/24 X Bonds and the foregoing documents and to attest the same. Such Authorized Officers of JEA are each hereby authorized to deliver such Series Three 2023/24 X Bonds and documents on behalf of JEA.

SECTION 24. AUTHORIZATION OF EXECUTION AND DELIVERY OF DOCUMENTS RELATED TO TERMINATION OF INTEREST RATE SWAP TRANSACTIONS. The Authorized Officers of JEA are hereby authorized to execute and deliver such documents as the Managing Director/CEO shall determine to be necessary or appropriate and commercially reasonable (as confirmed by JEA's Financial Advisor) in connection with the termination, or partial termination, of the Interest Rate Swap Transactions, including, without limitation Termination Agreements, amended Confirmations, documents to enable the counterparties to comply with requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder. Such Authorized Officers of JEA are each hereby authorized to deliver such documents on behalf of JEA.

SECTION 25. FURTHER ACTIONS. Each Authorized Officer of JEA is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all administrative acts and things as may be necessary or desirable in connection with: the approval, execution and delivery of the Bond Purchase Agreement, the Escrow Deposit Agreement, if any, and the Continuing Disclosure Agreement; and the carrying out of their terms and the terms of the Electric System Resolution and this Resolution; the issuance, sale, execution and delivery of the Series Three 2023/24 X Bonds, the refunding and redemption of the Refunded Bonds and the termination or partial termination of the Interest Rate Swap Transactions; and the use of the Preliminary Official Statement and the Official Statement. Without limiting the generality of the foregoing, the Managing Director/CEO is hereby authorized to execute the certificates referred to in Section 5 hereof. In the absence of the Managing Director/CEO for any reason, the authority granted to him in this resolution is hereby delegated to the Vice President and General Manager, Electric System, the Chair of JEA's

governing board and the Chair of the Finance and Audit Committee of JEA's governing board, in that order.

SECTION 26. REMAINING AUTHORIZATION UNDER RESOLUTION NO. 2023-01 SUPERSEDED. The remaining authorization to issue additional debt under Resolution No. 2023-01 adopted by JEA on January 24, 2023 is hereby superseded by this Resolution and repealed. The foregoing shall not affect in any manner the authorization of debt previously issued pursuant to Resolution No. 2023-01.

SECTION 27. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way affect the validity or enforceability of such remaining provisions.

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SECTION 28. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

ADOPTED THIS 26TH DAY OF SEPTEMBER, 2023.



JEA

By: _____
Name:
Title:

ATTEST:

By: _____
Secretary

Approved as to Form:

By: _____
Office of General Counsel

EXHIBIT A

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT B

FORM OF ESCROW DEPOSIT AGREEMENT

-

BOND PURCHASE AGREEMENT

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida 32202

Re: \$000,000,000 JEA Electric System Revenue Bonds, Series Three 2023/24X
\$000,000,000 JEA Electric System Subordinated Revenue Bonds, 2023/24 Series X

Ladies and Gentlemen:

The Underwriters (as defined below) jointly and severally hereby propose to purchase all (but not less than all) of the Bonds (as defined below) from JEA, a public body corporate and politic organized and existing under the laws of the State of Florida, and to make a public offering of the Bonds subject to the acceptance of this proposal by JEA on or before 5:00 p.m. local time then prevailing in Jacksonville, Florida, on _____, 20__, and subject to the following provisions:

Section 1. Definitions. The following terms shall have the following meanings in this Agreement unless another meaning is plainly intended:

"2023/24 Series X Subordinated Bonds" means JEA's Electric System Subordinated Revenue Bonds, 2023/24 Series X in the aggregate principal amount of \$000,000,000 with maturities, amounts, interest rates and yields as described in Annex A hereto and as further described in the Final Official Statement.

"Accountants" means _____, independent certified public accountants.

"Agreed Upon Procedures Letter" means the letter from the Accountants to the governing body of JEA and the Representative in a form acceptable to JEA and the Representative and with the procedures described therein to be applied at least through _____, 20__, the date of the last meeting of the Board of JEA prior to the Closing.

"Agreement" means this Bond Purchase Agreement between the Representative, acting on behalf of the Underwriters and JEA.

"Bond Counsel" means _____, _____, _____.

"Bond Registrar" means U.S. Bank Trust Company, National Association or its corporate successor, in its capacity as Bond Registrar, Subordinated Bond Registrar and Paying Agent, as the case may be, for the Bonds under the Electric System Resolution and the Subordinated Electric System Resolution, respectively.

"Bonds" means, collectively, the Series Three 2023/24X Bonds and the 2023/24 Series X Subordinated Bonds.

"City" means the City of Jacksonville, Florida.

"Closing" refers to the transaction at which the Bonds are delivered by JEA to or on behalf of the Underwriters, and paid for by the Underwriters, pursuant to this Agreement.

"Closing Date" means the date specified in Section 7 hereof, or such other date as is mutually agreeable to the Representative and JEA pursuant to Section 7 hereto.

"Closing Documents" means the documents described in Section 8 hereof and required to be delivered to the Underwriters at the Closing.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"Continuing Disclosure Agreement" means the agreement of JEA to be dated the Closing Date in substantially the form set forth in Appendix I to the Preliminary Official Statement.

"DTC" means The Depository Trust Company.

"Electric System Resolution" means the resolution of JEA adopted on March 30, 1982, as supplemented, amended and restated, particularly as supplemented by Resolution No. 2023-___ adopted on September 26, 2023.

"Escrow Agent" means _____.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement to be delivered in connection with the issuance of the Bonds between JEA and the Escrow Agent relating to the refunding of the Refunded Bonds.

"Final Official Statement" means the final Official Statement of JEA relating to the Bonds, substantially in the form of the Preliminary Official Statement, with such changes as may be approved by the Representative, to be delivered pursuant to Section 6 hereof.

"JEA's Counsel" means the Office of the General Counsel of the City.

"Letter of Representations" means the Blanket Issuer Letter of Representations dated _____ from JEA to DTC.

"MSRB" means the Municipal Securities Rulemaking Board.

"Official Statements" means the Preliminary Official Statement and the Final Official Statement.

"Preliminary Official Statement" means the Preliminary Official Statement of JEA relating to the Bonds, dated _____, 20__, including the cover page and appendices thereto and the information included by reference therein.

"Refunded Bonds" means JEA's Electric System Revenue Bonds, Series Three and JEA's Electric System Subordinated Revenue Bonds, all as described in Annex G hereto.

"Representative" means _____, as representative of the Underwriters.

"Resolution" means, collectively, the Electric System Resolution and the Subordinated Electric System Resolution.

"SEC" means the Securities and Exchange Commission.

"Series Three 2023/24X Bonds" means JEA's Electric System Revenue Bonds, Series Three 2023/24X in the aggregate principal amount of \$000,000,000, with maturities, amounts, interest rates, prices or yields and redemption provisions set out in Annex A hereto.

"Subordinated Electric System Resolution" means the resolution of JEA adopted August 16, 1988, authorizing the issuance by JEA of certain subordinated bonds, as supplemented, amended and restated, particularly as supplemented by Resolution No. 2023-__ adopted on September 26, 2023.

"Underwriters" means _____, acting for and on behalf of themselves and such other securities dealers, if any, as may from time to time be designated by JEA or the Underwriters.

"Underwriters' Counsel" means _____, _____, _____.

["Verification Agent" means _____.]

["Verification Report" means the report dated the date of Closing of the Verification Agent to the effect that such Verification Agent has verified the accuracy of (a) the adequacy of the maturing principal of and interest on certain federal securities to be held under the Escrow Deposit Agreement, together with other moneys held under the Escrow Deposit Agreement, to pay when due or upon earlier redemption, the principal or redemption price of and interest on the Refunded Bonds, and (b) certain mathematical computations supporting the conclusion that the Bonds are not "arbitrage bonds" under the Code.]

Section 2. Purchase Price. Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriters shall purchase and JEA shall sell all, but not less than all, of the (i) Series Three 2023/24X Bonds at an aggregate purchase price of \$_____ (representing the aggregate principal amount of the Series Three 2023/24X Bonds of \$000,000,000, less Underwriters' discount of \$_____ [plus/minus net] original issue [premium/discount] of \$_____) and (ii) 2023/24 Series X Subordinated Bonds at an aggregate purchase price of \$_____ (representing the aggregate principal amount of the 2023/24 Series

X Subordinated Bonds of \$000,000,000, less Underwriters' discount of \$ _____ [plus/minus] net original issue [premium/discount] of \$ _____).

JEA acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between JEA and the Underwriters, (ii) in connection with such transaction, each Underwriter is acting solely as a principal and not as an agent or a fiduciary of JEA, (iii) the Underwriters have not assumed a fiduciary responsibility in favor of JEA with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriters have advised or are currently advising JEA on other matters) or any other obligation to JEA except the obligations expressly set forth in this Agreement, (iv) the Underwriters have financial interests that differ from those of JEA and are not acting as municipal advisors (as defined in Section 15B of the Securities Exchange Act of 1934, as amended) and (v) JEA has consulted with its own legal and financial advisors to the extent it deemed it appropriate in connection with the offering of the Bonds.

Section 3. Establishing Issue Price. The Representative, on behalf of the Underwriters, agrees to assist JEA in establishing the issue price of the Bonds and shall execute and deliver to JEA at Closing, a Certificate of Underwriter Regarding Issue Price, or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Annex B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, JEA and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

Except as provided in Schedule A to Annex B and below, JEA will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Agreement, the Representative shall report to JEA the price or prices at which the Underwriters have sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Representative agrees to promptly report to JEA the prices at which Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue (but only with respect to any maturity to which the hold-the-offering-price rule described below does not apply), whether or not the Closing Date has occurred, until either (i) all Securities of that maturity have been sold or (ii) the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriters' reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, JEA or bond counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Annex B attached hereto, except as otherwise set forth therein. Schedule A to Annex B also sets forth, as of the date of this Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which JEA and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow JEA to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So

long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Bonds of that maturity; *provided*, that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(B) to promptly notify the Representative of any series of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriter or selling group agreement relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (a) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter or dealer that the 10 percent test has been satisfied as to the Securities of that maturity, provided, that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer, and (B) comply with the hold-the-offering-price

rule, if applicable, if and for so long as directed by the Representative or the Underwriter or the dealer and as set forth in the related pricing wires.

JEA acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or a dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. JEA further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are

partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (iv) "sale date" means the date of execution of this Agreement by all parties.

In connection with the public offering of the Bonds, the Underwriters have delivered to JEA a letter containing the information required by Section 218.385, Florida Statutes in the form attached as Annex F.

Section 4. Good Faith Deposit. [If by wire transfer: There has been delivered to JEA herewith a wire transfer in the amount of \$_____ (the "Good Faith Deposit") as security for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Closing Date in accordance with the provisions hereof. In the event of the Underwriters' compliance with their obligations hereunder, the Good Faith Deposit shall be netted from the purchase price of the Bonds payable by the Underwriters to JEA pursuant to Section 2 hereof. In the event JEA does not accept this offer the Good Faith Deposit shall be immediately returned by JEA to the Representative by wire transfer. Upon the failure of JEA to deliver the Bonds on the Closing Date, or if JEA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if such obligations shall be terminated for any reasons permitted by this Agreement except for the reasons set forth in Section 10 hereof, the Good Faith Deposit shall immediately be repaid by JEA to the Representative by wire transfer. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by JEA on the Closing Date as herein provided, the Good Faith Deposit shall be retained by JEA as and for full and agreed upon liquidated damages, and not as a penalty, to JEA for such failure, and the retention of the Good Faith Deposit shall constitute a full release and discharge of all claims and damages for such failure and of any and all defaults hereunder on the part of the Underwriters.]

[If by check: Delivered to JEA herewith is a check payable to the order of JEA in the amount of \$_____ (the "Good Faith Deposit") as security for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Closing Date in accordance with the provisions hereof. JEA shall hold such check uncashed until the Closing Date. In the event of the Underwriters' compliance with their obligations hereunder, the Good Faith Deposit shall be returned to the Representative on the Closing Date upon payment to JEA as provided in Section 7 hereof of the purchase price of the Bonds. In the event JEA does not accept this offer, or upon the failure of JEA to deliver the Bonds on the Closing Date, or if JEA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if such obligations of the Underwriters shall be terminated for any reason permitted by this Agreement except for the reasons set forth in Section 10 hereof, the Good Faith Deposit shall immediately be returned to the Representative. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by JEA on the Closing Date as herein provided, the Good Faith Deposit shall be retained by JEA as and for full and agreed upon liquidated damages, and not as a penalty, to JEA for such failure, and the retention of the Good

Faith Deposit shall constitute a full release and discharge of all claims and damages for such failure and of any and all defaults hereunder on the part of the Underwriters.]

Section 5. Representations of JEA. JEA represents to the Underwriters that: (a) the Preliminary Official Statement has been "deemed final" by JEA as of its date for the purpose of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"); (b) as of their respective dates and on the date hereof the statements and information contained in the Official Statements are, and on the Closing Date the statements and information contained in the Final Official Statement will be, true and complete in all material respects, and the Preliminary Official Statement, as of its date, did not and the Final Official Statement, as of its date, does not on the date hereof, and will not on the Closing Date, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading; (c) the Preliminary Official Statement, as of its date, did not and does not on the date hereof, and the Final Official Statement, as of its date did not and does not on the date hereof, and will not on the Closing Date, omit any information with respect to JEA or its business, properties and affairs which might in a material respect adversely or unfavorably affect the transactions contemplated by the Preliminary Official Statement or the Final Official Statement; (d) JEA has full title to the Electric System (as defined in the Official Statement) and the power and authority to operate the same and to collect the Revenues (as defined in the Electric System Resolution) therefrom; (e) the resolution or resolutions of, or other appropriate actions taken by, JEA establishing the rates and charges for services of the Electric System described in the Official Statement have been duly adopted or taken and are in full force and effect; (f) when delivered to and paid for by the Underwriters at the Closing in accordance with the provisions of this Agreement, the Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of JEA of the character referred to in the Final Official Statement, in conformity with, and entitled to the benefit and security of, the Resolution; (g) JEA is empowered and has been duly authorized to enter into this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Letter of Representations and to adopt the Resolution; (h) the execution and delivery of this Agreement, the Continuing Disclosure Agreement, the Letter of Representations[, the Escrow Deposit Agreement] and the Bonds and compliance with the provisions thereof, under the circumstances contemplated herein and therein, will not in any material respect conflict with or constitute on the part of JEA a breach of or default under any agreement or other instrument to which JEA is a party, or any existing law, administrative regulation, court order or consent decree to which JEA is subject; (i) no litigation or proceeding (to which JEA is a party) is pending or to the best of JEA's knowledge is threatened against or affecting JEA to restrain or enjoin the issuance or delivery of the Bonds or other indebtedness of JEA relating to its electric utility functions or in any way contesting or affecting the authority for the issuance of the Bonds or other indebtedness of JEA relating to its electric utility functions or the validity of the Bonds or other indebtedness of JEA, the Resolution, this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] or the Letter of Representations or in any way contesting the corporate existence or the powers of JEA; (j) except as may be disclosed in the Official Statements, no litigation or proceeding (to which JEA is a party) is pending or, to the best of its knowledge, is threatened against or affecting JEA or involving any of the business, property or affairs of JEA which involves the possibility of any judgment or liability which may result in any material adverse change in the financial condition of JEA relating to its electric utility functions; (k) JEA has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer

whose arbitrage certifications may not be relied upon; (l) subsequent to the date of the last audited financial statements included [by specific reference] in the Official Statements there have been no material adverse changes in the assets, liabilities or condition of JEA related to its electric utility functions, financial or otherwise, except as disclosed in or contemplated by the Official Statements, and neither the business, the properties, nor the affairs of JEA related to its electric utility functions have been adversely affected in any substantial way as the result of any fire, explosion, accident, strike, riot, flood, windstorm, earthquake, embargo, war or act of God or of the public enemy; (m) all permits or licenses which JEA is required to maintain in order to operate the Electric System and the Scherer 4 Project (as such terms are defined in the Official Statement) are in full force and effect; (n) the proceeds of the Bonds will be used by JEA to redeem all of the Refunded Bonds within 90 days of the Closing; (o) other than as disclosed in the Official Statements, JEA has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under the Rule; and (p) JEA has not been in default any time after December 31, 1975 as to principal or interest with respect to any of its debt obligations.

Section 6. Final Official Statement; Public Offering. JEA shall prepare, and shall deliver to the Underwriters as promptly as practicable but, in any event, not later than seven business days after the acceptance by JEA of this Agreement and in sufficient time to allow the Underwriters to deliver copies thereof to purchasers of the Bonds at least two business days prior to the Closing, copies of the Final Official Statement in sufficient quantity to comply with the Rule and the rules of the Municipal Securities Rulemaking Board and in form and substance satisfactory to the Representative and JEA, executed on behalf of JEA by its Managing Director and Chief Executive Officer. JEA agrees that the Preliminary Official Statement, the Final Official Statement, audited financial statements, if any, and copies of the Resolution, prepared by or on behalf of JEA may be used by the Underwriters in the public offering of the Bonds and that it will cooperate with the Underwriters if the Underwriters decide to qualify the Bonds under the securities laws of any state; provided, however, JEA shall not be required to register as a dealer or broker in any such state or to qualify to do business in connection with any such qualification of the Bonds for sale in any state. To the extent required by MSRB Rules, JEA confirms that it does not object to the distribution of the Official Statements in electronic form. The Final Official Statement shall be provided in a "designated electronic format" (as defined in MSRB Rule G-32). The term "designated electronic format" is defined in MSRB Rule G-32 to mean portable document format, with files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. For files submitted to the Electronic Municipal Market Access system operated by the MSRB on or after January 1, 2010, documents in designated electronic format must be word searchable (without regard to diagrams, images and other non-textual elements).

JEA further agrees to provide the Representative with copies of the Escrow Deposit Agreement and any other advance refunding documents (as defined in MSRB Rule G-32) in a word-searchable pdf format as described in the MSRB's Rule G-32 and shall provide such electronic copy of the word-searchable pdf format of such advance refunding documents to the Underwriters no later than four business days after the Closing Date to enable the Underwriters to comply with MSRB Rule G-32.

JEA authorizes the Representative to file, to the extent required by applicable SEC or MSRB rule, and the Representative agrees to file or cause to be filed, the Official Statement with (i) the MSRB or its designee (including submission to the MSRB's Electronic Municipal Market Access System ("EMMA")) or (ii) other repositories approved from time to time by the SEC (either in addition to or in lieu of the filings referred to above). If a supplement to the Final Official Statement is prepared in accordance with Section 11 hereof during the "primary offering disclosure period," and if required by applicable SEC or MSRB rule, the Representative shall also make the required submission of the supplement to the Final Official Statement to EMMA. The "primary offering disclosure period" is used as defined in MSRB Rule G-32 and shall end on the 25th day after the Closing.

Section 7. Closing, Delivery and Payment. The Bonds shall be printed or reproduced in definitive form as fully registered Bonds and shall be registered initially in the name of Cede & Co., as nominee of DTC, shall be in the denominations of the aggregate par amount of the Bonds of each series and maturity of each series (and, if applicable, each interest rate within a maturity) and shall be made available to, or on behalf of, DTC, 55 Water Street, New York, New York, which shall act as securities depository for the Bonds, not less than one business day prior to the Closing. The Representative may inspect the Bonds prior to the Closing.

The Closing shall be held beginning at 9:00 a.m. on _____, 20__ (the "Closing Date") at the offices of JEA, 225 N. Pearl Street, Jacksonville, Florida, or at such other time and other place as is mutually agreeable to the Representative and JEA. At the Closing and subject to the conditions contained herein, the Representative shall accept the delivery of the Bonds from JEA and shall make payment therefor as provided herein in federal funds or other immediately available funds upon (i) tender by JEA of the definitive Bonds to or on behalf of DTC on behalf of the Underwriters; and (ii) the delivery by JEA to the Underwriters of all the Closing Documents.

Section 8. Closing Documents. The Closing Documents shall consist of at least the following, each properly executed, certified or otherwise verified, dated as of the Closing Date except as otherwise provided below, and in such form as may be satisfactory to Bond Counsel, the Representative and Underwriters' Counsel, including, but not limited to, the matters hereinafter set forth:

(a) Certified copies of the Resolution and the ordinances of the City Council of the City approving the issuance of the Bonds;

(b) JEA's closing certificate confirming (i) the representations made by JEA herein; (ii) the application of the proceeds of the sale of the Bonds and certain other amounts as described in the Final Official Statement; (iii) the adoption and present effectiveness of all resolutions considered necessary, in the opinion of Bond Counsel, in connection with the transactions contemplated hereby, together with copies of said resolutions; (iv) that the Resolution has not been amended since the date of this Agreement, except as may have been consented to in writing by the Representative; and (v) that, except as described in the Official Statements, no material adverse change has occurred with respect to the Electric System and the Scherer 4 Project (all as defined therein), including, without limitation, the financial condition thereof, for the period from September 30, 20[] through the Closing Date;

(c) The approving opinions of Bond Counsel, dated the Closing Date, in substantially the forms attached to the Preliminary Official Statement as Appendix G and Appendix H;

(d) The supplemental opinion of Bond Counsel, dated the Closing Date, addressed to the Underwriters in substantially the form set forth as Annex C hereto;

(e) An opinion of JEA's Counsel to the effect that (i) JEA is a public body corporate and politic and an independent agency of the City, duly organized and validly existing under the laws of the State of Florida and has all the necessary power and authority to issue the Bonds and enter into this Agreement, the Letter of Representations[, the Escrow Deposit Agreement] and the Continuing Disclosure Agreement; (ii) the Resolution has been duly adopted by JEA and this Agreement, the Letter of Representations, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Bonds have been duly authorized, executed and delivered by JEA and such documents and the Resolution constitute legal, valid and binding obligations of JEA enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally, and no opinion need be expressed as to the availability of any discretionary equitable remedy; (iii) the ordinances of the City Council of the City approving the issuance of the Bonds were duly enacted by the City; (iv) JEA has approved the distribution of the Preliminary Official Statement and the Final Official Statement and the execution and delivery of the Final Official Statement to the purchasers of the Bonds; (v) the execution and delivery of the Bonds, this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Letter of Representations, the adoption of the Resolution and the issuance of the Bonds pursuant to the Resolution and compliance with the provisions of the Resolution under the circumstances contemplated thereby and hereby, do not and will not in any material respect conflict with or constitute on the part of JEA a breach of or default under any existing law, regulation, court order or consent decree to which JEA is subject; (vi) nothing has come to such counsel's attention which would lead such counsel to believe that the Final Official Statement (with the exception of the tax treatment of interest on the Bonds, Blue Sky or other securities registration matters, and financial and statistical information, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact necessary to be stated therein to make the statements therein, in light of the circumstances under which they were made, not misleading; (vii) no litigation or proceeding (to which JEA or the City is a party) is pending or to the best of such counsel's knowledge is threatened against or affecting JEA or the City to restrain or enjoin the issuance or delivery of the Bonds or the refunding of the Refunded Bonds or in any way contesting or affecting the authority for the issuance of the Bonds, or the validity of the Bonds or this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] or the Letter of Representations or in any way contesting the corporate existence or the powers of JEA; (viii) except as may be disclosed in the Preliminary Official Statement and the Final Official Statement, no litigation or proceeding (to which JEA or the City is a party) is pending or to the best of such counsel's knowledge is threatened against or affecting JEA or involving any of the business, property or affairs of JEA which involves the possibility of any judgment or liability which may result in any material

adverse change in the financial condition of JEA relating to its electric utility functions; and (ix) JEA has obtained the consents, approvals, authorizations or other orders of all municipal, state or regulatory authorities required for the consummation of the transaction contemplated hereby;

(f) The opinion of Disclosure Counsel, dated the Closing Date, in substantially the form attached hereto as Annex D;

(g) The opinion of Underwriters' Counsel, dated the Closing Date, in substantially the form attached hereto as Annex E;

(h) An executed copy of the Agreed Upon Procedures Letter, dated the day prior to the Closing Date;

(i) A consent, manually signed by the Accountants, to the use of their report in the Official Statements and to the references to their firm therein, dated the day prior to the Closing Date;

(j) Appropriate arbitrage certifications and tax covenants with respect to the Bonds by JEA in form and substance satisfactory to Bond Counsel and Underwriters' Counsel;

(k) Appropriate evidence that the Series Three 2023/24X Bonds have been assigned ratings of "___" by Fitch Ratings ("Fitch"), "___" by Moody's Investors Service, Inc. ("Moody's") and "___" by S&P Global Ratings ("S&P") and the 2023/24 Series X Subordinated Bonds have been assigned ratings of "___" by Fitch, "___" by Moody's and "___" by S&P;

(l) A certificate of the Bond Registrar as to the incumbency of its officers and its power to serve as Bond Registrar in form and substance acceptable to Bond Counsel and Underwriters' Counsel;

(m) A certificate of the Escrow Agent, dated the Closing Date as to (i) the incumbency of its officers, (ii) that the Escrow Agent is a banking corporation, duly organized and validly existing under the laws of the United States of America or the state of its incorporation and authorized to do business in the State, (iii) that the Escrow Agent has duly accepted its duties under the Escrow Deposit Agreement, and (iv) that the Escrow Agent has taken all necessary corporate action required to act as escrow agent under the Escrow Deposit Agreement and to perform its duties thereunder;

(n) A certified copy of the Letter of Representations;

(o) An executed counterpart of the Continuing Disclosure Agreement;

(p) An executed counterpart of the Escrow Deposit Agreement;

(q) [The Verification Report;] and

(r) Such additional legal opinions, certificates, instruments and other documents and such multiple copies of the above listed documents as the Representative, Underwriters' Counsel or Bond Counsel may reasonably request to evidence compliance by JEA with legal requirements; the truth and accuracy, as of the Closing Date, of the respective representations contained herein and in the Final Official Statement; and the due performance or satisfaction by JEA of all agreements to be performed by it and all conditions to be satisfied by it at or prior to the Closing.

Section 9. Termination by Underwriters. This Agreement may be terminated in writing prior to the Closing by the Representative acting on behalf of the Underwriters if any of the following shall occur subsequent to the execution hereof: (i) this Agreement shall not have been accepted by JEA within the time herein provided; (ii) the copies of the Final Official Statement shall not have been provided within the time required by this Agreement; (iii) the Bonds and all of the Closing Documents shall not have been delivered to the Underwriters as of 2:00 p.m. on the Closing Date; (iv)(a) legislation shall have been enacted by the Congress, or introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or (b) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (c) an order, ruling, regulation or communication (including a press release) shall have been issued by the Treasury Department of the United States, the Internal Revenue Service or the Securities and Exchange Commission, or (d) any action shall be taken or statement made by or on behalf of the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, which indicates or implies that interest on the Bonds may not be excludable from gross income for federal income tax purposes or that legislation will be introduced in the next scheduled session of the United States Congress, in each case referred to in clauses (a), (b), (c) and (d), with the purpose or effect, directly or indirectly, of (y) imposing federal income taxation upon interest to be received by any holders of the Bonds or (z) requiring the offer or sale of the Bonds to be registered under the Securities Act of 1933 or the Resolution to be qualified as an indenture under the Trust Indenture Act of 1939; (v) there shall exist any event or circumstance which, in the opinion of the Representative, either makes untrue or incorrect in a material respect any statement or information contained in the Final Official Statement, or any event or circumstance is not reflected in the Final Official Statement but should be reflected therein in order to make the statements and information contained therein, in light of the circumstances under which they were made, not misleading in a material respect; (vi) there shall have occurred any outbreak of hostilities (or the escalation of any hostilities existing on the date hereof) or other national or international calamity or crisis, the effect of such outbreak or escalation, calamity or crisis on the financial markets of the United States of America being such as, in the opinion of the Representative, would make it impracticable for the Underwriters to sell the Bonds, including an effect generally on the market which affects the marketability of the Bonds; (vii) there shall be in force a general suspension of trading on the New York Stock Exchange, or any other major United States stock exchange, or minimum or maximum prices for trading shall have been fixed and be in force; (viii) in the judgment of the Representative, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, might be adversely affected because: (a) additional material restrictions not in force as of the date hereof shall have been

imposed upon trading in securities generally by any governmental authority or by any national securities exchange, or (b) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters; (ix) a general banking moratorium shall have been declared by either federal, New York or Florida authorities having jurisdiction, and shall be in force, or there shall occur any other material disruption in commercial banking or securities settlement or clearance services in the United States; or (x) the rating on any of the Bonds shall have been suspended, withdrawn or downgraded by any of the three rating agencies referred to in paragraph (k) of Section 8 hereof.

Section 10. Termination by JEA. In the absence of a termination of this Agreement by the Representative as permitted by Section 9 hereof, this Agreement may be terminated in writing by JEA in the event that the Underwriters shall fail to accept delivery and pay the purchase price of the Bonds at the Closing upon (i) tender thereof to or on behalf of the Underwriters by JEA and (ii) delivery to the Underwriters of all of the Closing Documents, all as provided in Section 8 hereof, and in such event JEA shall retain the Good Faith Deposit as provided in Section 4 hereof.

Section 11. Changes Affecting the Final Official Statement After the Closing. If during the period from the date of this Agreement and a date 25 days after the End of the Underwriting Period (as defined herein), any event relating to or affecting JEA shall occur the result of which shall make it necessary, in the reasonable opinion of (i) JEA and (ii) the Representative or Underwriters' Counsel, to amend or supplement the Final Official Statement in order to make it not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made not misleading, JEA shall forthwith prepare and furnish to the Underwriters, at JEA's expense, a reasonable number of copies of an amendment of or supplement to the Final Official Statement in form and substance satisfactory to the Representative, so that it then will not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances existing at that time, not misleading; provided, however, JEA will not adopt any amendment or supplement to the Final Official Statement except with the written consent of the Representative, which consent shall not be unreasonably withheld. The "End of the Underwriting Period" shall mean the Closing Date unless the Representative shall in writing advise JEA that the Underwriting Period must be extended, in which case the End of the Underwriting Period shall be the date set forth in such writing, but in no event later than 90 days after the Closing Date.

Section 12. Expenses. The Underwriters shall pay their own out-of-pocket expenses, the fees and expenses of Underwriters' Counsel, and the fees and expenses in connection with the preparation of the Blue Sky memorandum and the registration of the Bonds for "Blue Sky" purposes. JEA acknowledges that the expense component of the Underwriters' discount includes the fees and expenses incurred by the Underwriters as described in the preceding sentence and includes an amount intended to reimburse the Underwriters for incidental expenses (including, but not limited to, transportation, lodging and meals of JEA and Underwriters personnel) incurred by the Underwriters in connection with the transaction contemplated by this Agreement.

JEA acknowledges that it has had an opportunity to consult with its financial advisor in order to evaluate and consider the fees and expenses being incurred as a part of the issuance of the Bonds. JEA shall pay all of the other costs and expenses in connection with the financing contemplated by this Agreement, including, but not limited to: (i) the fees and expenses of Bond Counsel and JEA's Counsel and the expenses of JEA, if any; (ii) any fees and expenses incurred for filing fees; (iii) the fees and expenses of any experts or consultants; (iv) the fees and expenses of the Bond Registrar[, and] the Escrow Agent [and the Verification Report]; (v) the cost of preparation and printing of the Bonds; (vi) the cost of printing and duplication for the Official Statements and any amendments or supplements thereto; (vii) the fees and expenses of the Accountants; and (viii) bond rating agency fees. JEA acknowledges that a portion of the Underwriters' expenses are intended to reimburse the Underwriters for incidental expenses (including, but not limited to, transportation, lodging and meals of JEA and Underwriters personnel) incurred by the Underwriters (on their own behalf or on behalf of JEA personnel), as applicable, in connection with the transaction contemplated by this Agreement.

Section 13. Notices. Any notice or other communication to be given to JEA under this Agreement may be given by delivering the same in writing to the address set forth above; and any such notice or other communication to be given to the Underwriters may be given by delivering the same in writing to the Underwriters in care of _____, _____, _____, _____, Attention: _____.

Section 14. Authority of Representative. The Representative has been duly authorized to execute this Agreement and, pursuant to an agreement among the Underwriters, has been duly authorized to act hereunder by and on behalf of the Underwriters.

Section 15. Parties and Interests; Survival of Representations. This Agreement is made solely for the benefit of JEA and the Underwriters, including the successors and assigns of the Underwriters, and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements by JEA in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the Underwriters, and shall survive the delivery of and payment for the Bonds.

Section 16. Truth-In-Bonding Statement. For purposes of subsections (2) and (3) of Section 218.385, Florida Statutes, as amended, the following Truth in Bonding Statement is made with respect to the Bonds:

JEA is proposing to issue \$_____ of the Bonds. The Bonds are to be issued for the purposes of refunding the Refunded Bonds and paying cost of issuance of the Bonds. The Bonds are expected to be repaid over a period of approximately ____ years. At the interest rates set out in Annex A hereto (being a true interest cost of _____%), total interest paid over the life of the Bonds will be \$_____.

The source of repayment or security for the Bonds is the Revenues of the JEA's Electric System. Issuing the Bonds finances the items described in the preceding paragraph. Authorizing this debt will result in an average annual debt service payment of approximately \$ _____ from Electric System Revenues, which will not otherwise be available to finance the other services or expenditures of JEA each year for approximately _____ years.

Section 17. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original but all of which taken together shall constitute one instrument.

Section 18. Entire Agreement Clause. This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties regarding the transaction contemplated by this Agreement and the process leading thereto. This Bond Purchase Agreement shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]

Very truly yours,

as Representative of the Underwriters

By: _____
Name:
Title:

Accepted by JEA on _____, 20__

By: _____
Name:
Title:

FORM APPROVED:

Office of General Counsel

[Signature Page to Bond Purchase Agreement dated _____, 20__]

ANNEX A

MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS

\$000,000,000 Electric System Revenue Bonds, Series Three 2023/24X

<u>Maturity</u> <u>October 1,</u>	<u>Amount</u> \$	<u>Interest Rate</u> %	<u>Yield</u> %
--------------------------------------	---------------------	---------------------------	-------------------

\$ _____ % Term Bond Due October 1, 20__ - Yield _____ %

\$000,000,000 Electric System Subordinated Revenue Bonds, 2023/24 Series X

<u>Maturity</u> <u>October 1,</u>	<u>Amount</u> \$	<u>Interest Rate</u> %	<u>Yield</u> %
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\$ _____ % Term Bond Due October 1, 20__ - Yield _____ %

Redemption Provisions

[to come]

ANNEX B

CERTIFICATE OF UNDERWRITER REGARDING ISSUE PRICE

<p>\$000,000,000 JEA ELECTRIC SYSTEM REVENUE BOND, SERIES THREE 2023/24X</p>	<p>\$000,000,000 JEA ELECTRIC SYSTEM SUBORDINATED REVENUE BOND, SERIES 2023/24X</p>
---	--

The undersigned, on behalf of _____ (the "Representative"), on behalf of itself and _____ (collectively, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

Hold-the-Offering-Price Maturities.

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price set forth in Schedule A attached hereto.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule B (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule C.

(b) As set forth in the Bond Purchase Agreement for the Bonds, the members of the Underwriting Group have agreed in writing that, (i) for each of the Hold-the-Offering-Price-Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for each Maturity during the Holding Period for such Maturity (the "hold-the-offering-price-rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any of the Hold-the-Offering-Price-Maturities at a price higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) ***Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 20__), or (ii) the date on which the Underwriting Group has sold at least 10% of such Maturity to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(d) *Issuer* means JEA.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [_____, 20__].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Greenberg Traurig, P.A. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

_____, as representative of the
Underwriters

By: _____
Name:

Dated:

ANNEX C

[Form of Supplemental Opinion of Bond Counsel]

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida

[Underwriters]
c/o _____

Re: 000,000,000 JEA Electric System Revenue Bonds, Series Three 2023/24X
(the "Series Three 2023/24X Bonds")
\$000,000,000 JEA Electric System Subordinated Revenue Bonds, 2023/24 Series X
(the "2023/24 Series X Subordinated Bonds")

Ladies and Gentlemen:

We have served as Bond Counsel to JEA in connection with the issuance of the Series Three 2023/24X Bonds and the 2023/24 Series X Subordinated Bonds (collectively, the "Bonds"). This letter is addressed to the underwriters addressed above (the "Underwriters"), pursuant to Section 8(d) of the Bond Purchase Agreement, dated _____, 20__ (the "Bond Purchase Agreement"), between _____, as Representative of the Underwriters, and JEA, providing for the purchase of the Bonds. The Bonds are issued pursuant to the Constitution and laws of the State of Florida, including, in particular, Article 21 of the Charter of the City of Jacksonville, Florida (the "City"), as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended in accordance with the terms thereof prior to the date hereof, and other applicable provisions of law and, in the case of the Series Three 2023/24X Bonds, under and pursuant to a resolution of JEA adopted on August 16, 1988, as supplemented and amended (the "Series Three Resolution"), including as supplemented by Resolution No. 2023-__ of JEA adopted on September 26, 2023, authorizing the Series Three 2023/24X Bonds, which Series Three Resolution amends and supplements a resolution of JEA adopted on March 30, 1982 (the "Electric System Resolution"), as supplemented, amended and restated (such Electric System Resolution, as so supplemented, amended and restated, being herein referred to as the "Resolution") and, in the case of the 2023/24 Series X Subordinated Bonds, under and pursuant to a resolution of JEA (the "Original Subordinated Resolution") adopted on August 16, 1988 authorizing the issuance of JEA's Subordinated Bonds (such resolution, as supplemented, amended and restated, being herein referred to as the "Subordinated Resolution"), including as supplemented by Resolution No. 2023-__ of JEA adopted on September 26, 2023, authorizing the 2023/24 Series X Subordinated Bonds. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the

Resolution or the Subordinated Resolution, or, if not defined therein, in the Bond Purchase Agreement.

On the date hereof, we have delivered our approving opinions (the "Bond Counsel Opinions") concerning the validity of the Bonds and certain other matters to JEA. The opinions and conclusions expressed herein are subject to the same qualifications, limitations and reliances as stated in the Bond Counsel Opinions. The Underwriters may rely on the Bond Counsel Opinions as though such opinions were addressed to them.

In connection with our role as Bond Counsel, we have reviewed the Bond Purchase Agreement; a certified copy of the Resolution; a certified copy of the Subordinated Resolution; a certified copy of Ordinance 82-228-94, enacted by the Council of the City on March 30, 1982, approving, among other things, the Electric System Resolution and the issuance by JEA of Bonds (as defined in the Electric System Resolution); a certified copy of Ordinance 88-1108-554, enacted by the Council of the City on September 27, 1988, approving, among other things, the Series Three Resolution, the issuance by JEA of Series Three Bonds (as defined in the Series Three Resolution), the Original Subordinated Resolution and the issuance by JEA of Subordinated Bonds; a certified copy of Ordinance 92-1411-902, enacted by the Council of the City on September 8, 1992, approving, among other things, the issuance by JEA of Series Three Bonds and Subordinated Bonds; a certified copy of Ordinance 95-736-450, enacted by the Council of the City on September 12, 1995, approving, among other things, the issuance by JEA of Series Three Bonds and Subordinated Bonds; a certified copy of Ordinance 1999-797-E, enacted by the Council of the City on August 24, 1999, approving, among other things, the issuance by JEA of Series Three Bonds and Subordinated Bonds; a certified copy of Ordinance 2001-664-E, enacted by the Council of the City on August 28, 2001, approving, among other things, the issuance by JEA of Series Three Bonds and Subordinated Bonds; a certified copy of Ordinance 2003-844-E, enacted by the Council of the City on August 26, 2003, approving, among other things, the issuance by JEA of Series Three Bonds and Subordinated Bonds; a certified copy of Ordinance 2005-460-E, enacted by the Council of the City on May 10, 2005, approving, among other things, the issuance by JEA of Series Three Bonds and Subordinated Bonds; a certified copy of Ordinance 2008-581-E, enacted by the Council of the City on September 23, 2008, approving, among other things, the issuance by JEA of Series Three Bonds and Subordinated Bonds; a certified copy of Ordinance 2013-490-E, enacted by the Council of the City on September 24, 2013, approving, among other things, the issuance by JEA of Series Three Bonds and Subordinated Bonds; the Official Statement of JEA, dated _____, 20__, relating to the Bonds, including those portions of the Annual Disclosure Report (as defined therein) which are included by reference therein (the "Official Statement"); the Continuing Disclosure Agreement; the Tax Certificate executed and delivered by JEA on the date hereof in connection with the issuance of the Bonds (the "Tax Certificate"); an opinion of the Office of General Counsel of the City, attorney for JEA; certificates of JEA and others; and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

The opinions and conclusions expressed herein are based upon an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our

attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than JEA. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof (except that we have not relied on any such legal conclusions that are to the same effect as the opinions or conclusions set forth herein). We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the Bonds, the Resolution, the Subordinated Resolution, the Tax Certificate, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Bond Purchase Agreement and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against bodies politic and corporate of the State of Florida. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue or waiver or severability provisions contained in the foregoing documents.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. JEA is a public body corporate and politic and an independent agency of the City, duly created and existing under the Constitution and laws of the State of Florida.
2. JEA has the power to issue the Bonds under the laws of the State of Florida.
3. The Bonds have been duly authorized by JEA and all conditions precedent to the issuance of the Bonds have been fulfilled, including, without limitation, all necessary approvals of the City.
4. The Bonds have been duly executed and delivered by JEA and constitute valid and binding special obligations of JEA, enforceable in accordance with their terms.
3. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution and the Subordinated Resolution are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.
4. The statements contained in the Official Statement under the captions "INTRODUCTION – Authorization for the 2021/2022X Bonds, – Purpose of the 2021/2022X Bonds, – Description of the 2021/2022X Bonds, and – Security and Sources of Payment for the 2021/2022X Bonds," "PLAN OF REFUNDING," "DESCRIPTION OF THE SERIES THREE 2021/2022X BONDS," "DESCRIPTION OF THE 2021/2022 SERIES X SUBORDINATED BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES THREE 2021/2022X BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE 2021/2022 SERIES X SUBORDINATED BONDS," and "TAX MATTERS" and the statements contained in "SUMMARY OF CERTAIN PROVISIONS OF THE ELECTRIC SYSTEM RESOLUTION" in Appendix B to the Final Official Statement, "SUMMARY OF CERTAIN PROVISIONS OF THE

SUBORDINATED ELECTRIC SYSTEM RESOLUTION" in Appendix C to the Final Official Statement, "SUMMARY OF CERTAIN PROVISIONS OF THE SECOND POWER PARK RESOLUTION," in Appendix D to the Final Official Statement, "SUMMARY OF CERTAIN PROVISIONS OF THE RESTATED AND AMENDED BULK POWER SUPPLY SYSTEM RESOLUTION," in Appendix E to the Final Official Statement and "SUMMARY OF CERTAIN PROVISIONS OF AGREEMENTS RELATING TO SCHERER UNIT 4" in Appendix G to the Final Official Statement, insofar as such statements expressly summarize certain provisions of the Resolution, the Subordinated Resolution, the Second Power Park Resolution (as defined in the Final Official Statement), the Restated and Amended Bulk Power Supply System Resolution (as defined in the Final Official Statement), the Scherer Unit 4 Purchase Agreement (as defined in the Final Official Statement), the Scherer Unit 4 Operating Agreement (as defined in the Final Official Statement), the Scherer Unit 4 Agency Agreement (as defined in the Final Official Statement), and the form and content of our Bond Counsel Opinions, are accurate in all material respects.

5. We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in paragraph 4 above), completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. We do not assume any responsibility for any electronic version of the Official Statement, and assume that any such version is identical in all respects to the printed version. In our capacity as Bond Counsel in connection with the issuance of the Bonds, we participated in conferences with your representatives, your counsel, representatives of JEA, representatives of PFM Financial Advisors LLC, JEA's Financial Advisor, representatives of Ernst & Young LLP, independent certified public accountants, JEA's auditors, and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon and on the records, documents, certificates, opinions and matters herein mentioned (as set forth above), subject to the limitations on our role as Bond Counsel, we advise you as a matter of fact and not opinion that no facts came to the attention of the attorneys in our firm rendering legal services in connection with such issuance which caused us to believe that the Official Statement as of its date and as of the date hereof (except for any CUSIP numbers, financial, accounting, statistical, economic or engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion (other than our opinions relating to the Bonds), any information about book-entry or DTC and the information contained in Appendices A, B and C to the Official Statement, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No responsibility is undertaken or opinion rendered with respect to any other disclosure document, materials or activity.

6. The Continuing Disclosure Agreement has been duly executed and delivered by JEA and is a valid and binding agreement of JEA, enforceable in accordance with its terms. No opinion regarding the adequacy of the Continuing Disclosure Agreement for purposes of SEC Rule 15c2-12 may be inferred from this opinion.

7. In reliance upon the certifications, directions and acknowledgements of JEA and the Paying Agent for the respective Refunded Series Three Bonds and Refunded Subordinated Bonds (as such terms are defined in the Official Statement), upon deposit of amounts sufficient to pay the redemption price of, and interest on, the respective Refunded Series Three Bonds and Refunded Subordinated Bonds on _____, 20__, the date such Refunded Series Three Bonds and Refunded Subordinated Bonds have been called for redemption, with the Paying Agent therefor, the Refunded Series Three Bonds will no longer be "Outstanding" within the meaning of the Resolution and the Refunded Subordinated Bonds will no longer be deemed "Outstanding" within the meaning of the Subordinated Resolution.

This letter is furnished by us as Bond Counsel to JEA. No attorney-client relationship has existed or exists between our firm and the Underwriters in connection with the Bonds or by virtue of this letter. Our engagement with respect to the Bonds has concluded with their issuance. We disclaim any obligation to update this letter. This letter is delivered to JEA, as the issuer of the Bonds and the Underwriters in their capacity as the Underwriters of the Bonds, is solely for your benefit in such capacities and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not specifically addressed.

Respectfully submitted,

ANNEX D

[Form of Disclosure Counsel Opinion]

_____, 20__

JEA
Jacksonville, Florida

Re: \$000,000,000 JEA Electric System Revenue Bonds, Series Three 2023/24X
\$000,000,000 JEA Electric System Subordinated Revenue Bonds, 2023/24 Series X

Ladies and Gentlemen:

We have acted as Disclosure Counsel to JEA in connection with the issuance of the above-captioned obligations (the "Bonds") which are today being delivered to [Representative], as senior managing underwriter on behalf of itself and [Underwriters] (the "Underwriters"). In such capacity, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

Because the primary purpose of our professional engagement as your counsel was not to establish factual matters and because of the wholly or partially nonlegal character of many of the determinations involved in the preparation of the Preliminary Official Statement dated _____, 202__ and the Official Statement dated _____, 202__ related to the Bonds (collectively, the "Official Statements"), we are not passing on and do not assume any responsibility for, except as set forth below, the accuracy, completeness or fairness of the statements contained in the Final Official Statement (including any appendices, schedules and exhibits thereto) and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements. Our engagement has necessarily involved a review of certain demographic, financial, statistical and operating data or information, however we express no opinion regarding the accuracy and completeness of any such information.

We have generally reviewed information furnished to us by, and have participated in telephone conferences and meetings with, representatives of JEA, JEA's Counsel, PFM Financial Advisors LLC, the financial advisor to JEA, the Underwriters and others, in which such contents of the Official Statements and related matters were discussed. We have reviewed information concerning JEA's audited financial statements and meeting minutes and other materials we deemed relevant. With your permission, we have relied upon certificates of officials of JEA and others, and upon certain other opinions, certificates and/or letters delivered in connection with the issuance of the Bonds, including, without limitation, those received from JEA's Counsel. In addition, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

Based on the foregoing assumptions and reliances, and subject to the qualifications stated herein, we are of the opinion that:

1. Based solely upon our review and discussions noted above, and in reliance upon the accuracy of the information contained in the aforementioned certificates, letters and opinions, but without having undertaken any independent investigation or verification of such information, nothing has come to the attention of the attorneys in our firm rendering legal services in accordance with this representation which leads us to believe that the Official Statements contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that we express no opinion regarding historical or projected financial information, demographic, statistical or operating data or information included in the Official Statements, including but not limited to appendices, schedules and exhibits thereto, or any information about The Depository Trust Company and its book entry system of registration.

2. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Bond Resolution and the Subordinated Bond Resolution (as both terms are defined in the Official Statements) are exempt from qualification under the Trust Indenture Act of 1939, as amended.

The opinions expressed herein are predicated upon present law, facts and circumstances; and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof or of any subsequent events or developments which might affect the opinions expressed herein. The opinions expressed herein represent professional judgment, and are not a guarantee of result.

The opinions expressed herein are limited to the laws of the State of Florida and the United States of America.

This opinion letter may be relied upon by you only and only in connection with the transaction to which reference is made above and may not be used or relied upon by any other person for any purposes whatsoever without our prior written consent. This opinion letter is not rendered to, and may not be relied upon by, holders or owners of the Bonds. The opinions expressed herein are limited to the matters set forth herein, and to the documents referred to herein and do not extend to any other agreements, documents or instruments executed by the Issuer, and no other opinion should be inferred beyond the matters expressly stated herein

ANNEX E

[Form of Underwriters' Counsel Opinion]

_____, 20__

[Underwriters]

c/o _____

Re: \$000,000,000 JEA Electric System Revenue Bonds, Series Three 2023/24X
\$000,000,000 JEA Electric System Subordinated Revenue Bonds, 2023/24 Series X

Ladies and Gentlemen:

We have acted as counsel to you (the "Underwriters") in connection with the purchase by the Underwriters from JEA of the captioned obligations designated Series Three 2023/24X (the "Series Three 2023/24X Bonds") and the captioned obligations designated 2023/24 Series X (the "2023/24 Series X Subordinated Bonds" and, together with the Series Three 2023/24X Bonds, the "Bonds"). As such counsel, we have examined the Official Statement, dated _____, 20__, relating to the Bonds (the "Official Statement"), the Bond Purchase Agreement, dated _____, 20__, by and between _____, as Representative of the Underwriters named therein and JEA, with respect to the Bonds (the "Bond Purchase Agreement"), the Resolution (as defined in the Bond Purchase Agreement), the Continuing Disclosure Agreement (as defined in the Bond Purchase Agreement), and such other matters as we have deemed necessary; and we have participated in discussions and conferences with members of JEA and its staff, bond counsel, JEA's financial advisor, and the independent certified public accountants with respect to matters contained and included by reference in the Official Statement.

From such examination, we are of the opinion that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

We are not passing upon, do not assume responsibility for, and have not independently verified the accuracy, completeness, or fairness of the statements contained or included by reference in the Official Statement. In addition, we are not experts in evaluating the business, operations, or financial condition of public power authorities in general or JEA in particular. As your counsel we have participated in the preparation of the Official Statement and in the discussions referred to above with respect to the Official Statement. In the course of such preparation, discussions and review nothing has come to our attention which leads us to believe that the Official Statement (except for the appendices thereto and references to such appendices and the graphic, engineering, financial and statistical information, any information about book-entry or DTC (as such term is defined in the Official Statement), as to which we express no view) contains any untrue statement of a material fact or omits to state a material fact required to be

stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

We are further of the opinion that the Continuing Disclosure Agreement satisfies the requirements contained in Securities and Exchange Commission Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule.

We are furnishing this letter to you pursuant to Section 8(g) of the Bond Purchase Agreement solely for your benefit as Underwriters. Our engagement with respect to this matter has terminated as of the date hereof, and we disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not specifically addressed.

Respectfully submitted,

ANNEX F

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida 32202

Re: \$000,000,000 JEA Electric System Revenue Bonds, Series Three 2023/24X
\$000,000,000 JEA Electric System Subordinated Revenue Bonds, 2023/24 Series X

Ladies and Gentlemen:

In connection with the proposed issuance by JEA (the "Issuer") of \$000,000,000 in aggregate principal amount of Electric System Revenue Bonds, Series Three 2023/24X and \$000,000,000 in aggregate principal amount of Electric System Subordinated Revenue Bonds, 2023/24 Series X (collectively, the "Bonds"), [Underwriters] (collectively, the "Underwriters") are preparing to underwrite a public offering of the Bonds. Arrangements for underwriting the Bonds will be pursuant to a Bond Purchase Agreement between the Issuer and the Underwriters.

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385(6), Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the underwriting of the Bonds as follows:

- (a) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the purchase and reoffering of the Bonds are set forth in Schedule I attached hereto.
- (b) Based upon representations of the Underwriters, there are no "finders," as defined in Section 218.386, Florida Statutes, as amended, connected with the issuance of the Bonds.
- (c) The underwriting spread (*i.e.*, the difference between the price at which the Bonds will be initially offered to the public by the Underwriters and the price to be paid to the Issuer for the Bonds) will be \$_____ per \$1,000 bond or \$_____.
- (d) The Underwriters will charge no management fee.
- (e) There is no other fee, bonus or other compensation to be paid by the Underwriters in connection with the issuance of the Bonds to any person not regularly employed or retained by the Underwriters, except as specifically enumerated as expenses

referred to in paragraph (a) above to be incurred by the Underwriters as set forth in Schedule I attached hereto.

(f) The names and addresses of the Underwriters are:

We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385(6), Florida Statutes, as amended.

Very truly yours,

[Underwriters]

By: _____
Name:
Title:

SCHEDULE I

ESTIMATED UNDERWRITERS' FEE AND EXPENSES

<u>Underwriters' Fee</u>	<u>Dollar Amount</u>	<u>Per \$1,000 Bond</u>
Average Takedown	\$ _____	\$ _____
Expenses:		
Underwriters' Counsel	_____	_____
Dalcomp	_____	_____
Dalnet	_____	_____
CUSIP	_____	_____
DTC	_____	_____
Additional Counsel Fee (_____)	_____	_____
	=====	=====
Total Fees and Expenses	\$ _____	\$ _____

ANNEX G

REFUNDED BONDS

[Insert name(s) of Series]

ESCROW DEPOSIT AGREEMENT

relating to

JEA ELECTRIC SYSTEM REVENUE BONDS, SERIES THREE 2023/24 X

THIS ESCROW DEPOSIT AGREEMENT, dated as of _____, 20__, by and between JEA, a public body corporate and politic organized under the laws of the State of Florida and _____, as Escrow Agent;

WITNESSETH:

WHEREAS, JEA has previously authorized and issued obligations of JEA as hereinafter set forth and defined as the "Refunded Obligations," as to which the Aggregate Debt Service (as hereinafter defined) is set forth on Schedule A attached hereto; and

WHEREAS, JEA has determined to provide for refunding of the Aggregate Debt Service of the Refunded Obligations by depositing with the Escrow Agent cash and Defeasance Securities, which will be sufficient to pay the Aggregate Debt Service on the Refunded Obligations; and

WHEREAS, in order to obtain a portion of the funds needed for such purpose JEA has authorized and is, concurrently with the delivery of this Agreement, issuing its Electric System Revenue Bonds, Series Three 2023/24 X; and

WHEREAS, JEA has determined that the amount to be on deposit, from time to time, in the Escrow Account, as defined herein, will be sufficient to pay the Aggregate Debt Service;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, JEA and the Escrow Agent agree as follows:

SECTION 1. Definitions. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution (as defined below). As used herein, the following terms shall have the following meanings:

(a) "Aggregate Debt Service" means the sum of all present and future Annual Debt Service payments then remaining unpaid with respect to the Refunded Obligations through the final Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(b) "Agreement" means this Escrow Deposit Agreement.

(c) "Annual Debt Service" means, in any year, the redemption price or principal of, and interest on, the Refunded Obligations coming due or being redeemed on the respective Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(d) "Defeasance Securities" means securities permitted by Section 17 of the Resolution.

(e) "Escrow Account" means the Escrow Account identified in Section 2 herein and established and held by the Escrow Agent pursuant to this Agreement in which a portion of the proceeds from the sale of the Bonds and certain other funds will be held for payment of the Refunded Obligations.

(f) "Escrow Agent" means _____ with the power to accept trusts in the State of Florida.

(g) "Escrow Deposit Requirement" means, as of any date of calculation, the principal amount of cash and any Defeasance Securities in the Escrow Account which, together with the interest due on the Defeasance Securities, will be sufficient to pay, as the installments thereof become due, the Aggregate Debt Service.

(h) "Paying Agent" means _____ in its capacity as the paying agent for the Refunded Obligations.

(i) "Redemption Date" means the redemption date or dates for the Refunded Obligations, as set forth in Schedule B hereto.

(j) "Refunded Obligations" means the Electric System Revenue Bonds, Series Three listed in Schedule B hereto.

(k) "Resolution" means the resolution duly adopted by JEA on March 30, 1982, as amended and supplemented, and particularly as supplemented by resolutions adopted by JEA authorizing the issuance of the Refunded Obligations.

(l) "2023/24 X Bonds" means the Electric System Revenue Bonds, Series Three 2023/24 X of JEA.

SECTION 2. Deposit of Funds. With respect to the Refunded Obligations, JEA hereby deposits \$ _____ with the Escrow Agent in immediately available funds (the "Escrow Deposit Amount"), to be held in irrevocable escrow by the Escrow Agent in a separate escrow trust fund (the "Escrow Account") and applied solely as provided in this Agreement. JEA represents that (i) \$ _____ of such funds are derived by JEA from a portion of the proceeds of the 2023/24 X Bonds and (ii) \$ _____ of such funds are derived by JEA from amounts on deposit in the Debt Service Account established pursuant to the Resolution.

JEA represents, that such funds, when applied pursuant to Section 3 below, will at least equal the Escrow Deposit Requirement as of the date hereof.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees:

(a) Concurrently with the receipt of the proceeds and other moneys as described in Section 2, the Escrow Agent will apply \$ _____ of such amount to the purchase of

\$_____ aggregate principal or par amount of Defeasance Securities specifically described in Schedule D, and the remaining \$_____ will be held as cash for the benefit of the holders of the Refunded Obligations. Defeasance Securities held by the Escrow Agent are to mature in such principal amounts and pay interest in such amounts and at such times so that sufficient moneys are available to pay when due the principal of and interest on all outstanding Refunded Obligations as further set forth in Schedule B;

(b) there will be no investment of funds except as set forth in this Section 3 and in Section 5;

(c) to hold the proceeds of all investments in the Escrow Account in such Account in trust (separate from all other funds of the Escrow Agent) for the benefit of the owners of the Refunded Obligations from the date of receipt thereof to the date on which such proceeds are scheduled to be paid out of the Escrow Account and applied only for the purposes thereof, as set forth on Schedule A attached hereto; and

(d) to hold the funds and securities in the Escrow Account in irrevocable escrow during the term of this Agreement.

SECTION 4. Payment of Refunded Obligations.

(a) ***Payment of Refunded Obligations.*** The Escrow Agent shall pay to the Paying Agent for the Refunded Obligations, from the cash on hand in the Escrow Account, a sum sufficient to pay the Annual Debt Service coming due on such date with respect to the Refunded Obligations, as shown on Schedule A attached hereto.

(b) ***Surplus.*** On the Redemption Date, after making the payment from the Escrow Account described in Subsection 4(a), the Escrow Agent shall pay to JEA the remaining cash, if any, in the Escrow Account. JEA shall apply the payment made to it hereunder to the payment of the principal of and interest on the 2023/24 X Bonds or for other uses permitted under the Resolution, but the Escrow Agent shall have no duty or responsibility to ensure that JEA does so.

(c) ***Payments Due on Saturdays, Sundays and Holidays.*** If any payment date shall be a legal holiday or a day on which banking institutions in the city in which is located the designated office of the Paying Agent are authorized by law to remain closed, then the Escrow Agent may make the payments required by Subsections 4(a) and 4(b) to the Paying Agent or JEA, as the case may be, on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and this Section, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Defeasance Securities held hereunder.

(b) At the written request of JEA and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the

Defeasance Securities acquired hereunder and shall substitute other Defeasance Securities and reinvest any excess receipts in Defeasance Securities. JEA will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation. Such substitutions and reinvestments may be effected only if (i) an independent certified public accountant selected by JEA shall certify or opine in writing to JEA and the Escrow Agent that the cash and principal amount of Defeasance Securities remaining on hand after the transactions are completed will be not less than the Escrow Deposit Requirement, and (ii) the Escrow Agent shall receive an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to JEA to the effect that the transactions, in and by themselves, will not cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(b) above notwithstanding, cash in excess of the Escrow Deposit Requirement caused by substitution of Defeasance Securities shall, as soon as practicable, be paid to JEA.

SECTION 6. Redemption of Refunded Obligations. JEA has exercised its option to redeem the Refunded Obligations prior to the maturity thereof on the Redemption Date as shown on Schedule B attached hereto.

SECTION 7. Redemption and Defeasance Notices. JEA has previously directed the Bond Registrar for the Refunded Obligations to give notice of redemption of such Refunded Obligations. JEA hereby directs _____ as Bond Registrar to provide notice of defeasance in the form provided in Schedule E attached hereto for the Refunded Obligations. Redemption notices and defeasance notices distributed by the Bond Registrar will be sent to bondholders pursuant to the Resolution, as supplemented, and will be distributed to the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system.

SECTION 8. Indemnity. To the extent permitted by applicable law, including but not limited to Section 768.28, Florida Statutes, JEA hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and attorneys' disbursements and expenses) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by JEA or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds and securities deposited therein, the purchase of the Defeasance Securities, the retention of the Defeasance Securities or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; *provided, however*, that JEA shall not be required to indemnify the Escrow Agent, its successors, assigns, agents and servants against the negligence or willful misconduct of the Escrow Agent or its successors, assigns, agents and servants. In no event shall JEA or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section

shall survive the termination of this Agreement. Nothing in this Section contained shall give rise to any liability on the part of JEA in favor or any person other than the Escrow Agent.

SECTION 9. Responsibilities of Escrow Agent; Fees. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the retention of the Defeasance Securities or the proceeds thereof or any investment, payment, transfer, or other application of money or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties or non-willful misconduct. The Escrow Agent shall, however, be liable to JEA for its negligent acts, omissions or errors or willful misconduct which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of JEA. The fees of the Escrow Agent shall be paid by JEA at the time this Agreement is executed and delivered, such fees to be as set forth on Schedule C attached hereto. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in the Escrow Account for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 10. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Obligations have been paid and discharged in accordance with the proceedings authorizing the Refunded Obligations.

SECTION 11. Amendments. This Agreement is made for the benefit of JEA and the holders from time to time of the Refunded Obligations and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and JEA; *provided, however,* that JEA and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Obligations, any additional rights, remedies, power or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject additional funds, securities or properties to this Agreement.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Obligations, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of JEA or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be one and the same instrument.

SECTION 14. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Deposit Agreement to be executed by their duly authorized officers and JEA's official seal to be hereunto affixed and attested as of the date first above written.



JEA

ATTEST:

By: _____
Title:

By: _____
Secretary

Form Approved:

Office of General Counsel

_____,
as Escrow Agent

By: _____
Its: _____

*[Signature page to Escrow Deposit Agreement relating to
JEA Electric System Revenue Bonds, 2023/24 Series*

**SCHEDULE A
REFUNDED OBLIGATIONS**

The Aggregate Debt Service for the Refunded Obligations is shown in the following table:

<u>Date</u>	<u>Interest</u>	<u>Principal Redeemed</u>	<u>Redemption Premium</u>	<u>Total</u>
	\$	\$		\$

**SCHEDULE B
LIST OF REFUNDED OBLIGATIONS**

The Refunded Bonds will consist of the Electric System Revenue Bonds, Series Three listed in the following table.

<u>Series Three</u>	<u>Maturity Date (October 1)</u>	<u>Amount to be Refunded</u> \$	<u>Redemption Date</u>	<u>Redemption Price (expressed as a percentage of principal amount)</u> %	<u>CUSIP*</u>
Total		_____			

* The CUSIP numbers listed here are provided for the convenience of readers. JEA is not responsible for the accuracy or completeness of such numbers.

**SCHEDULE C
FEES OF ESCROW AGENT**

The fee of the Escrow Agent for its services hereunder shall be \$____; provided, JEA agrees to reimburse the Escrow Agent for its reasonable out-of-pocket expenses at cost.

SCHEDULE D

ESCROW DESCRIPTIONS DETAIL

<u>Type of Security</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Cost</u>	<u>Accrued Interest</u>	<u>Total Cost</u>
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SCHEDULE E

**NOTICE OF DEFEASANCE AND DESIGNATION
OF CERTAIN BONDS FOR PRIOR REDEMPTION**

JEA

ELECTRIC SYSTEM REVENUE BONDS

described in Exhibit A hereto *

NOTICE IS HEREBY GIVEN to the holders of JEA's Electric System Revenue Bonds described above and in Exhibit A attached hereto (the "Refunded Bonds") that JEA has (i) deposited on _____ with _____, the Escrow Agent for the Refunded Bonds, cash and Defeasance Securities which will provide monies sufficient to pay when due the interest on the Refunded Bonds through the redemption date or maturity date, as applicable, and the principal together with any applicable redemption premium thereon, free and clear of any trust, lien or pledge securing said Refunded Bonds or otherwise existing under the Resolution (as defined below) and (ii) irrevocably designated the Refunded Bonds which are subject to redemption prior to maturity for redemption as aforesaid. As a result of such deposit, said Refunded Bonds are deemed to have been paid and to be no longer Outstanding in accordance with the resolution authorizing the issuance of Electric System Revenue Bonds, adopted by JEA on March 30, 1982, as amended (the "Resolution"). Any such redemption does not apply to any bonds issued under the Resolution other than the Refunded Bonds. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution.

JEA

By: _____,
as Escrow Agent

Dated:

* No representation is made as to the accuracy of the CUSIP number either as printed on the Refunded Bonds or as set forth in this Notice.

EXHIBIT A
REFUNDED BONDS

<u>Refunded Bonds</u>	<u>Par Amount to be Refunded</u>	<u>Outstanding Par Amount Prior to Refunding</u>	<u>Maturity (October 1)</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>Original CUSIP*</u>	<u>Refunded CUSIP*</u>	<u>Unrefunded CUSIP*</u>
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RESOLUTION NO. 2023-41

JEA

Not To Exceed

\$160,000,000

**Electric System Subordinated
Revenue Bonds, 2023/24 Series X**

**FIFTY-NINTH SUPPLEMENTAL SUBORDINATED
ELECTRIC SYSTEM RESOLUTION**

Adopted September 26, 2023

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**FIFTY-NINTH SUPPLEMENTAL SUBORDINATED
ELECTRIC SYSTEM RESOLUTION**

A RESOLUTION OF JEA SUPPLEMENTING THE RESOLUTION OF JEA ADOPTED ON AUGUST 16, 1988, AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS, AS SUPPLEMENTED AND AMENDED; AUTHORIZING THE ISSUANCE OF ITS ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS, 2023/24 SERIES X IN AN ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$160,000,000 FOR THE PURPOSE OF FINANCING THE REFUNDING OF CERTAIN OF JEA'S OUTSTANDING ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS, FINANCING THE TERMINATION OF FLOATING-TO-FIXED RATE INTEREST RATE SWAP TRANSACTIONS ASSOCIATED WITH OUTSTANDING VARIABLE RATE ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS TO BE REFUNDED AND PAYING THE COSTS OF ISSUANCE OF SUCH SUBORDINATED BONDS; AUTHORIZING THE TERMINATION OR PARTIAL TERMINATION OF FLOATING-TO-FIXED RATE INTEREST RATE SWAP TRANSACTIONS ASSOCIATED WITH OUTSTANDING VARIABLE RATE ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS TO BE REFUNDED; ESTABLISHING CRITERIA FOR AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; AUTHORIZING THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER TO AWARD THE SALE OF SAID SUBORDINATED BONDS IN ONE OR MORE SERIES TO THE UNDERWRITERS DESCRIBED HEREIN PURSUANT TO A NEGOTIATED SALE AND APPROVING THE CONDITIONS AND CRITERIA FOR SUCH SALE; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; APPOINTING U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION AS SUBORDINATED BOND REGISTRAR AND PAYING AGENT FOR SAID SUBORDINATED BONDS; PROVIDING FOR THE APPOINTMENT OF AN ESCROW AGENT FOR THE REFUNDED SUBORDINATED BONDS AND APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT; APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO THE SUBORDINATED BONDS AND AUTHORIZING THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER, THE CHIEF FINANCIAL OFFICER OR THE TREASURER TO DEEM THE PRELIMINARY OFFICIAL STATEMENT FINAL FOR PURPOSES OF SEC RULE 15c2-12; AUTHORIZING THE APPROVAL AND EXECUTION OF A FINAL OFFICIAL STATEMENT WITH RESPECT TO SAID SUBORDINATED BONDS; AUTHORIZING THE REGISTRATION OR QUALIFICATION OF SAID SUBORDINATED BONDS UNDER THE BLUE SKY LAWS OF THE VARIOUS STATES; APPROVING THE FORM

AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; PROVIDING FEDERAL INCOME TAX COVENANTS; AUTHORIZING CERTAIN OFFICIALS OF JEA TO TAKE OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID SUBORDINATED BONDS, THE REFUNDING AND REDEMPTION OF SAID REFUNDED SUBORDINATED BONDS AND THE TERMINATION OR PARTIAL TERMINATION OF INTEREST RATE SWAP TRANSACTIONS ASSOCIATED WITH THE VARIABLE RATE REFUNDED SUBORDINATED BONDS; PROVIDING FOR SEVERABILITY AND CERTAIN OTHER DETAILS WITH RESPECT THERETO; SUPERSEDING AND REPEALING THE AUTHORIZATION TO ISSUE ADDITIONAL DEBT UNDER RESOLUTION NO. 2023-02; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED by JEA as follows:

**ARTICLE I
AUTHORITY, DEFINITIONS AND FINDINGS**

SECTION 101. Supplemental Subordinated Resolution. This Fifty-Ninth Supplemental Subordinated Electric System Resolution is adopted pursuant to Article 21 of the Charter of the City of Jacksonville, Florida (the "City"), as amended, and other applicable provisions of law and is supplemental to, and is adopted in accordance with, Article X of the resolution of JEA adopted on August 16, 1988 entitled "A Resolution of the Jacksonville Electric Authority authorizing the issuance of Electric System Subordinated Revenue Bonds of said Authority for the purpose of financing the construction and acquisition of additions, extensions and improvements to the Electric System of said Authority and the refunding of certain indebtedness of said Authority, and any other lawful purpose of said Authority relating to its Electric System; specifying definitions and the statutory authority therefor; specifying terms and conditions for the authorization and issuance of said Bonds; specifying general terms and provisions of said Bonds; specifying general terms for the redemption of said Bonds; providing for the payment and security of said Bonds and providing for the establishment of Funds and application thereof; making certain covenants and agreements with the Holders of said Bonds; establishing Events of Default and remedies therefor; providing for the rights and responsibilities of the Fiduciaries; providing for amending and supplementing such Resolution; providing certain other matters in connection with said Bonds; and providing an effective date," as heretofore amended, restated and supplemented (the "Subordinated Resolution").

SECTION 102. Definitions. 1. Except as provided by this Fifty-Ninth Supplemental Subordinated Electric System Resolution, all terms which are defined in Section 2 of the Electric System Resolution (as defined in the Subordinated Resolution) and in Section 1.01 of the Subordinated Resolution shall have the same meanings, respectively, herein as such terms are given in said Section 2 of the Electric System Resolution and in said Section 1.01 of the Subordinated Resolution. Words importing a singular number shall include the plural number in each case and vice versa, and words importing persons shall include business entities.

2. In this Fifty-Ninth Supplemental Subordinated Electric System Resolution, the following terms shall have the indicated meanings:

"Authorized Officer of JEA" shall mean (1) the Chair, the Vice Chair, the Secretary and any Assistant Secretary of JEA, (2) the Managing Director/CEO, (3) the Chief Operating Officer, (4) the Vice President, Electric Systems, the Chief Financial Officer, the Vice President, Financial Services and the Treasurer of JEA (or any officer of JEA hereafter serving in a capacity equivalent to that of any of the foregoing officers) or (5) any other officer or employee of JEA authorized to perform specific acts or duties by resolution duly adopted by JEA.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement to be entered into between JEA and the Underwriters named therein relating to a particular Series of the 2023/24 Series X Subordinated Bonds, the form of which is attached as Exhibit A to Resolution No. 2023-01.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement to be delivered by JEA in connection with the issuance of a particular Series of the 2023/24 Series X Subordinated Bonds, a form of which is attached as Appendix I to the Form Preliminary Official Statement.

"Delivery Date" shall mean the date of initial issuance and delivery of a particular Series of the 2023/24 Series X Subordinated Bonds (however such Subordinated Bonds are identified upon initial issuance and delivery pursuant to the certificate referred to in Section 203 hereof relating to the 2023/24 Series X Subordinated Bonds of such Series).

"DTC" shall mean The Depository Trust Company.

"Escrow Agent" shall mean the bank or trust company appointed as escrow agent under an Escrow Deposit Agreement, if any, and its duly appointed successors, such appointment, with respect to a particular Series of the 2023/24 Series X Subordinated Bonds, to be made in the certificate referred to in Section 203 hereof relating to the 2023/24 Series X Subordinated Bonds of such Series.

"Escrow Deposit Agreement" shall mean each escrow deposit agreement between JEA and an Escrow Agent that may be entered into concurrently with the issuance and delivery of any Series of the 2023/24 Series X Subordinated Bonds, a form of which is attached hereto as Exhibit A.

"Fifty-Ninth Supplemental Subordinated Resolution" shall mean this Fifty-Ninth Supplemental Subordinated Electric System Resolution (Resolution No. 2023-___), as from time to time amended or supplemented by Supplemental Subordinated Resolutions in accordance with the terms of the Subordinated Resolution. This Fifty-Ninth Supplemental Subordinated Resolution shall constitute a Supplemental Subordinated Resolution within the meaning of the Subordinated Resolution.

"Form Preliminary Official Statement" shall mean the preliminary official statement relating to the 2023/24 Series X Subordinated Bonds in substantially the form of the Preliminary Official Statement relating to Electric System Subordinated Revenue Bonds, 2021 Series A, or any other Preliminary Official Statement more recently executed and delivered by JEA in connection with the sale of bonds, in each case with such changes, omissions, insertions and revisions as an Authorized Officer of JEA shall deem necessary or appropriate.

"Letter of Representations" shall mean the Blanket Issuer Letter of Representations, dated May 6, 2004, from JEA to DTC, providing for the issuance of certain obligations of JEA (including the 2023/24 Series X Subordinated Bonds) in book-entry form through the facilities of DTC or any successor Blanket Issuer Letter of Representations from JEA to DTC.

"Managing Director/CEO" shall mean the Managing Director and Chief Executive Officer of JEA.

"Refunded Subordinated Bonds" shall mean, with respect to any particular Series of 2023/24 Series X Subordinated Bonds, the Subordinated Bonds of the Series and maturities (and, if applicable, interest rates within maturities) in the respective principal amounts, to be refunded thereby, as identified by the Managing Director/CEO in the certificate described in Section 203 hereof relating to the 2023/24 Series X Subordinated Bonds of such Series.

"Resolution No. 2023-01" shall mean Resolution No. 2023-01 of JEA adopted on the date of adoption hereof authorizing the issuance of JEA Electric System Revenue Bonds, Series Three 2023/24X.

"Rule 15c2-12" shall mean Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Sale Date" with respect to a particular Series of 2023/24 Series X Subordinated Bonds, shall mean the date on which JEA enters into a Bond Purchase Agreement with respect to such Series of 2023/24 Series X Subordinated Bonds.

"Subordinated Bond Fund" shall mean the Subordinated Bond Fund established pursuant to the Subordinated Resolution.

"Subordinated Interest Rate Swap Transactions" shall mean the floating-to-fixed rate interest rate swap transactions entered into by JEA associated with variable rate Refunded Subordinated Bonds which interest rate swap transactions are to be terminated, in whole or in part, contemporaneously with the issuance of a Series of 2023/24 Series X Subordinated Bonds.

"Underwriters" shall mean any or all of the other investment banking firms under contract with JEA for the purpose of underwriting negotiated sales of JEA's debt named in the applicable Bond Purchase Agreement.

"2023/24 Series X Subordinated Bonds" shall mean the Electric System Subordinated Revenue Bonds, 2023/24 Series X of JEA authorized to be issued and sold pursuant to Article II of this Fifty-Ninth Supplemental Subordinated Resolution.

SECTION 103. Findings. It is hereby ascertained, determined and declared that:

A. Pursuant to the Subordinated Resolution, JEA has heretofore authorized the issuance of Subordinated Bonds in one or more Series.

B. Pursuant to its Ordinances 88-1108-554, 92-1411-902, 95-736-450, 1999-797-E, 2001-664-E, 2003-844-E, 2005-460-E, 2008-581-E and 2013-490-E, the Council of the City has authorized, among other things, the issuance and sale by JEA of Subordinated Bonds for the purposes, among others, of financing the refunding of any Subordinated Bonds.

C. It is in the best interests of JEA to provide for the refunding of the Refunded Subordinated Bonds to permit JEA to (i) refund fixed rate Subordinated Bonds at favorable interest rates, (ii) refund variable rate debt with fixed rate bonds at favorable fixed interest rates, and (iii) terminate or partially terminate Subordinated Interest Rate Swap Transactions in an aggregate notional amount not to exceed the principal amount of the associated variable rate Refunded Subordinated Bonds on favorable terms and thereby reduce the put, liquidity, renewal, counterparty, basis and other risks associated with bonds structured as variable rate demand obligations with associated variable-to-fixed rate interest rate swaps. Anything provided herein to the contrary notwithstanding, in no event shall interest rate swap transactions remain outstanding in a notional amount in excess of the outstanding principal amount of the debt hedged thereby.

D. It is in the best interests and serves a valid public purpose of JEA to issue and sell the 2023/24 Series X Subordinated Bonds as authorized herein for the purpose of providing all or a portion of funds required to refund the Refunded Subordinated Bonds, to pay the costs of terminating or partially terminating the Subordinated Interest Rate Swap Transactions in an aggregate notional amount not to exceed the aggregate principal amount of the associated variable rate Refunded Subordinated Bonds and to pay the costs of issuance of the 2023/24 Series X Subordinated Bonds.

E. Because of the characteristics of the 2023/24 Series X Subordinated Bonds, prevailing and anticipated market conditions, the need for flexibility in timing the issuance of each Series of the 2023/24 Series X Subordinated Bonds and, if applicable, the coordination of the termination or partial termination of the Subordinated Interest Rate Swap Transactions, it is necessary and in the best interests of JEA to sell each Series of the 2023/24 Series X Subordinated Bonds at a negotiated sale to the Underwriters, upon satisfaction of the terms and conditions set forth herein and in the Bond Purchase Agreement.

F. Upon issuance in accordance with the terms hereof, the 2023/24 Series X Subordinated Bonds will constitute Subordinated Bonds under the Subordinated Resolution, entitled to all the security and benefits thereof.

G. The 2023/24 Series X Subordinated Bonds shall be limited obligations of JEA payable solely from and secured by a lien upon and pledge of (i) the amounts on deposit in the Revenue Fund established pursuant to the Electric System Resolution as may from time to time be available therefor, including investments, if any, thereof and (ii) the amounts on deposit in the Funds established under the Subordinated Resolution, including investments, if any, thereof, subject only to the provisions of the Electric System Resolution and the Subordinated Resolution permitting the application thereof for purposes and on the terms and conditions set forth in the Electric System Resolution and the Subordinated Resolution; *provided, however*, that such pledge shall be junior and subordinate in all respects to the Electric System Bonds as to lien on and source and security for payment from the Revenues. The 2023/24 Series X Subordinated Bonds shall not constitute general obligations or indebtedness of the City or JEA as "bonds" within the meaning of the Constitution of the State of Florida, but shall be payable solely from and secured by a lien upon and pledge of the amounts provided in the Subordinated Resolution. In no event shall any owner of 2023/24 Series X Subordinated Bonds ever have the right to compel the ad valorem taxing power of the City or JEA, if any, or taxation of any form to pay the 2023/24 Series X Subordinated Bonds or be entitled to payment thereof from any other funds of the City or JEA.

H. Prior to the sale of the 2023/24 Series X Subordinated Bonds of a particular Series, the Underwriters will provide JEA with a disclosure statement containing the information required by Section 218.385(6), Florida Statutes. The Bond Purchase Agreement shall include a Truth-In-Bonding Statement pursuant to Section 218.385, Florida Statutes.

ARTICLE II
AUTHORIZATION OF
2023/24 SERIES X SUBORDINATED BONDS

SECTION 201. Principal Amount, Designation and Series. Pursuant to the provisions of the Electric System Resolution and the Subordinated Resolution one or more Series of Subordinated Bonds entitled to the benefit, protection and security of the Subordinated Resolution are hereby authorized in an aggregate principal amount not to exceed \$160,000,000; *provided*, that not to exceed \$105,000,000 principal amount of the 2023/24 Series X Subordinated Bonds may be issued for the purpose of refunding fixed rate Refunded Subordinated Bonds and not to exceed \$55,000,000 principal amount of the 2023/24 Series X Subordinated Bonds may be issued for the purpose of refunding variable rate Refunded Subordinated Bonds. Such Subordinated Bonds shall be designated as, and shall be distinguished from the Subordinated Bonds of all other Series by the title, "Electric System Subordinated Revenue Bonds, 2023/24 Series X"; *provided*, that the Managing Director/CEO may alter the year and letter designation of the 2023/24 Series X Subordinated Bonds as he deems appropriate to reflect the year of issue or sale of such 2023/24 Series X Subordinated Bonds, the designation of Subordinated Bonds previously issued and JEA's custom in identifying Subordinated Bonds or as he otherwise deems desirable. Notwithstanding any such alteration of the Series designation for the 2023/24 Series X Subordinated Bonds, references in this Fifty-Ninth Supplemental Subordinated Resolution to "2023/24 Series X Subordinated Bonds" shall include all Subordinated Bonds issued pursuant to the authority contained in this Section 201. The actual aggregate principal amount of the 2023/24 Series X Subordinated Bonds of a particular Series to be issued shall be determined by the Managing Director/CEO on or prior to the Sale Date therefor as the amount necessary to accomplish the purpose of which the 2023/24 Series X Subordinated Bonds of such Series are

being issued, such determination to be set forth in the certificate referred to in Section 203 hereof to be executed with respect to the 2023/24 Series X Subordinated Bonds of such Series. Notwithstanding any other provision of the Subordinated Resolution or this Fifty-Ninth Supplemental Resolution, each particular Series of the 2023/24 Series X Subordinated Bonds shall be deemed to be a separate Series of Subordinated Bonds for all purposes of the Subordinated Resolution, including (without limitation) for the purpose of determining satisfaction of the conditions to the issuance of the 2023/24 Series X Subordinated Bonds of such Series set forth in Article II of the Subordinated Resolution.

The 2023/24 Series X Subordinated Bonds of each Series authorized to be issued hereunder may be sold pursuant to a Bond Purchase Agreement entered into not later than September 30, 2025.

SECTION 202. Purpose. The 2023/24 Series X Subordinated Bonds of a particular Series shall be issued for the purposes of: (a) financing the refunding of the Refunded Subordinated Bonds; (b) paying the cost of terminating or partially terminating Subordinated Interest Rate Swap Transactions in an aggregate notional amount not to exceed the principal amount of the associated variable rate Refunded Subordinated Bonds; and (3) paying the costs of issuance of the 2023/24 Series X Subordinated Bonds of such Series. Subject to complying with the criteria provided in Section 203 hereof, the refunding of the Refunded Subordinated Bonds is hereby authorized.

SECTION 203. Date(s), Maturities and Interest; Certain Determinations with Respect to the 2023/24 Series X Subordinated Bonds. The 2023/24 Series X Subordinated Bonds of each Series shall be issued as fully registered bonds in the denomination of \$5,000 each or integral multiples thereof, shall be numbered from 1 upward, shall bear interest from their respective dates (payable semiannually thereafter on April 1 and October 1 in each year, commencing on either of the October 1 or April 1 next following the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds, as determined by the Managing Director/CEO) at such rates per annum and shall mature on October 1 in such years and amounts, all as shall be determined by the Managing Director/CEO in the manner hereinafter set forth.

On or prior to the Sale Date for a particular Series of the 2023/24 Series X Subordinated Bonds, the Managing Director/CEO shall execute a certificate setting forth the following determinations and the Managing Director/CEO may rely on a certificate from JEA's financial advisor in order to confirm the savings determinations made in clause (e) below:

(a) the aggregate principal amount of the 2023/24 Series X Subordinated Bonds of such Series; *provided*, that, the aggregate principal amount of all 2023/24 Series X Subordinated Bonds shall not exceed \$160,000,000, the aggregate principal amount of 2023/24 Series X Subordinated Bonds issued to refund fixed rate Refunded Subordinated Bonds shall not exceed \$105,000,000, and the aggregate principal amount of the 2023/24 Series X Subordinated Bonds issued to refund variable rate Refunded Subordinated Bonds shall not exceed \$55,000,000;

(b) the year and letter and any other designation and the Delivery Date for such Series of 2023/24 Series X Subordinated Bonds;

(c) the Refunded Subordinated Bonds to be refunded through the issuance of the 2023/24 Series X Subordinated Bonds of such Series and the date(s) on which such Refunded Subordinated Bonds are to be redeemed, which shall be such date as the Managing Director/CEO determines to be the earliest date on which such Refunded Subordinated Bonds may be redeemed in light of the circumstances then existing; and the identity of the Escrow Agent, if any, for such Refunded Subordinated Bonds and, if applicable, the Sinking Fund Installments to which the principal amount of the Refunded Subordinated Bonds shall be credited;

(d) the respective dates on which the 2023/24 Series X Subordinated Bonds of such Series shall mature and the principal amounts of each such maturity; *provided, however*, that the 2023/24 Series X Subordinated Bonds of each Series (i) that are issued for refunding purposes in order to achieve debt service savings shall have a weighted average life no greater than the remaining weighted average life of the Refunded Subordinated Bonds being refunded thereby, plus one year and (ii) that are issued for refunding purposes to refund variable rate obligations shall have a weighted average life no greater than the remaining weighted average life of the Refunded Subordinated Bonds, plus one year;

(e) the respective rate or rates of interest to be borne by the 2023/24 Series X Subordinated Bonds of such Series maturing on each such date; *provided, however*, that (1) with respect to any 2023/24 Series X Subordinated Bonds of such Series that are issued for the purpose of refunding variable rate Subordinated Bonds, the true interest cost of such 2023/24 Series X Subordinated Bonds shall not exceed 7.00 percent; and (2) with respect to any 2023/24 Series X Subordinated Bonds of such Series, issued for the purpose of refunding fixed rate Refunded Subordinated Bonds and to achieve debt service savings (i) if any such 2023/24 Series X Subordinated Bonds mature on the October 1 next following the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds, such refunding shall result in positive net present value savings; (ii) the present value savings from (A) the issuance of such 2023/24 Series X Subordinated Bonds that are issued to refund any Refunded Subordinated Bonds maturing on an October 1 occurring at least one year and less than three years after the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds shall not be less than 3.00 percent of the aggregate principal amount of such Refunded Subordinated Bonds; (B) the issuance of such 2023/24 Series X Subordinated Bonds that are issued to refund any Refunded Subordinated Bonds maturing on an October 1 occurring at least three years and less than nine years after the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds, shall not be less than 4.00 percent of the aggregate principal amount of such Refunded Subordinated Bonds; and (C) the issuance of such 2023/24 Series X Subordinated Bonds that are issued to refund any Refunded Bonds maturing on or after the October 1 occurring at least nine years after the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds shall not be less than 5.00 percent of the aggregate principal amount of the Refunded Subordinated Bonds; or (3) in lieu of complying with the requirements of clauses (1) and (2) above, the present value savings resulting from the issuance of such 2023/24 Series X Subordinated Bonds that are issued to refund any Refunded Subordinated Bonds other than variable rate Subordinated Bonds shall not be less than 5.00 percent of the aggregate principal amount of such Refunded Subordinated Bonds; *provided, further*, that compliance with the

foregoing requirements of this clause (e) shall be effected by dividing the Series into its constituent purposes (*i.e.*, refunding of variable rate Subordinated Bonds and refunding fixed rate Subordinated Bonds for debt service savings) and allocating on a ratable basis (based on the respective issue prices for federal income tax purposes) costs of issuance, underwriting discount and any other items to the purpose that gave rise to such expenses; *provided, however*, that if the Managing Director/CEO determines that some other allocation method will result in a more accurate determination of the true interest cost or present value savings attributable to such constituent purpose (which determination shall be confirmed by JEA's financial advisor), then such other allocation method shall be used in lieu of the foregoing method;

(f) the commencement date of interest payments on the 2023/24 Series X Subordinated Bonds, which shall be either of the October 1 or April 1 next following the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds;

(g) if the 2023/24 Series X Subordinated Bonds of such Series maturing on a particular date and bearing interest at a particular rate are to be subject to redemption prior to maturity as provided in Article IV of the Subordinated Resolution by operation of the Subordinated Bond Fund from mandatory Sinking Fund Installments, the due dates and amounts of such Sinking Fund Installments; *provided, however*, that each Sinking Fund Installment due date shall fall upon an interest payment date for the 2023/24 Series X Subordinated Bonds;

(h) if the 2023/24 Series X Subordinated Bonds of such Series maturing on a particular date and bearing interest at a particular rate are to be subject to optional redemption, the terms upon which such 2023/24 Series X Subordinated Bonds shall be subject to redemption at the election of JEA; *provided, however*, that the highest redemption price at which such 2023/24 Series X Subordinated Bonds may be so redeemed shall be not greater than 101 percent of the principal amount thereof, plus accrued interest to the date of redemption and the first such optional redemption date shall not be less than four years nor more than 10 years from the Delivery Date of such 2023/24 Series X Subordinated Bonds;

(i) the identity of the senior managing underwriter and co-senior managing underwriter, if applicable, for such Series of 2023/24 Series X Subordinated Bonds from any of the Underwriters;

(j) the Subordinated Interest Rate Swap Transactions and notional amounts thereof to be terminated upon the issuance of such Series of 2023/24 Series X Subordinated Bonds and the termination payment, if any, to be paid in connection therewith; *provided*, that the aggregate notional amount of the Subordinated Interest Rate Swap Transactions terminated in connection with the issuance of such Series of 2023/24 Series X Subordinated Bonds shall not exceed the principal amount of the variable rate Refunded Subordinated Bonds to which such Subordinated Interest Rate Swap Transactions are associated to be refunded through the issuance of such Series of the 2023/24 Series X Subordinated Bonds; and

(k) the purchase price for the 2023/24 Series X Subordinated Bonds of such Series to be paid by the Underwriters pursuant to the applicable Bond Purchase Agreement; *provided, however*, that such purchase price shall result in compliance with the limitations set forth in this Section 203.

In the event that one or more Series of 2023/24 Series X Subordinated Bonds are issued on the same day as part of a common plan of finance for the same Bond financing, JEA may demonstrate compliance with the savings requirements set forth in clause (e) above by calculating such savings either on an aggregate basis (e.g., each Series of 2023/24 Series X Subordinated Bonds issued on the same day as part of the same Bond financing are combined into one Series and compliance with the savings criteria is measured using the combined Series) or on a Series by Series basis (e.g., each individual Series that is issued as part of the same Bond financing must satisfy the savings criteria independently of any other Series issued on the same day).

The 2023/24 Series X Subordinated Bonds of each Series shall bear interest from the Delivery Date therefor or, if one or more payments of interest on such 2023/24 Series X Subordinated Bonds has or have theretofore been made or duly provided for, from the most recent interest payment date to which interest has then been paid or duly provided for.

SECTION 204. Minimum Denomination, Dates, Numbers and Letters. The 2023/24 Series X Subordinated Bonds shall be issued in fully registered form in the denominations of \$5,000 or any integral multiple of \$5,000. The 2023/24 Series X Subordinated Bonds shall be dated the Delivery Date thereof. Unless an Authorized Officer of JEA shall otherwise direct, the 2023/24 Series X Subordinated Bonds shall be numbered, from one upward, preceded by the letter "R" prefixed to the number.

SECTION 205. Place of Payment; Appointment of Paying Agent and Subordinated Bond Registrar. Except as provided in paragraph 5 of Section 3.09 of the Subordinated Resolution and paragraph 3 of Section 206 hereof, the principal and Redemption Price of the 2023/24 Series X Subordinated Bonds shall be payable at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (or such other city as may be designated by such bank), as Subordinated Bond Registrar and Paying Agent for the 2023/24 Series X Subordinated Bonds. The principal and Redemption Price of the 2023/24 Series X Subordinated Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by the Subordinated Resolution. Except as provided in paragraph 3 of Section 206 hereof, the interest on the 2023/24 Series X Subordinated Bonds shall be payable by check or draft of U.S. Bank Trust Company, National Association, as Paying Agent, mailed to the persons entitled thereto at the addresses of such persons shown on the registration books of JEA kept for that purpose at the office of U.S. Bank Trust Company, National Association, and such institution is hereby appointed Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds.

SECTION 206. Designation of the 2023/24 Series X Subordinated Bonds as Book Entry Subordinated Bonds; Appointment of Securities Depository for the 2023/24 Series X Subordinated Bonds. (a). Except as provided in paragraph (d) below, the 2023/24 Series X Subordinated Bonds are hereby authorized to be and shall be issued as Book Entry

Subordinated Bonds within the meaning of and subject to Section 3.09 of the Subordinated Resolution.

(b). DTC is hereby appointed as the initial Securities Depository for the 2023/24 Series X Subordinated Bonds.

(c). The 2023/24 Series X Subordinated Bonds of each Series shall be initially issued in the form of a separate single, fully registered Bond in the amount of each such separate stated maturity (and, if applicable, each interest rate within a maturity) of the 2023/24 Series X Subordinated Bonds of such Series. Upon initial issuance, the ownership of each such 2023/24 Series X Subordinated Bond of a particular Series shall be registered in the registry books of JEA kept by the Subordinated Bond Registrar in the name of Cede & Co. ("Cede"), as nominee of DTC. So long as DTC serves as Securities Depository for the 2023/24 Series X Subordinated Bonds, the registered holder of all 2023/24 Series X Subordinated Bonds of such Series shall be, and each of the 2023/24 Series X Subordinated Bonds of such Series shall be registered in the name of, Cede, as nominee of DTC. Upon delivery by DTC to JEA or the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds of such Series of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of the Subordinated Resolution, the word "Cede" in this Fifty-Ninth Supplemental Subordinated Resolution shall refer to such new nominee of DTC. So long as any 2023/24 Series X Subordinated Bond of a particular Series is registered in the name of Cede, as nominee of DTC in its capacity as Securities Depository for the 2023/24 Series X Subordinated Bonds of such Series, all payments with respect to the principal or Redemption Price of, and interest on, such 2023/24 Series X Subordinated Bond and all notices with respect to such 2023/24 Series X Subordinated Bond shall be made or given, as the case may be, to DTC as provided in DTC's Operational Arrangements (as defined in the Letter of Representations); *provided, however*, that if a substitute securities depository shall be appointed, all payments with respect to the principal or Redemption Price of, and interest on, the 2023/24 Series X Subordinated Bonds of such Series and all notices with respect to the 2023/24 Series X Subordinated Bonds of such Series shall be made and given, respectively, to such substitute securities depository (or any nominee thereof) as provided in the procedures of such substitute securities depository.

(d). (i) DTC may determine to discontinue providing its services as Securities Depository for the 2023/24 Series X Subordinated Bonds at any time by giving reasonable notice thereof to JEA or the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds of such Series. Upon the discontinuance of the services of DTC as Securities Depository for the 2023/24 Series X Subordinated Bonds of such Series pursuant to the first sentence of this paragraph, JEA may within 90 days thereafter appoint a substitute securities depository which, in the opinion of JEA, is willing and able to undertake the functions of Securities Depository under the Subordinated Resolution upon reasonable and customary terms. In such event, and subject to the transfer provisions of the Subordinated Resolution, the word "DTC" in this Fifty-Ninth Supplemental Subordinated Resolution shall refer to such substitute securities depository and the word "Cede" in this Fifty-Ninth Supplemental Subordinated Resolution shall refer to the nominee, if any, of such substitute securities depository (or, if there shall be no such nominee, then the word "Cede" in this Fifty-Ninth Supplemental Subordinated Resolution shall refer to such substitute securities depository). If no such successor can be found within such period, the 2023/24 Series X Subordinated Bonds of such Series no longer shall be restricted to being registered in the

registration books kept by the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds in the name of a Securities Depository.

(ii) In the event that the 2023/24 Series X Subordinated Bonds of a particular Series no longer shall be restricted to being registered in the registration books kept by the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds of such Series in the name of a Securities Depository as provided in subparagraph (i) of this paragraph (d), (a) JEA shall execute and the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds of such Series shall authenticate and deliver, upon presentation and surrender of the 2023/24 Series X Subordinated Bonds of such Series, Bond certificates as requested by the Securities Depository therefor of like Series, aggregate principal amount, maturity and interest rate, in authorized denominations, to the identifiable beneficial owners in replacement of such beneficial owners' beneficial ownership interests in the 2023/24 Series X Subordinated Bonds of such Series and (b) such Subordinated Bond Registrar shall notify the Paying Agents for the 2023/24 Series X Subordinated Bonds of such Series that the 2023/24 Series X Subordinated Bonds of such Series no longer are restricted to being registered in the registration books kept by such Subordinated Bond Registrar in the name of a Securities Depository.

SECTION 207. Redemption Provisions. (a). If the Managing Director/CEO determines that the 2023/24 Series X Subordinated Bonds of a particular Series maturing on a particular date and bearing interest at a particular rate shall be subject to redemption prior to maturity as provided in Article IV of the Subordinated Resolution by operation of the Subordinated Bond Fund from mandatory Sinking Fund Installments, such determination to be set forth in the certificate referred to in Section 203 hereof, then the 2023/24 Series X Subordinated Bonds of such Series maturing on such date and bearing interest at such rate shall be subject to redemption prior to maturity as provided in Article IV of the Subordinated Resolution, on the respective dates and in the respective amounts set forth in such certificate, in each such case, at a Redemption Price equal to 100 percent of the principal amount thereof, together with accrued interest to the redemption date.

(b). If the Managing Director/CEO determines that the 2023/24 Series X Subordinated Bonds of a particular Series maturing on a particular date and bearing interest at a particular rate shall be subject to optional redemption, such 2023/24 Series X Subordinated Bonds shall be subject to redemption prior to maturity at the election of JEA, as a whole or in part, at any time on and after the initial date on which such 2023/24 Series X Subordinated Bonds may be so redeemed set forth in the certificate referred to in Section 203 hereof relating to the 2023/24 Series X Subordinated Bonds of such Series, at the respective Redemption Prices set forth in such certificate, in each case, together with accrued interest to the redemption date.

SECTION 208. Application of Proceeds of 2023/24 Series X Subordinated Bonds. In accordance with Article II of the Subordinated Resolution, the proceeds of the 2023/24 Series X Subordinated Bonds of a particular Series shall be applied simultaneously with the delivery of such Series of the 2023/24 Series X Subordinated Bonds as follows:

(a) if applicable, there shall be delivered to the Escrow Agent, simultaneously with the delivery of the 2023/24 Series X Subordinated Bonds of such Series, for deposit in the Escrow Account (the "Escrow Account") to be created under the Escrow Deposit Agreement executed in connection with the issuance of the 2023/24 Series X Subordinated Bonds of such Series, if any, an amount determined by an Authorized Officer of JEA as being equal to the amount necessary, when combined with the moneys, if any, transferred to the Escrow Account as provided in Section 209 hereof, to either (i) purchase such securities as are permitted by Section 9.01 of the Subordinated Resolution, the principal of and interest to be received on which, together with any initial cash balance, will provide moneys which will be sufficient to, or (ii) to be held uninvested to, pay when due the Redemption Price of the Refunded Subordinated Bonds being refunded thereby on the respective dates such Refunded Subordinated Bonds are to be called for redemption or mature and the interest to become due on such Refunded Subordinated Bonds on and prior to such respective redemption or maturity date;

(b) there shall be paid to the counterparties in the Subordinated Interest Rate Swap Transactions to be terminated or partially terminated with the issuance of such Series of 2023/24 Series X Subordinated Bonds, the termination payments, if any, with respect to the termination or partial termination of such Subordinated Interest Rate Swap Transactions as determined by the Managing Director/CEO pursuant to Section 203(j) hereof; and

(c) all proceeds remaining after application as provided in subsections (a) and (b) hereof shall be deposited into the Subordinated Bond Construction Fund or a separate subaccount thereof simultaneously with the delivery of the 2023/24 Series X Subordinated Bonds of such Series and applied to pay, together with any funds transferred pursuant to Section 209, if applicable, the principal of and interest on the Refunded Subordinated Bonds being refunded thereby on the respective redemption or maturity dates therefor if an Escrow Account is not funded pursuant to (a) above and to pay costs of issuance of the 2023/24 Series X Subordinated Bonds of such Series.

SECTION 209. Transfer of Certain Amounts. In accordance with Section 5.05(6) of the Subordinated Resolution, simultaneously with the delivery of the 2023/24 Series X Subordinated Bonds of a particular Series, there shall be transferred from the Subordinated Bond Fund to the Escrow Agent, for deposit in the Escrow Account, or, if no such Escrow Account is established, to the Subordinated Bond Construction Fund or a separate subaccount thereof, monies in an amount determined by an Authorized Officer of JEA as being not greater than the amount accumulated therein with respect to the Refunded Subordinated Bonds to be refunded through the issuance of such 2023/24 Series X Subordinated Bonds. Such withdrawal shall, however, not be made unless immediately thereafter (a) such Refunded Subordinated Bonds are deemed to have been paid pursuant to the Subordinated Resolution and (b) the amount remaining in the Subordinated Bond Fund, after giving effect to the issuance of the 2023/24 Series X Subordinated Bonds and the refunding of the Refunded Subordinated Bonds of such Series being refunded thereby, shall not be less than the amount required to be maintained therein.

SECTION 210. Tax Covenants. (a). JEA covenants that it shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any

circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the 2023/24 Series X Subordinated Bonds under Section 103 of the Code and the applicable Treasury Regulations promulgated thereunder. Without limiting the generality of the foregoing, JEA covenants that it will comply with the instructions and requirements of the Tax Certificate to be executed and delivered on the date of issuance of any Series of 2023/24 Series X Subordinated Bonds concerning certain matters pertaining to the use of proceeds of the 2023/24 Series X Subordinated Bonds of such Series, including any and all exhibits attached thereto (the "Tax Certificate"). This covenant shall survive payment in full or defeasance of the 2023/24 Series X Subordinated Bonds of such Series.

(b). Notwithstanding any provisions of this Section, if JEA shall obtain an Opinion of Counsel of an attorney or firm of attorneys of nationally recognized standing in matters pertaining to the federal income tax treatment of interest on bonds issued by states and their political subdivisions to the effect that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on the 2023/24 Series X Subordinated Bonds of a particular, JEA may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

(c). Notwithstanding any other provision of the Subordinated Resolution to the contrary, (a) upon JEA's failure to observe or refusal to comply with the above covenants with respect to the 2023/24 Series X Subordinated Bonds of a particular Series, the Holders of the 2023/24 Series X Subordinated Bonds of such Series shall be entitled to the rights and remedies provided to Holders of Subordinated Bonds under the Subordinated Resolution, other than the right (which is hereby abrogated solely in regard to JEA's failure to observe or refusal to comply with the covenants of this Section) to declare the principal of all 2023/24 Series X Subordinated Bonds of such Series then outstanding, and the interest accrued thereon, to be due and payable and (b) the Holders of any Subordinated Bonds other than the 2023/24 Series X Subordinated Bonds of such Series shall not be entitled to exercise any right or remedy provided to Holders of Subordinated Bonds under the Subordinated Resolution based upon JEA's failure to observe, or refusal to comply with, the above covenants with respect to the 2023/24 Series X Subordinated Bonds of such Series.

SECTION 211. Redemption of Refunded Subordinated Bonds. (a). In the case of any Refunded Subordinated Bonds to be refunded by a particular Series of the 2023/24 Series X Subordinated Bonds that are to be redeemed prior to maturity, such Refunded Subordinated Bonds are hereby designated for redemption and the Escrow Agent (if any) or the respective Paying Agents therefor, as applicable, are hereby directed to redeem such Refunded Subordinated Bonds on the respective dates determined by the Managing Director/CEO pursuant to clause (c) of the second paragraph of Section 203 hereof and at a Redemption Price equal to the principal amount of the Subordinated Bonds to be redeemed, together with the interest accrued thereon to the date fixed for redemption.

(b). The designation for redemption set forth in the foregoing paragraph (a), and the direction to the Escrow Agent (if any) or the respective Paying Agents for the Refunded Subordinated Bonds, as applicable, set forth therein, shall be, and hereby are declared to be,

irrevocable upon the original issuance of the 2023/24 Series X Subordinated Bonds of such Series; *provided*, that notice of such redemption as provided in 3 below shall be revocable and conditioned upon the issuance of the 2023/24 Series X Subordinated Bonds of such Series.

(c). In order to effectuate such designation, on or prior to the applicable Delivery Date, an Authorized Officer of JEA shall give the Escrow Agent or the Subordinated Bond Registrar, as applicable, for any Refunded Subordinated Bonds to be redeemed prior to maturity instructions to mail, postage prepaid, not less than 30 days (or such lesser number of days as is permitted pursuant to the applicable supplemental resolution(s) for the Refunded Subordinated Bonds) prior to the redemption date therefor, to all registered owners of such Refunded Subordinated Bonds at their last addresses appearing on the registry books of JEA kept by the Subordinated Bond Registrar therefor, a notice of redemption in substantially the following form:

REVOCABLE NOTICE OF [PARTIAL] REDEMPTION

**JEA
[VARIABLE RATE] ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS,
_____ SERIES _____**

Notice is hereby given to the holders of the outstanding JEA [Variable Rate] Electric System Subordinated Revenue Bonds, _____ Series _____ described below (the "Bonds") that the Bonds have been called for redemption prior to maturity on _____, 20__ in accordance with their terms at a redemption price of 100 percent of the principal amount thereof, together with accrued interest thereon to _____, 20__.

<u>Series</u>	<u>Maturity Date</u> <u>(October 1)</u>	<u>Interest Rate</u>	<u>Principal Amount</u>	<u>CUSIP</u>
_____ Series _____		_____ %	\$ _____	

THIS CALL FOR REDEMPTION IS REVOCABLE AND IS CONDITIONED UPON THE ISSUANCE BY JEA OF ITS REFUNDING BONDS FOR THE PURPOSE OF FINANCING THE REFUNDING OF THE BONDS ON OR PRIOR TO _____, 20__. In the event that such refunding bonds are not issued on or prior to _____, 20__, this notice shall be of no further force or effect and the Bonds shall continue to bear interest until paid at the same rates they would have borne had this notice not been given. If JEA's refunding bonds are not issued on or prior to _____, 20__, the undersigned, on behalf of JEA, shall give notice forthwith of such fact to the holders of the Bonds, and this notice shall thereupon be revoked and shall be of no further force and effect.

Subject to the foregoing, the redemption price of and accrued interest on the Bonds shall become due and payable on _____, 20__ and from and after _____, 20__ interest on the Bonds shall cease to accrue and be payable.

Holders of the Bonds will receive payment of the redemption price and accrued interest to which they are entitled upon presentation and surrender thereof at the principal corporate trust office of [insert name of current Paying Agent].

Dated this ___ day of _____, 20___.

JEA

By: _____,
as [Escrow Agent/Subordinated Bond Registrar]

**ARTICLE III
FORM OF 2023/24 SERIES X SUBORDINATED BONDS**

The form of the 2023/24 Series X Subordinated Bonds and the Subordinated Bond Registrar's certificate of authentication shall be of substantially the following tenor, with such variations, omissions and insertions as are required or permitted by the Subordinated Resolution:

[FORM OF 2023/24 SERIES X SUBORDINATED BONDS]

At such times as the 2023/24 Series X Subordinated Bonds of a particular Series are restricted to being registered in the registration books kept by the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds in the name of DTC (or a successor Securities Depository), each 2023/24 Series X Subordinated Bond of such Series shall contain or have endorsed thereon the following legend:

AS PROVIDED IN THE SUBORDINATED RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE SUBORDINATED RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE SUBORDINATED RESOLUTION TO THE CONTRARY, (A) THIS BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO A NOMINEE OF DTC, OR BY A NOMINEE OF DTC TO DTC OR A NOMINEE OF DTC, OR BY DTC OR A NOMINEE OF DTC TO ANY SUCCESSOR SECURITIES DEPOSITORY OR ANY NOMINEE THEREOF AND (B) A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE SUBORDINATED RESOLUTION.

In addition, so long as DTC shall serve as Securities Depository for the 2023/24 Series X Subordinated Bonds of a particular Series, each 2023/24 Series X Subordinated Bond of such Series shall contain or have endorsed thereon the following legend, which legend JEA hereby determines to be necessary or desirable:

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE SUBORDINATED BOND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT FOR PAYMENT OF PRINCIPAL OR REDEMPTION PRICE, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC OR ITS NOMINEE OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, CEDE & CO., AS NOMINEE OF DTC, HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA
 STATE OF FLORIDA
 CITY OF JACKSONVILLE

JEA
 ELECTRIC SYSTEM SUBORDINATED REVENUE BOND,
 2023/24 SERIES X

R- _____ \$ _____

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP</u>
_____ %	October 1, _____	_____, 20__	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

JEA, a body politic and corporate and an independent agency of the City of Jacksonville, Florida (the "City"), organized and existing under and by virtue of the laws of the State of Florida, acknowledges itself indebted to, and for value received, hereby promises to pay to the Registered Owner (stated above) or registered assigns, on the Maturity Date (stated above), but solely from the funds pledged therefor, upon presentation and surrender of this bond at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (such bank and any successors thereto being referred to herein as the "Paying Agent"), the Principal Amount (stated above) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay, but solely from the funds pledged therefor, interest on such Principal Amount in like coin or currency from the Original Issue Date (stated above), or, if one or more payments of interest has or have theretofore been made or duly provided for, from the most recent interest payment date to which interest has been paid or duly provided for, payable on the first days of April and October in each year commencing on [April 1] [October 1], 20__ or, if the date of this bond is after [April 1] [October 1], commencing with the first April 1 or October 1 after the date of this bond, at a rate per annum equal to the Interest Rate (stated above), until JEA's obligation with respect to the payment of such Principal Amount shall be discharged; *provided, however*, that so long as this bond shall be

restricted to being registered in the registration books of JEA in the name of the Securities Depository (as defined in the Subordinated Resolution hereinafter referred to) for this bond, the provisions of the Subordinated Resolution governing Book Entry Subordinated Bonds (as defined in the Subordinated Resolution) shall govern the manner of payment of the principal or redemption price of, and interest on, this bond. The interest so payable, and punctually paid or duly provided for, on any interest payment date will, as provided in the Subordinated Resolution, be paid to the person in whose name this bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day of the calendar month next preceding such interest payment date, such payment to be made by check or draft of the Paying Agent mailed to such person at the address shown on the registration books of JEA kept for that purpose at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida, or its successor, as Subordinated Bond Registrar for the bonds of the series of which this bond is one. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the person in whose name this bond is registered on the Regular Record Date, and shall be paid, in the manner described above, to the person in whose name this bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by such Subordinated Bond Registrar, notice whereof shall be given to holders of bonds of the series of which this bond is one not less than 10 days prior to such Special Record Date.

This bond is one of a duly authorized series of bonds of JEA designated as its "Electric System Subordinated Revenue Bonds, 2023/24 Series X" (herein sometimes called the "2023/24 Series X Subordinated Bonds"), in the aggregate principal amount of \$____, issued pursuant to Article 21 of the Charter of the City, as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended (herein called the "Act") and under and pursuant to a resolution of JEA adopted on August 16, 1988, as amended, restated and supplemented, including (a) as amended and restated by a resolution of JEA adopted on January 18, 2000 and (b) as supplemented by Resolution No. 2023-___ of JEA entitled "Fifty-Ninth Supplemental Subordinated Electric System Resolution," adopted on September 26, 2023 authorizing the 2023/24 Series X Subordinated Bonds (the "Fifty-Ninth Supplemental Subordinated Resolution"; said resolution as amended, restated and supplemented, being herein called the "Subordinated Resolution"). As provided in the Subordinated Resolution, bonds, notes or other evidences of indebtedness of JEA may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Subordinated Resolution provided. All such bonds, notes or other evidences of indebtedness issued pursuant to the Subordinated Resolution are referred to herein as the "Subordinated Bonds."

As provided in the Subordinated Resolution, the Subordinated Bonds are special obligations of JEA payable solely from and secured as to payment of the principal of, premium, if any, and interest thereon, in accordance with their terms and the provisions of the Subordinated Resolution and are secured equally and ratably by a lien upon and a pledge of (i) the amounts on deposit in the Revenue Fund established pursuant to the Electric System Resolution (as defined in the Subordinated Resolution) as may from time to time be available therefor, including the investments, if any, thereof and (ii) the amounts on deposit in the Funds established under the Subordinated Resolution, including the investments, if any, thereof, subject only to the provisions of the Electric System Resolution and the Subordinated Resolution permitting the application

thereof for the purposes and on the terms and conditions set forth in the Electric System Resolution and the Subordinated Resolution; *provided, however*, that such pledge (other than with respect to amounts on deposit in the Subordinated Bond Construction Fund established pursuant to the Subordinated Resolution) shall be junior and subordinate in all respects to the Electric System Bonds (as defined in the Subordinated Resolution) as to lien on and source and security for payment from the Revenues (as defined in the Subordinated Resolution). This bond and the series of which it is one constitute Subordinated Bonds for all purposes of the Subordinated Resolution, and are payable from and secured, on a parity with the Subordinated Bonds heretofore issued by JEA, by a pledge of the amounts described in clauses (i) and (ii) above. In accordance with the provisions of the Subordinated Resolution, JEA reserves the right to issue additional Subordinated Bonds payable from and secured, on a parity with the 2023/24 Series X Subordinated Bonds, by a pledge of the amounts described in clauses (i) and (ii) above. Copies of the Subordinated Resolution are on file at the office of JEA and at the principal corporate trust office of the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds, and reference to the Subordinated Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the security interest, pledge and covenants securing the Subordinated Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the holders of the Subordinated Bonds with respect thereto and for the other terms and provisions thereof.

This bond and the issue of which it is one do not constitute general obligations or indebtedness of the City or JEA as "bonds" within the meaning of the Constitution of Florida, but shall be payable solely from and secured by a lien upon and a pledge of the amounts as provided in the Subordinated Resolution and it is expressly agreed by the owner of this bond that such owner shall never have the right to compel the exercise of the ad valorem taxing power of the City or JEA, if any, or taxation in any form of any real property in the City to pay this bond or interest hereon or be entitled to payment of such principal and interest from any other funds of the City or JEA except from the special funds in the manner provided in the Subordinated Resolution.

To the extent and in the manner permitted by the terms of the Subordinated Resolution, the provisions of the Subordinated Resolution, or any resolution amendatory thereof or supplemental thereto, may be modified or amended by JEA, with the written consent of the holders of not less than a majority in principal amount of the Subordinated Bonds affected by such modification or amendment then outstanding under the Subordinated Resolution, and, in case such modification or amendment would change the terms of any sinking fund installment, with such consent of the holders of not less than a majority in principal amount of the Subordinated Bonds of the particular series and maturity entitled to such sinking fund installment then outstanding; *provided, however*, that, if such modification or amendment will, by its terms, not take effect so long as any Subordinated Bonds of any specified like series and maturity remain outstanding under the Subordinated Resolution, the consent of the holders of such Subordinated Bonds shall not be required and such Subordinated Bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding Subordinated Bonds. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Subordinated Bond or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the holder of such Subordinated Bond, or shall reduce the percentages or otherwise affect the classes of Subordinated Bonds the consent of the holders of which is required to effect any such modification

or amendment, or shall change or modify any of the rights or obligations of any Fiduciary (as defined in the Subordinated Resolution) without its written assent thereto.

The Subordinated Resolution also contains provisions permitting JEA, without the necessity for the consent of the holder of any Subordinated Bond, to modify or amend the Subordinated Resolution to cure ambiguities or defects in the Subordinated Resolution, to clarify the provisions of the Subordinated Resolution or to make any other modification or amendment which will not have a material adverse effect on the interests of Holders of the Subordinated Bonds, determined as provided in the Subordinated Resolution.

This bond is transferable, as provided in the Subordinated Resolution, only upon the books of JEA kept for that purpose at the above-mentioned office of the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds, by the Registered Owner hereof in person, or by its duly authorized attorney, upon surrender of this bond together with a written instrument of transfer satisfactory to such Subordinated Bond Registrar duly executed by the Registered Owner or its duly authorized attorney, and thereupon a new fully registered bond or bonds, without coupons, and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Subordinated Resolution, and upon payment of the charges therein prescribed. JEA and each Fiduciary may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The 2023/24 Series X Subordinated Bonds are issuable in the form of fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple of \$5,000.

[redemption provisions to be inserted here]

If less than all of the 2023/24 Series X Subordinated Bonds of like maturity (and, if applicable, interest rate within a maturity) are to be redeemed, the particular 2023/24 Series X Subordinated Bonds to be redeemed shall be selected in such manner as JEA in its discretion may deem fair and appropriate.

The 2023/24 Series X Subordinated Bonds are payable upon redemption at the above-mentioned office of the Paying Agent. Notice of redemption, setting forth the place of payment, shall be given by first class mail, postage prepaid, to the registered owners of the 2023/24 Series X Subordinated Bonds to be redeemed sent not less than 30 days before the redemption date, but failure of the owner of any 2023/24 Series X Subordinated Bond which is to be redeemed to receive any such notice by mail will not affect the validity of the proceedings for the redemption of 2023/24 Series X Subordinated Bonds. If notice of redemption shall have been given as aforesaid, on the redemption date so designated, (a) unless such notice shall have been revoked or shall cease to be in effect in accordance with the terms thereof and (b) if there shall be sufficient moneys available therefor, then the 2023/24 Series X Subordinated Bonds or portions thereof specified in said notice shall become due and payable on such redemption date, and if, on the redemption date, moneys for the redemption of all the 2023/24 Series X Subordinated Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such 2023/24 Series X Subordinated Bonds or portions thereof so called for redemption shall cease to accrue and be payable.

This bond shall be payable, as to principal or redemption price hereof, and interest hereon, solely from the Revenues and other funds of JEA as provided in the Subordinated Resolution. No member, officer, agent or employee of JEA shall be individually or personally liable for the payment of the principal or redemption price of or interest on this bond.

It is hereby certified and recited that all conditions, acts and things required by law and the Subordinated Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed and that the 2023/24 Series X Subordinated Bonds, together with all other indebtedness of JEA, comply in all respects with the applicable laws of the State of Florida including, particularly, the Act.

This bond shall not be entitled to any benefit under the Subordinated Resolution or be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds of the Subordinated Bond Registrar's Certificate of Authentication hereon.

IN WITNESS WHEREOF, JEA has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chair or its Vice Chair, and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary.

JEA

(SEAL)

By: _____
Chair or Vice-Chair

ATTESTED:

By: _____
Secretary or Assistant Secretary

[FORM OF
SUBORDINATED BOND REGISTRAR'S
CERTIFICATE OF AUTHENTICATION]

**SUBORDINATED BOND REGISTRAR'S
CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Subordinated Bonds described in the within-mentioned Subordinated Resolution.

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,**
as Subordinated Bond Registrar

By: _____
Authorized Signatory

Date of Authentication: _____, 20__

[Insert Statement of Insurance, if applicable.]

The following abbreviations, when used in the inscription on the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIF MIN ACT

		(Cust.)
TEN ENT	- as tenants by the entireties	Custodian for

		(Minor)
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act of

		(State)

Additional abbreviations may also be used although not listed above.

ASSIGNMENT

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

PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

the within bond and does hereby irrevocably constitute and appoint the Subordinated Bond Registrar as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed: _____ (Bank, Trust Company or Firm)

_____ (Authorized Officer)

NOTICE: This signature to this assignment must correspond with the name of the registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

**ARTICLE IV
MISCELLANEOUS**

SECTION 401. Authorization and Approval of the Negotiated Sale of the 2023/24 Series X Subordinated Bonds and Execution and Delivery of the Bond Purchase Agreement; Delegation of Authority to Determine Certain Matters in Connection Therewith.

The terms and conditions of the bond purchase agreement(s) between JEA and the Underwriters, providing for the negotiated sale and purchase of the 2023/24 Series X Subordinated Bonds of a particular Series, in substantially the form attached to Resolution No. 2023-01 as Exhibit A (the "Bond Purchase Agreement"), are hereby approved. At such time or times as the Managing Director/CEO of JEA shall determine is advantageous to JEA, such officer shall execute and deliver the Bond Purchase Agreement(s) (with such changes as are necessary to reflect, among other things, the terms of the 2023/24 Series X Subordinated Bonds of a particular Series, such determination to be evidenced by the execution and delivery thereof); *provided, however*, that at or prior to the time of the execution and delivery of the Bond Purchase Agreement, JEA shall have received from the senior managing underwriter the disclosure statement required pursuant to Section 218.385(6), Florida Statutes. The purchase price of the 2023/24 Series X Subordinated Bonds of a particular Series to be paid by the Underwriters pursuant to the Bond Purchase Agreement shall be determined as provided in Section 203 hereof, subject to the limitations set forth therein.

SECTION 402. Appointment of Subordinated Bond Registrar and Paying Agent. U.S. Bank Trust Company, National Association is hereby appointed as Subordinated Bond Registrar and Paying Agent for the 2023/24 Series X Subordinated Bonds.

SECTION 403. Authorization of Authentication. In the event that the Managing Director/CEO shall determine that it is desirable to sell and issue 2023/24 Series X Subordinated Bonds, as provided herein, U.S. Bank Trust Company, National Association, as Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds, is hereby requested and authorized to authenticate and deliver such 2023/24 Series X Subordinated Bonds in the aggregate principal amount determined as provided in Section 203 hereof, to or upon the order of the Underwriters, upon payment to JEA of the sum to be specified in the Subordinated Bond Purchase Agreement.

SECTION 404. Appointment of the Escrow Agent and Authorization and Approval of the Escrow Deposit Agreement; Authorization to Purchase SLGS and Other Investments. The Managing Director/CEO is hereby authorized to appoint U.S. Bank Trust Company, National Association, The Bank of New York Mellon Trust Company, N.A. or any other bank or trust company selected pursuant to JEA's purchasing code to act as Escrow Agent under the Escrow Deposit Agreement. The Escrow Deposit Agreement is hereby approved in substantially the form attached hereto as Exhibit A. The Escrow Deposit Agreement may be executed and delivered as provided in Section 409 hereof. Pursuant to the Escrow Deposit Agreement, the Escrow Agent may be directed to invest the funds held thereunder in the manner provided therein.

In connection with the refunding of the Refunded Subordinated Bonds as provided herein, each Authorized Officer of JEA is hereby authorized, if deemed desirable, to cause proceeds of the 2023/24 Series X Subordinated Bonds and other available amounts, and earnings thereon, to

be invested in United States Treasury Securities - State and Local Government Series ("SLGS") or other obligations permitted to be used to accomplish the defeasance of such Refunded Subordinated Bonds in such amounts, at such times, maturing at such times and having such rate or rates of interest as any Authorized Officer of JEA shall determine is necessary or desirable; and each such Authorized Officer of JEA and, upon receipt of instructions from an Authorized Officer of JEA, any authorized officer of the Escrow Agent is hereby authorized in the name and on behalf of JEA to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations.

SECTION 405. Approval of the Form and Use of Preliminary Official Statement and Official Statement. The form and use of a preliminary official statement for each Series of the 2023/24 Series X Subordinated Bonds, in substantially the form of the Form Preliminary Official Statement is hereby authorized and approved in connection with the offering and sale of the 2023/24 Series X Subordinated Bonds of each Series.

In the event that the Managing Director/CEO shall determine that it is desirable to issue and sell the 2023/24 Series X Subordinated Bonds of one or more Series as provided herein, the Managing Director/CEO is hereby authorized and directed to cause to be prepared a Preliminary Official Statement with respect to such bonds in substantially the form of the Form Preliminary Official Statement and with such changes thereto as are necessary so that such Preliminary Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading and, in such case, to cause such Preliminary Official Statement to be used in connection with the offering and sale of the 2023/24 Series X Subordinated Bonds of such Series and, if applicable, the Managing Director/CEO, the Chief Financial Officer, the Vice President, Financial Services and the Treasurer of JEA is hereby authorized to deem said Preliminary Official Statement final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. In the event that the Managing Director/CEO shall cause to be prepared a Preliminary Official Statement for such 2023/24 Series X Subordinated Bonds as aforesaid, an Official Statement relating to the 2023/24 Series X Subordinated Bonds, in substantially the form of said Preliminary Official Statement, with such changes thereto as are necessary (a) to reflect the terms of the 2023/24 Series X Subordinated Bonds of such Series and (b) so that such Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, is hereby authorized and approved for use in connection with the offering and sale of the 2023/24 Series X Subordinated Bonds. In such event, such Official Statement shall be executed as provided in Section 409 hereof.

SECTION 406. Approval with Respect to Registration or Qualification of the Authorized Bonds Under the Blue Sky or Securities Laws of Various States. The Authorized Officers of JEA shall be, and hereby are, authorized in the name and on behalf of JEA, to take any and all action which they deem necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of the 2023/24 Series X Subordinated Bonds of a Series for issue, offer, sale or trade under the Blue Sky or securities laws of any of the states of the United

States of America and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorneys to receive service of process and other papers and instruments which may be required under such laws, and to take any and all further action which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law or by the Underwriters.

SECTION 407. Continuing Disclosure. For the benefit of holders and beneficial owners from time to time of the 2023/24 Series X Subordinated Bonds of each Series, JEA agrees, as an obligated person with respect to the 2023/24 Series X Subordinated Bonds of such Series under Rule 15c2-12, to provide or cause to be provided such financial information and operating data, audited financial statements and notices, in such manner as may be required for purposes of paragraph (b)(5) of Rule 15c2-12. In order to describe and specify certain terms of JEA's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Authorized Officers of JEA are, and each of them hereby is, authorized and directed to sign and deliver, in the name and on behalf of JEA, a Continuing Disclosure Agreement with respect to the 2023/24 Series X Subordinated Bonds of a particular Series substantially in the form of Appendix I to the Form Preliminary Official Statement, with any changes or amendments that (i) are not inconsistent with this Fifty-Ninth Supplemental Subordinated Resolution, (ii) are not substantially adverse to JEA, or (iii) may be required by Rule 15c2-12, and that are approved by the Authorized Officer of JEA executing the same on behalf of JEA, all of which shall be conclusively evidenced by the signing of that agreement or amendments to it. The agreement formed, collectively, by this paragraph and that agreement, shall be JEA's continuing disclosure agreement with respect to the 2023/24 Series X Subordinated Bonds of such Series for purposes of Rule 15c2-12, and its performance shall be subject to the annual appropriation of any funds that may be necessary to perform it.

The Authorized Officers of JEA are, and each of them hereby is, further authorized and directed to take such actions as shall be necessary to comply with each such continuing disclosure agreement, including timely provision of information and notices. Prior to making any filing in accordance with any such agreement or providing notice of the occurrence of any other events, any such officer of JEA shall consult with and obtain legal advice from, as appropriate, the Office of the General Counsel and bond or other qualified independent special counsel selected by JEA. Any such officer of JEA, acting in the name and on behalf of JEA, shall be entitled to rely upon any such legal advice in determining whether a filing should be made.

SECTION 408. Representations and Covenants Regarding the Pledge of the Subordinated Resolution. JEA represents that, pursuant to the Act, the Subordinated Resolution creates a valid and binding lien on (i) the amounts on deposit in the Revenue Fund established pursuant to the Electric System Resolution as may from time to time be available therefor, including the investments, if any, thereof and (ii) the amounts on deposit in the Funds established under the Subordinated Resolution, including the investments, if any, thereof (collectively, the "Subordinate Lien Pledged Assets"), in each such case, except as described below, prior and superior to all other liens or encumbrances on such amounts, subject only to the provisions of the Electric System Resolution and the Subordinated Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein, for the benefit of the Holders of the Subordinated Bonds, including the 2023/24 Series X Subordinated Bonds, as security for the

payment of the Subordinated Bonds, including the 2023/24 Series X Subordinated Bonds, to the extent set forth therein, enforceable in accordance with the terms thereof; *provided, however*, that such pledge (other than with respect to amounts on deposit in the Subordinated Bond Construction Fund) is junior and subordinate in all respects to the Electric System Bonds as to lien on and source and security for payment from the Revenues.

Except for the pledge and lien created by the Electric System Resolution in favor of the holders of the Electric System Bonds, JEA has not heretofore made or granted a pledge or assignment of, lien on or security interest in the Subordinate Lien Pledged Assets that ranks on a parity with or prior to the lien and pledge made or granted in the Subordinated Resolution. JEA shall not hereafter make or grant a pledge or assignment of, lien on or security interest in such Subordinate Lien Pledged Assets that ranks prior to or on a parity with the lien and pledge made or granted in the Subordinated Resolution, except as expressly permitted thereby.

SECTION 409. Authorization of the Execution and Delivery of 2023/24 Series X Subordinated Bonds and Related Documents. The Authorized Officers of JEA are hereby authorized to execute the 2023/24 Series X Subordinated Bonds of each Series, the Bond Purchase Agreement, the Escrow Deposit Agreement, if any, the Continuing Disclosure Agreement and the Official Statement, each subject to completion thereof, and with such changes therein as they may approve as necessary and desirable and in the best interest of JEA, such approval to be evidenced by the execution and delivery thereof; *provided, however*, that the 2023/24 Series X Subordinated Bonds shall be executed and delivered pursuant to the Subordinated Resolution and applicable law. The Secretary or an Assistant Secretary of JEA is hereby authorized (but not required) to cause the seal of JEA to be affixed to the 2023/24 Series X Subordinated Bonds and the foregoing documents and to attest the same. Such Authorized Officers of JEA are each hereby authorized to deliver such 2023/24 Series X Subordinated Bonds and documents on behalf of JEA.

SECTION 410. Authorization of Execution and Delivery of Documents Related to Termination of Interest Rate Swap Transactions. The Authorized Officers of JEA are hereby authorized to execute and deliver such documents as the Managing Director/CEO shall determine to be necessary or appropriate and commercially reasonable (as confirmed by JEA's Financial Advisor) in connection with the termination, or partial termination, of the Interest Rate Swap Transactions, including, without limitation Termination Agreements, amended Confirmations, documents to enable the counterparties to comply with requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder. Such Authorized Officers of JEA are each hereby authorized to deliver such documents on behalf of JEA.

SECTION 411. Further Actions. Each Authorized Officer of JEA is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all administrative acts and things as may be necessary or desirable in connection with: the approval, execution and delivery of the Bond Purchase Agreement, the Escrow Deposit Agreement, if any, and the Continuing Disclosure Agreement; and the carrying out of their terms and the terms of the Electric System Resolution, the Subordinated Resolution and this Fifty-Ninth Supplemental Resolution; the issuance, sale, execution and delivery of the 2023/24 Series X Subordinated Bonds, the refunding and redemption of the Refunded Subordinated Bonds and the termination or partial termination of the Subordinated

Interest Rate Swap Transactions; and the use of the Preliminary Official Statement and the Official Statement. Without limiting the generality of the foregoing, the Managing Director/CEO is hereby authorized to execute the certificates referred to in Section 203 hereof. In the absence of the Managing Director/CEO for any reason, the authority granted to him in this resolution is hereby delegated to the Vice President and General Manager, Electric Systems, the Chair of JEA's governing board and the Chair of the Finance and Audit Committee of JEA's governing board, in that order.

SECTION 412. Remaining Authorization Under Resolution No. 2023-02 Superseded. The remaining authorization to issue additional debt under Resolution No. 2023-02 adopted by JEA on January 24, 2023, is hereby superseded by this Resolution and repealed. The foregoing shall not affect in any manner the authorization of debt previously issued pursuant to Resolution No. 2023-02.

SECTION 413. Severability. If any one or more of the covenants, agreements or provisions of this resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way affect the validity or enforceability of such remaining provisions.

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SECTION 414. Effective Date. This Fifty-Ninth Supplemental Subordinated Resolution shall take effect immediately upon its adoption.

ADOPTED THIS 26TH DAY OF SEPTEMBER, 2023.



JEA

By: _____
Name:
Title:

ATTEST:

By: _____
Secretary

Approved as to Form:

By: _____
Office of General Counsel

EXHIBIT A

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

relating to

**JEA
ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS,
2023/24 SERIES X**

THIS ESCROW DEPOSIT AGREEMENT, dated as of _____, 20__, by and between JEA, a public body corporate and politic organized under the laws of the State of Florida and _____, as Escrow Agent;

WITNESSETH:

WHEREAS, JEA has previously authorized and issued obligations of JEA as hereinafter set forth and defined as the "Refunded Obligations," as to which the Aggregate Debt Service (as hereinafter defined) is set forth on Schedule A attached hereto; and

WHEREAS, JEA has determined to provide for refunding of the Aggregate Debt Service of the Refunded Obligations by depositing with the Escrow Agent cash and Defeasance Securities, which will be sufficient to pay the Aggregate Debt Service on the Refunded Obligations; and

WHEREAS, in order to obtain a portion of the funds needed for such purpose JEA has authorized and is, concurrently with the delivery of this Agreement, issuing its Electric System Subordinated Revenue Bonds, 2023/24 Series X; and

WHEREAS, JEA has determined that the amount to be on deposit, from time to time, in the Escrow Account, as defined herein, will be sufficient to pay the Aggregate Debt Service;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, JEA and the Escrow Agent agree as follows:

SECTION 1. Definitions. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution (as defined below). As used herein, the following terms shall have the following meanings:

(a) "Aggregate Debt Service" means the sum of all present and future Annual Debt Service payments then remaining unpaid with respect to the Refunded Obligations through the final Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(b) "Agreement" means this Escrow Deposit Agreement.

(c) "Annual Debt Service" means, in any year, the redemption price or principal of, and interest on, the Refunded Obligations coming due or being redeemed on the respective Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(d) "Defeasance Securities" has the meaning ascribed to such term in the Resolution.

(e) "Escrow Account" means the Escrow Account identified in Section 2 herein and established and held by the Escrow Agent pursuant to this Agreement in which a portion of the proceeds from the sale of the Bonds and certain other funds will be held for payment of the Refunded Obligations.

(f) "Escrow Agent" means _____ with the power to accept trusts in the State of Florida.

(g) "Escrow Deposit Requirement" means, as of any date of calculation, the principal amount of cash and any Defeasance Securities in the Escrow Account which, together with the interest on the Defeasance Securities, will be sufficient to pay, as the installments thereof become due, the Aggregate Debt Service.

(h) "Paying Agent" means _____ in its capacity as the paying agent for the Refunded Obligations.

(i) "Redemption Date" means the redemption date or dates for the Refunded Obligations, as set forth in Schedule B hereto.

(j) "Refunded Obligations" means the Electric System Subordinated Revenue Bonds listed in Schedule B hereto.

(k) "Resolution" means the resolution duly adopted by JEA on August 16, 1988, as amended, restated and supplemented, and particularly as supplemented by resolutions adopted by JEA authorizing the issuance of the Refunded Obligations.

(l) "2023/24 Subordinated Bonds" means the Electric System Subordinated Revenue Bonds, 2023/24 Series X of JEA.

SECTION 2. Deposit of Funds. With respect to the Refunded Obligations, JEA hereby deposits \$ _____ with the Escrow Agent in immediately available funds (the "Escrow Deposit Amount"), to be held in irrevocable escrow by the Escrow Agent in a separate escrow trust fund (the "Escrow Account") and applied solely as provided in this Agreement. JEA represents that (i) \$ _____ of such funds are derived by JEA from a portion of the proceeds of the 2023/24 Subordinated Bonds and (ii) \$ _____ of such funds are derived by JEA from amounts on deposit in the Subordinated Bond Fund established pursuant to the Resolution.

JEA represents, that such funds, when applied pursuant to Section 3 below, will at least equal the Escrow Deposit Requirement as of the date hereof.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees:

(a) Concurrently with the receipt of the proceeds and other moneys as described in Section 2, the Escrow Agent will apply \$ _____ of such amount to the purchase of

\$_____ aggregate principal or par amount of Defeasance Securities specifically described in Schedule D, and the remaining \$_____ will be held as cash for the benefit of the holders of the Refunded Obligations. Defeasance Securities held by the Escrow Agent are to mature in such principal amounts and pay interest in such amounts and at such times so that sufficient moneys are available to pay when due the principal of and interest on all outstanding Refunded Obligations as further set forth in Schedule B;

(b) there will be no investment of funds except as set forth in this Section 3 and in Section 5;

(c) to hold the proceeds of all investments in the Escrow Account in such Account in trust (separate from all other funds of the Escrow Agent) for the benefit of the owners of the Refunded Obligations from the date of receipt thereof to the date on which such proceeds are scheduled to be paid out of the Escrow Account and applied only for the purposes thereof, as set forth on Schedule A attached hereto; and

(d) to hold the funds and securities in the Escrow Account in irrevocable escrow during the term of this Agreement.

SECTION 4. Payment of Refunded Obligations.

(a) ***Payment of Refunded Obligations.*** The Escrow Agent shall pay to the Paying Agent for the Refunded Obligations, from the cash on hand in the Escrow Account, a sum sufficient to pay the Annual Debt Service coming due on such date with respect to the Refunded Obligations, as shown on Schedule A attached hereto.

(b) ***Surplus.*** On the Redemption Date, after making the payment from the Escrow Account described in Subsection 4(a), the Escrow Agent shall pay to JEA the remaining cash, if any, in the Escrow Account. JEA shall apply the payment made to it hereunder to the payment of the principal of and interest on the 2023/24 Subordinated Bonds or for other uses permitted under the Resolution, but the Escrow Agent shall have no duty or responsibility to ensure that JEA does so.

(c) ***Payments Due on Saturdays, Sundays and Holidays.*** If any payment date shall be a legal holiday or a day on which banking institutions in the city in which is located the designated office of the Paying Agent are authorized by law to remain closed, then the Escrow Agent may make the payments required by Subsections 4(a) and 4(b) to the Paying Agent or JEA, as the case may be, on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and this Section, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Defeasance Securities held hereunder.

(b) At the written request of JEA and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the

Defeasance Securities acquired hereunder and shall substitute other Defeasance Securities and reinvest any excess receipts in Defeasance Securities. JEA will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation. Such substitutions and reinvestments may be effected only if (i) an independent certified public accountant selected by JEA shall certify or opine in writing to JEA and the Escrow Agent that the cash and principal amount of Defeasance Securities remaining on hand after the transactions are completed will be not less than the Escrow Deposit Requirement, and (ii) the Escrow Agent shall receive an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to JEA to the effect that the transactions, in and by themselves, will not cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(b) above notwithstanding, cash in excess of the Escrow Deposit Requirement caused by substitution of Defeasance Securities shall, as soon as practicable, be paid to JEA.

SECTION 6. Redemption of Refunded Obligations. JEA has exercised its option to redeem the Refunded Obligations prior to the maturity thereof on the Redemption Date as shown on Schedule B attached hereto.

SECTION 7. Redemption and Defeasance Notices. JEA has previously directed the Bond Registrar for the Refunded Obligations to give notice of redemption of such Refunded Obligations. JEA hereby directs _____ as Bond Registrar to provide notice of defeasance in the form provided in Schedule E attached hereto for the Refunded Obligations. Redemption notices and defeasance notices distributed by the Bond Registrar will be sent to bondholders pursuant to the Resolution, as supplemented, and will be distributed to the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system.

SECTION 8. Indemnity. To the extent permitted by applicable law, including but not limited to Section 768.28, Florida Statutes, JEA hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and attorneys' disbursements and expenses) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by JEA or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds and securities deposited therein, the purchase of the Defeasance Securities, the retention of the Defeasance Securities or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; *provided, however*, that JEA shall not be required to indemnify the Escrow Agent, its successors, assigns, agents and servants against the negligence or willful misconduct of the Escrow Agent or its successors, assigns, agents and servants. In no event shall JEA or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section

shall survive the termination of this Agreement. Nothing in this Section contained shall give rise to any liability on the part of JEA in favor or any person other than the Escrow Agent.

SECTION 9. Responsibilities of Escrow Agent; Fees. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the retention of the Defeasance Securities or the proceeds thereof or any investment, payment, transfer, or other application of money or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties or non-willful misconduct. The Escrow Agent shall, however, be liable to JEA for its negligent acts, omissions or errors or willful misconduct which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of JEA. The fees of the Escrow Agent shall be paid by JEA at the time this Agreement is executed and delivered, such fees to be as set forth on Schedule C attached hereto. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in the Escrow Account for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 10. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Obligations have been paid and discharged in accordance with the proceedings authorizing the Refunded Obligations.

SECTION 11. Amendments. This Agreement is made for the benefit of JEA and the holders from time to time of the Refunded Obligations and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and JEA; *provided, however,* that JEA and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Obligations, any additional rights, remedies, power or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject additional funds, securities or properties to this Agreement.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Obligations, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of JEA or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be one and the same instrument.

SECTION 14. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

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IN WITNESS WHEREOF, the parties hereto have caused this Escrow Deposit Agreement to be executed by their duly authorized officers and JEA's official seal to be hereunto affixed and attested as of the date first above written.



JEA

ATTEST:

By: _____
Title: _____

By: _____
Secretary

Form Approved:

Office of General Counsel

_____,
as Escrow Agent

By: _____
Its: _____

*[Signature page to Escrow Deposit Agreement relating to
JEA Electric System Subordinated Revenue Bonds, 2023/24 Series*

**SCHEDULE A
REFUNDED OBLIGATIONS**

The Aggregate Debt Service for the Refunded Obligations is shown in the following table:

<u>Date</u>	<u>Interest</u>	<u>Principal Redeemed</u>	<u>Redemption Premium</u>	<u>Total</u>
	\$	\$		\$

**SCHEDULE B
LIST OF REFUNDED OBLIGATIONS**

The Refunded Bonds will consist of the Electric System Subordinated Revenue Bonds listed in the following table.

<u>Series Three</u>	<u>Maturity Date (October 1)</u>	<u>Amount to be Refunded</u> \$	<u>Redemption Date</u>	<u>Redemption Price (expressed as a percentage of principal amount)</u> %	<u>CUSIP*</u>
Total		_____			

* The CUSIP numbers listed here are provided for the convenience of readers. JEA is not responsible for the accuracy or completeness of such numbers.

**SCHEDULE C
FEES OF ESCROW AGENT**

The fee of the Escrow Agent for its services hereunder shall be \$____; provided, JEA agrees to reimburse the Escrow Agent for its reasonable out-of-pocket expenses at cost.

SCHEDULE D

ESCROW DESCRIPTIONS DETAIL

<u>Type of Security</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Cost</u>	<u>Accrued Interest</u>	<u>Total Cost</u>
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SCHEDULE E

**NOTICE OF DEFEASANCE AND DESIGNATION
OF CERTAIN BONDS FOR PRIOR REDEMPTION**

JEA

ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS

described in Exhibit A hereto *

NOTICE IS HEREBY GIVEN to the holders of JEA's Electric System Subordinated Revenue Bonds described above and in Exhibit A attached hereto (the "Refunded Bonds") that JEA has (i) deposited on _____ with _____, the Escrow Agent for the Refunded Bonds, cash and Defeasance Securities which will provide monies sufficient to pay when due the interest on the Refunded Bonds through the redemption date or maturity date, as applicable, and the principal together with any applicable redemption premium thereon, free and clear of any trust, lien or pledge securing said Refunded Bonds or otherwise existing under the Resolution (as defined below) and (ii) irrevocably designated the Refunded Bonds which are subject to redemption prior to maturity for redemption as aforesaid. As a result of such deposit, said Refunded Bonds are deemed to have been paid and to be no longer Outstanding in accordance with the resolution authorizing the issuance of Electric System Subordinated Revenue Bonds, adopted by JEA on August 16, 1988, as amended (the "Resolution"). Any such redemption does not apply to any bonds issued under the Resolution other than the Refunded Bonds. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution.

JEA

By: _____,
as Escrow Agent

Dated:

* No representation is made as to the accuracy of the CUSIP number either as printed on the Refunded Bonds or as set forth in this Notice.

EXHIBIT A
REFUNDED BONDS

<u>Refunded Bonds</u>	<u>Par Amount to be Refunded</u>	<u>Outstanding Par Amount Prior to Refunding</u>	<u>Maturity (October 1)</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>Original CUSIP*</u>	<u>Refunded CUSIP*</u>	<u>Unrefunded CUSIP*</u>
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Resolution No. 2023-38

JEA

**Not To Exceed \$885,000,000
Water and Sewer System Revenue Bonds
2023/24 Series X**

**FORTY-SEVENTH SUPPLEMENTAL WATER AND SEWER SYSTEM
REVENUE BOND RESOLUTION**

Adopted September 26, 2023

**FORTY-SEVENTH SUPPLEMENTAL WATER AND SEWER SYSTEM
REVENUE BOND RESOLUTION**

BE IT RESOLVED by JEA as follows:

SECTION 1. DEFINITIONS. Unless the context otherwise requires, the terms defined in this section shall have the meanings specified in this section. Reference is made to the Bond Resolution hereinafter referred to for definitions of terms used in this resolution which are not defined in this section. Words importing a singular number shall include the plural number in each case and vice versa, and words importing persons shall include business entities.

"Authorized Officer of JEA" shall mean (1) the Chair, the Vice Chair, the Secretary and any Assistant Secretary of JEA, (2) the Managing Director/CEO, (3) the Chief Operating Officer, (4) the Vice President, Water/Wastewater Systems, the Chief Financial Officer, the Vice President, Financial Services and the Treasurer of JEA (or any officer of JEA hereafter serving in a capacity equivalent to that of any of the foregoing officers) or (5) any other officer or employee of JEA authorized to perform specific acts or duties by resolution duly adopted by JEA.

"Bond Insurance Policy" shall mean, in the event that the Managing Director/CEO determines that the procurement of municipal bond insurance for one or more maturities (or interest rates within maturities) of a particular Series of the 2023/24 Series X Bonds is advantageous to JEA (as set out in the certificate referred to in Section 5 hereof relating to the 2023/24 Series X Bonds of such Series) or in the event the successful bidder(s) at a public sale elect to provide municipal bond insurance for one or more maturities (or interest rates within maturities) of a particular Series of the 2023/24 Series X Bonds, the financial guaranty or municipal bond insurance policy or policies to be issued by a Bond Insurer concurrently with the issuance of such Series of the 2023/24 Series X Bonds that will guaranty the scheduled payment of principal of and interest on the Insured 2023/24 Series X Bonds of such Series.

"Bond Insurer" shall mean the financial guaranty insurance company, if any, selected by, in the case of a negotiated sale, the Managing Director/CEO or, in the case of a public sale, the successful bidder(s) to provide the Bond Insurance Policy for the Insured 2023/24 Series X Bonds of a particular Series.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement to be entered into between JEA and the Underwriters named therein relating to the 2023/24 Series X Bonds of a particular Series, the form of which is attached hereto as Exhibit A.

"Bond Resolution" shall mean the resolution of JEA adopted on March 18, 1997 and referred to as the "Water and Sewer System Revenue Bond Resolution," as amended, restated and supplemented.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Construction Reserve Account" shall mean either or both of the Water and Sewer 2008A Construction Reserve Account that is established in Section 3.9 of JEA's Tax Certificate dated February 7, 2008 relating to its Variable Rate Water and Sewer System Revenue Bonds, 2008

Series A and the Construction Reserve Account that is established in Section 9.01 of the Ninth Supplemental Subordinated Resolution.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement to be delivered by JEA in connection with the issuance of the 2023/24 Series X Bonds of a particular Series, the form of which is attached as Appendix D to the Form Preliminary Official Statement.

"Debt Service Reserve Requirement" as of any date of calculation shall have the meaning assigned to such term with respect to the Initial Subaccount in the First Supplemental Resolution.

"Delivery Date" shall mean the date of the initial issuance and delivery of the 2023/24 Series X Bonds of a particular Series.

"DTC" shall mean The Depository Trust Company.

"Escrow Agent" shall mean the bank or trust company appointed as escrow agent under an Escrow Deposit Agreement, if any, and its duly appointed successors, such appointment, with respect to a particular Series of 2023/24 Refunding Bonds, to be made in the certificate referred to in Section 5 hereof relating to the 2023/24 Refunding Bonds.

"Escrow Deposit Agreement" shall mean the escrow deposit agreement between JEA and an Escrow Agent, if any, that may be entered into concurrently with the authentication and delivery of any Series of the 2023/24 Refunding Bonds, the form of which is attached hereto as Exhibit B.

"First Supplemental Resolution" shall mean the First Supplemental Water and Sewer System Revenue Bond Resolution adopted by JEA on August 19, 1997, as amended.

"Form Preliminary Official Statement" shall have the meaning set forth in Section 18.

"Initial Subaccount" shall mean the Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund established in Section 6.01 of the First Supplemental Resolution.

"Insured 2023/24 Series X Bonds" shall mean, as to a particular Series of the 2023/24 Series X Bonds, such maturity or maturities (or interest rates within maturities) of the 2023/24 Series X Bonds as the Managing Director/CEO determines shall be insured by a Bond Insurer, as identified in the certificate referred to in Section 5 hereof relating to the 2023/24 Series X Bonds of such Series.

"Interest Rate Swap Transactions" shall mean the floating-to-fixed rate interest rate swap transactions entered into by JEA associated with variable rate Refunded Bonds which interest rate swap transactions are to be terminated, in whole or in part, contemporaneously with the issuance of a Series of 2023/24 Series X Bonds.

"Letter of Representations" shall mean the Blanket Issuer Letter of Representations, dated May 6, 2004, from JEA to DTC, providing for the issuance of certain obligations of JEA (including the 2023/24 Series X Bonds) in book-entry form through the facilities of DTC or any successor Blanket Issuer Letter of Representations from JEA to DTC.

"Managing Director/CEO" shall mean the Managing Director and Chief Executive Officer of JEA.

"Refunded Bonds" shall mean, for any particular Series of the 2023/24 Refunding Bonds, the Bonds of the Series and maturities (and if applicable, interest rates within maturities) and in the respective principal amounts to be refunded thereby, as identified by the Managing Director/CEO in the certificate described in Section 5 hereof relating to the 2023/24 Refunding Bonds of such Series.

"Refunded Bonds Paying Agent" shall mean the bank(s) or trust company(ies) serving as paying agent for the Refunded Bonds.

"Reserve Policy" shall mean, in the event that the Managing Director/CEO determines that the procurement of a debt service reserve insurance policy or surety bond in connection with the issuance of a particular Series of the 2023/24 Series X Bonds is advantageous to JEA (as set out in the certificate referred to in Section 5 hereof relating to the 2023/24 Series X Bonds of such Series), the municipal bond debt service reserve insurance policy or surety bond to be issued by a Surety Provider concurrently with the issuance of such Series of 2023/24 Series X Bonds, which shall constitute a "reserve fund credit instrument" as such term is defined in subsection 4 of Section 6.01 of the First Supplemental Resolution.

"Rule 15c2-12" shall mean Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Sale Date" with respect to a particular Series of 2023/24 Series X Bonds shall mean the date on which JEA enters into a Bond Purchase Agreement with respect to said Series of 2023/24 Series X Bonds.

"Supplemental Resolution" shall mean this Forty-Seventh Supplemental Water and Sewer System Revenue Bond Resolution (Resolution No. 2023-___), as from time to time amended or supplemented by Supplemental Resolution in accordance with the terms of the Bond Resolution.

"Surety Provider" shall mean the financial guaranty insurance company, if any, selected by the Managing Director/CEO to provide a Reserve Policy in connection with the issuance of a particular Series of the 2023/24 Series X Bonds.

"Tax-Exempt 2023/24 Series X Bonds" shall mean the 2023/24 Series X Bonds of a particular Series (or particular maturities or interest rates within maturities of such Series) the interest on which is intended to be excludable from gross income for federal income tax purposes, as designated in the certificate referred to in Section 5 hereof relating to the 2023/24 Series X Bonds of such Series.

"Underwriters" shall mean any or all of the investment banking firms under contract with JEA for the purpose of underwriting negotiated sales of JEA's debt named in the Bond Purchase Agreement.

"2023/24 New Money Bonds" shall mean JEA's Water and Sewer System Revenue Bonds, 2023/24 Series X, authorized by Section 4 of this Supplemental Resolution.

"2023/24 Project" shall mean the Costs to the System financed by the 2023/24 New Money Bonds, including any deposits to the Construction Reserve Account.

"2023/24 Refunding Bonds" shall mean JEA's Water and Sewer System Revenue Bonds, 2023/24 Series X, authorized by Section 4 of this Supplemental Resolution.

"2023/24 Series X Bonds" shall mean, collectively, the 2023/24 New Money Bonds and the 2023/24 Refunding Bonds, authorized by Section 4 of this Supplemental Resolution.

SECTION 2. AUTHORITY FOR THIS FORTY-SEVENTH SUPPLEMENTAL RESOLUTION. This Supplemental Resolution is adopted pursuant to the provisions of the Act and the Bond Resolution in accordance with Article II and Article X of the Bond Resolution.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

(A) Pursuant to the Bond Resolution, JEA has heretofore authorized the issuance, in one or more Series which may be authenticated and delivered from time to time, of Additional Obligations for the purposes, among others, of refunding any Bonds.

(B) Pursuant to its Ordinances 97-205-E, 2001-663-E, 2004-820-E, 2006-792-E and 2011-448-E, the Council of the City has authorized, among other things, the issuance and sale by JEA of Additional Obligations for purposes, among others, of financing all or a portion of the Costs of the System or the refunding of any Bonds.

(C) It is in the best interests of JEA to provide for the refunding of the Refunded Bonds to permit JEA to (i) refund fixed rate bonds at favorable fixed interest rates, (ii) refund variable rate debt with fixed rate bonds at favorable fixed interest rates, and (iii) terminate or partially terminate Interest Rate Swap Transactions in an aggregate notional amount not to exceed the principal amount of the associated variable rate Refunded Bonds on favorable terms and thereby reduce the put, liquidity, renewal, counterparty, basis and other risks associated with bonds structured as variable rate demand obligations with associated variable-to-fixed rate interest rate swaps. Anything provided herein to the contrary notwithstanding, in no event shall interest rate swap transactions remain outstanding in a notional amount in excess of the outstanding principal amount of the debt hedged thereby.

(D) It is in the best interests and serves a valid public purpose of JEA to issue and sell the 2023/24 Series X Bonds in one or more Series as authorized herein for the purpose of providing all or a portion of funds required to finance the Costs of the System, to refund the Refunded Bonds, to pay the costs of terminating the Interest Rate Swap Transactions in an aggregate notional amount not to exceed the principal amount of the associated variable rate Refunded Bonds and to pay the costs of issuance of the 2023/24 Series X Bonds.

(E) Because of the characteristics of the 2023/24 Series X Bonds, prevailing and anticipated market conditions, the need for flexibility in timing the issuance of each Series of the 2023/24 Series X Bonds and, if applicable, the coordination of the termination or partial termination of the Interest Rate Swap Transactions, it is necessary and in the best interests of JEA to sell each Series of the 2023/24 Series X Bonds at a negotiated sale or sales to the Underwriters, upon satisfaction of the terms and conditions set forth herein and in the Bond Purchase Agreement.

(F) Upon issuance in accordance with the terms hereof, the 2023/24 Series X Bonds will constitute Additional Obligations under the Bond Resolution, entitled to all the security and benefits thereof.

(G) The 2023/24 Series X Bonds shall be limited obligations of JEA payable solely from and secured by a lien upon and pledge of (i) the Revenues (as defined in the Bond Resolution), and (ii) all funds and accounts established by the Bond Resolution (other than the Debt Service Reserve Account in the Debt Service Fund), including investments and investment income, if any, thereof, subject only to the provisions of the Bond Resolution permitting applications thereof for the purposes and on the terms and conditions set forth in the Bond Resolution. The 2023/24 Series X Bonds of each Series shall be additionally secured by amounts on deposit in the Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund established under the Bond Resolution. The 2023/24 Series X Bonds shall not constitute general obligations or indebtedness of the City or JEA as "bonds" within the meaning of the Constitution of the State of Florida, but shall be payable solely from and secured by a lien upon and pledge of the amounts provided in the Bond Resolution. In no event shall any owner of 2023/24 Series X Bonds ever have the right to compel the ad valorem taxing power of the City or JEA, if any, or taxation of any form to pay the 2023/24 Series X Bonds or be entitled to payment thereof from any other funds of the City or JEA.

(H) Prior to the sale of the 2023/24 Series X Bonds of a Series, the Underwriters will provide JEA with a disclosure statement containing the information required by Section 218.385(6), Florida Statutes. The Bond Purchase Agreement shall include a Truth-In-Bonding Statement pursuant to Section 218.385, Florida Statutes.

SECTION 4. SERIES DESIGNATION; PURPOSE. Pursuant to the provisions of the Bond Resolution, one or more Series of Additional Obligations entitled to the benefit, protection and security of the Bond Resolution are hereby authorized to be issued in an aggregate principal amount not to exceed \$885,000,000; *provided*, that not to exceed \$353,000,000 principal amount of the 2023/24 New Money Bonds may be issued for the purpose of financing the 2023/24 Project, that not to exceed \$267,000,000 principal amount of the 2023/24 Refunding Bonds may be issued for the purpose of refunding fixed rate Refunded Bonds and not to exceed \$265,000,000 principal amount of the 2023/24 Refunding Bonds may be for the purpose of refunding variable rate Refunded Bonds, and included within such respective not to exceed principal amounts shall be the maximum amount permitted by federal income tax laws and regulations in the case of Tax-Exempt 2023/24 Series X Bonds to be issued as part of any Series to fund a deposit to the Construction Reserve Account. Such Additional Obligations shall be designated as the "Water and Sewer System Revenue Bonds, 2023/24 Series X"; *provided*, that the Managing Director/CEO may alter the year and letter designation, tax-exempt or taxable status,

all as he deems appropriate to reflect the year of issue or sale of the 2023/24 Series X Bonds, the designation of 2023/24 Series X Bonds previously issued and JEA's custom in identifying Bonds or as he otherwise deems desirable, such determination to be set forth in the certificate referred to in Section 5 hereof. Notwithstanding any such alteration of the Series designation for the 2023/24 Series X Bonds, references in this resolution to "2023/24 Series X Bonds" shall include all Bonds issued pursuant to the authority contained in this Section 4. The actual aggregate principal amount of the 2023/24 Series X Bonds of a particular Series to be issued shall be determined by the Managing Director/CEO on or prior to the Sale Date therefor as the amount necessary to accomplish the purposes for which the 2023/24 Series X Bonds of such Series are being issued, such determination to be set forth in the certificate referred to in Section 5 hereof to be executed with respect to 2023/24 Series X Bonds of such Series. Notwithstanding any other provision of the Bond Resolution, or this Supplemental Resolution, each such particular Series of the 2023/24 Series X Bonds shall be and be deemed to be a separate Series of Bonds for all purposes of the Bond Resolution, including (without limitation) for the purposes of determining satisfaction of the conditions to the issuance of the 2023/24 Series X Bonds of such Series set forth in Article II of the Bond Resolution.

The 2023/24 New Money Bonds of each Series shall be issued for the following purposes: (a) providing all or a portion of the funds required to pay all or a portion of the Costs of the System (including capitalized interest), (b) making a deposit, if any, to the Construction Reserve Account, as determined by the Managing Director/CEO as set forth in the certificate referred to in Section 5 hereof, (c) making a deposit, if any, to the Initial Subaccount, as determined by the Managing Director/CEO as set forth in the certificate referred to in Section 5 hereof, (d) any additional purposes authorized by the Bond Resolution and determined by the Managing Director/CEO as set forth in the certificate referred to in Section 5 hereof, and (e) paying the costs of issuance of the 2023/24 New Money Bonds.

The 2023/24 Refunding Bonds of each Series shall be issued for the following purposes: (a) providing all or a portion of the funds required to refund the Refunded Bonds, (b) making a deposit, if any, to the Initial Subaccount, as determined by the Managing Director/CEO as set forth in the certificate referred to in Section 5 hereof, (c) paying the cost of terminating or partially terminating Interest Rate Swap Transactions in an aggregate notional amount not to exceed the principal amount of the associated variable rate Refunded Bonds, and (d) paying the costs of issuance of the 2023/24 Refunding Bonds.

The actual aggregate principal amount of each Series of the 2023/24 Series X Bonds to be issued shall be determined by the Managing Director/CEO on or prior to the Sale Date therefor as the amount necessary to accomplish the purposes for which such Series of the 2023/24 Series X Bonds are being issued, such determination to be set forth in the certificate referred to in Section 5 hereof.

The 2023/24 Series X Bonds of each Series authorized to be issued hereunder may be sold pursuant to one or more Bond Purchase Agreements entered into not later than September 30, 2024.

**SECTION 5. DATE(S), MATURITIES AND INTEREST RATES;
CERTAIN DETERMINATIONS WITH RESPECT TO THE 2023/24 SERIES X BONDS.**

The 2023/24 Series X Bonds of each Series shall be issued as fully registered bonds in the denomination of \$5,000 each or integral multiples thereof, shall be numbered from 1 upward, shall bear interest from their respective dates (payable semiannually thereafter on April 1 and October 1 in each year, commencing on either of the October 1 or April 1 next following the Delivery Date of such Series of 2023/24 Series X Bonds, as determined by the Managing Director/CEO) at such rates per annum and shall mature on October 1 in such years and amounts, all as shall be determined by the Managing Director/CEO in the manner hereinafter set forth.

On or prior to the Sale Date for a particular Series of the 2023/24 Series X Bonds, the Managing Director/CEO shall execute a certificate setting forth the following determinations and the Managing Director/CEO may rely on a certificate from JEA's financial advisor in order to confirm the savings determinations made in clause (F) below:

(A) the aggregate principal amount of the 2023/24 Series X Bonds of such Series; *provided*, that the aggregate principal amount of all 2023/24 Series X Bonds shall not exceed \$885,000,000, *provided*, that not to exceed \$353,000,000 principal amount of 2023/24 New Money Bonds may be issued for the purpose of financing the 2023/24 Project, that not to exceed \$267,000,000 principal amount of the 2023/24 Refunding Bonds may be issued for the purpose of refunding fixed rate Refunded Bonds and not to exceed \$265,000,000 principal amount of the 2023/24 Refunding Bonds may be for the purpose of refunding variable rate Refunded Bonds;

(B) the year and letter and any other designation and the Delivery Date for such Series of 2023/24 Series X Bonds;

(C) for 2023/24 New Money Bonds, a description of the 2023/24 Project;

(D) for 2023/24 Refunded Bonds, the Refunded Bonds to be refunded through the issuance of the 2023/24 Series X Bonds of such Series and the date(s) on which such Refunded Bonds are to be redeemed, which shall be such date as the Managing Director/CEO determines to be the earliest date on which such Refunded Bonds may be redeemed in light of the circumstances then existing; and the identity of the Escrow Agent, if any, for such Refunded Bonds and, if applicable, the Sinking Fund Installments to which the principal amount of the Refunded Bonds shall be credited;

(E) the respective dates on which the 2023/24 Series X Bonds of such Series shall mature and the principal amounts of each such maturity; *provided, however*, that the latest maturity date for 2023/24 New Money Bonds shall be no later than October 1, 2059 and that the 2023/24 Refunding Bonds of each Series (i) that are issued for refunding purposes in order to achieve debt service savings shall have a weighted average life no greater than the remaining weighted average life of the Refunded Bonds being refunded thereby, plus one year; and (ii) that are issued for refunding purposes to refund variable rate obligations shall have a weighted average life no greater than the remaining weighted average life of the Refunded Bonds, plus one year;

(F) the respective rate or rates of interest to be borne by the 2023/24 Series X Bonds of such Series maturing on each such date; *provided, however*, that (1) with respect to 2023/24 New Money Bonds, the all-in true interest cost of such 2023/24 New Money Bonds shall not exceed 7.00 percent per annum, (2) with respect to any 2023/24 Refunding Bonds of such Series that are issued for the purpose of refunding variable rate Bonds, the true interest cost of such 2023/24 Refunding Bonds shall not exceed 7.00 percent; and (3) with respect to any 2023/24 Refunding Bonds of such Series, issued for refunding purposes to achieve debt service savings (i) if any such 2023/24 Refunding Bonds mature on the October 1 next following the Delivery Date of such Series of 2023/24 Refunding Bonds, such refunding shall result in positive net present value savings; (ii) the present value savings from (A) the issuance of such 2023/24 Refunding Bonds that are issued to refund any Refunded Bonds maturing on an October 1 occurring at least one year and less than three years after the Delivery Date of such Series of 2023/24 Series X Bonds shall not be less than 3.00 percent of the aggregate principal amount of such Refunded Bonds; (B) the issuance of such 2023/24 Refunding Bonds that are issued to refund any Refunded Bonds maturing on an October 1 occurring at least three years and less than nine years after the Delivery Date of such Series of 2023/24 Refunding Bonds, shall not be less than 4.00 percent of the aggregate principal amount of such Refunded Bonds; and (C) the issuance of such 2023/24 Refunding Bonds that are issued to refund any Refunded Bonds maturing after the October 1 occurring at least nine years after the Delivery Date of such Series of 2023/24 Refunding Bonds shall not be less than 5.00 percent of the aggregate principal amount of the Refunded Bonds; or (4) in lieu of complying with the requirements of clauses (1) and (2) above, the present value savings resulting from the issuance of such 2023/24 Refunding Bonds that are issued to refund any Refunded Bonds other than variable rate Bonds, shall not be less than 5.00 percent of the aggregate principal amount of such Refunded Bonds; *provided, further*, that compliance with the foregoing requirements of this clause (F) shall be effected by dividing the Series into its constituent purposes (*i.e.*, refunding of variable rate Bonds and refunding fixed rate Bonds for debt service savings) and allocating on a ratable basis (based on the respective issue prices for federal income tax purposes) costs of issuance, underwriting discount, any deposit to the Initial Subaccount and any other items to the purpose that gave rise to such expenses; *provided, however*, that if the Managing Director/CEO determines that some other allocation method will result in a more accurate determination of the true interest cost or present value savings attributable to such constituent purpose (which determination shall be confirmed by JEA's financial advisor), then such other allocation method shall be used in lieu of the foregoing method;

(G) the commencement date of interest payments on the 2023/24 Series X Bonds of such Series, which shall be either of the October 1 or April 1 next following the Delivery Date of such Series of 2023/24 Series X Bonds;

(H) if the 2023/24 Series X Bonds of such Series maturing on a particular date and bearing interest at a particular rate are to be subject to redemption prior to maturity as provided in Article IV of the Bond Resolution by operation of the Debt Service Fund from mandatory Sinking Fund Installments, the due dates and amounts of such Sinking Fund Installments; *provided, however*, that each Sinking Fund Installment due date shall fall upon an interest payment date for the 2023/24 Series X Bonds;

(I) if the 2023/24 Series X Bonds of such Series maturing on a particular date and bearing interest at a particular rate are to be subject to optional redemption, the terms upon which such 2023/24 Series X Bonds shall be subject to redemption at the election of JEA; *provided, however*, that the highest redemption price at which such 2023/24 Series X Bonds may be so redeemed shall be not greater than 101 percent of the principal amount thereof, plus accrued interest to the date of redemption and the first such optional redemption date shall not be less than four years nor more than 10 years from the Delivery Date of such 2023/24 Series X Bonds;

(J) the identity of the senior managing underwriter and co-senior managing underwriter, if applicable, for such Series of 2023/24 Series X Bonds from any of the Underwriters;

(K) the purchase price for the 2023/24 Series X Bonds of such Series to be paid by the Underwriters pursuant to the applicable Bond Purchase Agreement; *provided, however*, that such purchase price shall result in compliance with the limitations set forth in this Section 5;

(L) the Interest Rate Swap Transactions and the notional amounts thereof to be terminated upon the issuance of such Series of 2023/24 Series X Bonds and the termination payment, if any, to be paid in connection therewith; *provided*, that the aggregate notional amount of the Interest Rate Swap Transactions terminated in connection with the issuance of such Series of 2023/24 Series X Bonds shall not exceed the principal amount of the variable rate Refunded Bonds to which such Interest Rate Swap Transactions are associated to be refunded through the issuance of such Series of 2023/24 Series X Bonds;

(M) whether the procurement of municipal bond insurance for any 2023/24 Series X Bonds of such Series is advantageous to JEA;

(N) the maturity or maturities (or interest rates within maturities) which shall constitute the Insured 2023/24 Series X Bonds of such Series (if any);

(O) the identity of the Bond Insurer for any Insured 2023/24 Series X Bonds of such Series, which Bond Insurer is hereby designated as the Credit Enhancer for such Insured 2023/24 Series X Bonds within the meaning of the Bond Resolution, and any additional insurance provisions required by such Bond Insurer, which provisions (i) shall not be contrary to or inconsistent with the Bond Resolution as in effect on the date of adoption of this Forty-Seventh Supplemental Resolution, (ii) shall have been determined by JEA's financial advisor to be (X) necessary or advisable in order to cause such Bond Insurer to issue its Bond Insurance Policy and (Y) commercially reasonable in form and content, (iii) shall have been approved as to form by the Office of General Counsel and (iv) shall be deemed incorporated in this Forty-Seventh Supplemental Resolution for purposes of the Insured 2023/24 Series X Bonds of such Series;

(P) whether the procurement of a Reserve Policy in connection with the issuance of such Series of the 2023/24 Series X Bonds is advantageous to JEA and, if so, the identity of the Surety Provider and the form of financial guaranty agreement or reimbursement agreement, if any, to be executed in connection with the issuance of such Reserve Policy, such form to contain provisions that (i) shall not be contrary to or inconsistent with the Bond Resolution as in effect on the date of adoption of this Forty-Seventh Supplemental Resolution, (ii) shall have

been determined by JEA's financial advisor to be (X) necessary or advisable in order to cause such Surety Provider to issue its Reserve Policy and (Y) commercially reasonable in form and content and (iii) shall have been approved as to form by the Office of General Counsel;

(Q) the amount, if any, of the proceeds of such Series of the 2023/24 Series X Bonds to be deposited in the Construction Reserve Account; and

(R) the amount, if any, of the proceeds of the 2023/24 Series X Bonds of such Series to be deposited in the Initial Subaccount, if any.

In the event that one or more Series of 2023/24 Series X Bonds are issued on the same day as part of a common plan of finance for the same Bond financing, JEA may demonstrate compliance with the savings requirements set forth in clause (F) above by calculating such savings either on an aggregate basis (e.g., each Series of the 2023/24 Series X Bonds issued on the same day as part of the same Bond financing are combined into one Series and compliance with the savings criteria is measured using the combined Series) or on a Series by Series basis (e.g., each individual Series that is issued as part of the same Bond financing must satisfy the savings criteria independently of any other Series issued on the same day).

SECTION 6. REDEMPTION PROVISIONS. (A) If the Managing Director/CEO determines that the 2023/24 Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate shall be subject to redemption prior to maturity as provided in Article IV of the Bond Resolution by operation of the Debt Service Fund from mandatory Sinking Fund Installments, such determination to be set forth in the certificate referred to in Section 5 hereof, then the 2023/24 Series X Bonds of such Series maturing on such date and bearing interest at such rate shall be subject to redemption prior to maturity as provided in Article IV of the Bond Resolution, on the respective dates and in the respective amounts set forth in such certificate, in each such case, at a redemption price equal to 100 percent of the principal amount thereof, together with accrued interest to the redemption date.

(B) If the Managing Director/CEO determines that the 2023/24 Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate shall be subject to optional redemption, such 2023/24 Series X Bonds shall be subject to redemption prior to maturity at the election of JEA, in the case of 2023/24 Series X Bonds as a whole or in part, at any time on and after the initial date on which such 2023/24 Series X Bonds may be so redeemed set forth in the certificate referred to in Section 5 hereof, at the respective redemption prices set forth in such certificate, in each case, together with accrued interest to the redemption date.

SECTION 7. BOOK-ENTRY SYSTEM. (A) Except as provided in paragraphs (B) and (C) of this Section 7, the registered holder of all 2023/24 Series X Bonds shall be, and the 2023/24 Series X Bonds shall be registered in the name of, Cede & Co. ("Cede"), as nominee of DTC. Payment of interest on any 2023/24 Series X Bond shall be made in accordance with the provisions of the Bond Resolution to the account of Cede on the interest payment date for the 2023/24 Series X Bonds at the address indicated for Cede in the registry books of JEA kept by the Registrar.

(B) The 2023/24 Series X Bonds of each Series shall be issued initially in the form of a separate single, fully registered Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of the 2023/24 Series X Bonds of such Series. The Registrar shall authenticate and deliver to or on behalf of DTC a separate single, fully registered Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of the 2023/24 Series X Bonds of such Series, registered in the name of Cede, as nominee of DTC. With respect to 2023/24 Series X Bonds so registered in the name of Cede, JEA and the Paying Agent and Bond Registrar shall have no responsibility or obligation to any DTC participant or to any beneficial owner of such 2023/24 Series X Bonds. Without limiting the immediately preceding sentence, JEA and the Paying Agent and Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the 2023/24 Series X Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the 2023/24 Series X Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, the 2023/24 Series X Bonds. JEA and the Paying Agent and Bond Registrar may treat DTC as, and deem DTC to be, the absolute owner of each 2023/24 Series X Bond for all purposes whatsoever, including (but not limited to) (i) payment of the principal or redemption price of, and interest on, each such 2023/24 Series X Bond, (ii) giving notices of redemption and other matters with respect to such 2023/24 Series X Bonds, (iii) registering transfers with respect to such 2023/24 Series X Bonds and (iv) giving to JEA any notice, consent, request or demand pursuant to the Bond Resolution for any purpose whatsoever. The Paying Agent shall pay the principal or redemption price of, and interest on, all 2023/24 Series X Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge JEA's obligations with respect to such principal or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in this paragraph (2) and in paragraph (3) of this Section 7, no person other than DTC shall receive a 2023/24 Series X Bond evidencing the obligation of JEA to make payments of principal or redemption price of, and interest on, such Bond pursuant to the Bond Resolution. Upon delivery by DTC to JEA or the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of the Bond Resolution, the word "Cede" in this resolution shall refer to such new nominee of DTC.

(C) (i) DTC may determine to discontinue providing its services with respect to a particular Series of the 2023/24 Series X Bonds at any time by giving reasonable notice thereof to JEA or the Paying Agent and Bond Registrar.

(ii) JEA, in its sole discretion and without the consent of any other person, may, upon satisfaction of the applicable procedures of DTC with respect thereto, terminate the services of DTC with respect to a particular Series of the 2023/24 Series X Bonds if JEA determines that (a) DTC is unable to discharge its responsibilities with respect to the 2023/24 Series X Bonds of such Series or (b) a continuation of the system of book-entry-only transfers through DTC (or a successor securities depository) is not in the best interests of the beneficial owners of the 2023/24 Series X Bonds of such Series or of JEA.

(D) Upon the termination of the services of DTC with respect to a Series of the 2023/24 Series X Bonds pursuant to paragraph (C)(ii)(b) hereof, or upon the discontinuance or termination of the services of DTC with respect to the 2023/24 Series X Bonds of a Series pursuant to paragraph (C)(i) or paragraph (C)(ii)(a) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of JEA, is willing and able to undertake such functions upon reasonable and customary terms, the 2023/24 Series X Bonds of such Series no longer shall be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC. In such event, JEA shall issue and the Bond Registrar shall authenticate 2023/24 Series X Bond certificates as requested by DTC of like Series, aggregate principal amount, maturity and interest rate, in authorized denominations, to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interests in the 2023/24 Series X Bonds of such Series; *provided, however*, that in the case of any discontinuance or termination provided for in paragraph C(i) or C(ii)(b) of this Section, JEA may within 90 days thereafter appoint a substitute securities depository which, in JEA's opinion, is willing and able to undertake the functions of DTC upon reasonable and customary terms. In such event, and subject to the transfer provisions of the Bond Resolution, the word "DTC" in this resolution shall refer to such substitute securities depository and the word "Cede" in this resolution shall refer to the nominee, if any, of such substitute securities depository (or, if there shall be no such nominee, then the word "Cede" in this resolution shall refer to such substitute securities depository).

(E) Notwithstanding any other provision of the Bond Resolution or this resolution to the contrary, so long as any 2023/24 Series X Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such 2023/24 Series X Bond and all notices with respect to such 2023/24 Series X Bond shall be made and given, respectively, to DTC as provided in DTC's Operational Arrangements (as defined in the Letter of Representations); *provided, however*, that if a substitute securities depository shall be appointed, all payments with respect to the principal or redemption price of, and interest on, the 2023/24 Series X Bonds and all notices with respect to the 2023/24 Series X Bond shall be made and given, respectively, to such substitute securities depository (or any nominee thereof) as provided in the procedures of such substitute securities depository.

SECTION 8. PAYING AGENT AND BOND REGISTRAR. The 2023/24 Series X Bonds shall be payable as to principal and shall be redeemable at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (or such other city as may be designated by such bank), which bank is hereby appointed Paying Agent and Bond Registrar.

SECTION 9. FORM OF 2023/24 SERIES X BONDS. The text of the 2023/24 Series X Bonds, together with the Bond Registrar's Certificate of Authentication to be endorsed thereon, shall be substantially of the following tenor, with such omissions, insertions and variations as may be necessary or desirable and authorized or permitted by this resolution or any subsequent resolution adopted prior to the issuance thereof, or as may be necessary to comply with applicable laws, rules and regulations of the United States Government and the State of Florida in effect upon the issuance thereof:

[FORM OF 2023/24 SERIES X BONDS]

At such times as the 2023/24 Series X Bonds of a particular Series are restricted to being registered in the registration books kept by the Bond Registrar in the name of DTC (or a successor securities depository), each such 2023/24 Series X Bond shall contain or have endorsed thereon the following legend:

AS PROVIDED IN THE RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE RESOLUTION TO THE CONTRARY, (A) THIS BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO A NOMINEE OF DTC, OR BY A NOMINEE OF DTC TO DTC OR A NOMINEE OF DTC, OR BY DTC OR A NOMINEE OF DTC TO ANY SUCCESSOR SECURITIES DEPOSITORY OR ANY NOMINEE THEREOF AND (B) A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE RESOLUTION.

In addition, so long as DTC shall serve as securities depository for the 2023/24 Series X Bonds of a particular Series, each 2023/24 Series X Bond of such Series shall contain or have endorsed thereon the following legend:

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT FOR PAYMENT OF PRINCIPAL OR REDEMPTION PRICE, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC OR ITS NOMINEE OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, CEDE & CO., AS NOMINEE OF DTC, HAS AN INTEREST HEREIN.

R-____

\$_____

UNITED STATES OF AMERICA
 STATE OF FLORIDA
 CITY OF JACKSONVILLE
 JEA

WATER AND SEWER SYSTEM REVENUE BOND,
 2023/24 SERIES X

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP</u>
_____%	October 1, ____	_____, 20__	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

JEA, a body politic and corporate and an independent agency of the City of Jacksonville, Florida (the "City"), organized and existing under and by virtue of the laws of the State of Florida, acknowledges itself indebted to, and for value received, hereby promises to pay to the Registered Owner (stated above) or registered assigns, on the Maturity Date (stated above), but solely from the funds pledged therefor, upon presentation and surrender of this bond at the corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (such bank and any successors thereto being referred to herein as the "Paying Agent"), the Principal Amount (stated above) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay, but solely from the funds pledged therefor, interest on such Principal Amount in like coin or currency from the Original Issue Date (stated above), or, if one or more payments of interest has or have theretofore been made or duly provided for, from the most recent interest payment date to which interest has been paid or duly provided for, payable on the first days of April and October in each year commencing [April 1] [October 1], 20__ or, if the date of this bond is after [April 1] [October 1], 20__, commencing with the first April 1 or October 1 after the date of this bond, at a rate per annum equal to the Interest Rate (stated above), until JEA's obligation with respect to the payment of such Principal Amount shall be discharged; *provided, however*, that so long as this bond shall be restricted to being registered in the registration books of JEA in the name of the Securities Depository (as defined in the Resolution hereinafter referred to) for this bond, the provisions of the Resolution governing Book Entry Bonds (as defined in the Resolution) shall govern the manner of payment of the principal or redemption price of, and interest on, this bond. The interest so payable, and punctually paid or duly provided for, on any interest payment date will, as provided in the Resolution, be paid to the person in whose name this bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, such payment to be made by check or draft of the Paying Agent mailed to such person at the address shown on the registration books of JEA kept for that purpose at the corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida, or its successor, as Bond Registrar for

the bonds of the series of which this bond is one. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the person in whose name this bond is registered on the Regular Record Date, and shall be paid, in the manner described above, to the person in whose name this bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by such Bond Registrar, notice whereof shall be given to holders of bonds of the series of which this bond is one not less than 10 days prior to such Special Record Date.

This bond is one of a duly authorized series of bonds of JEA designated as its "Water and Sewer System Revenue Bonds, 2023/24 Series X" (herein sometimes called the "2023/24 Series X Bonds"), in the aggregate principal amount of \$_____, issued pursuant to Article 21 of the Charter of the City, as amended and readopted by Chapter 80-515, Laws of Florida, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended (herein called the "Act") and under and pursuant to a resolution of JEA adopted on February 18, 1997, as amended, restated and supplemented, including as supplemented by a supplemental resolution (Resolution No. 2023-____) authorizing the 2023/24 Series X Bonds adopted on September 26, 2023, as supplemented and amended (said resolution as amended, restated and supplemented, being herein called the "Resolution"). As provided in the Resolution, bonds, notes or other evidences of indebtedness of JEA may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of bonds, notes or other evidences of indebtedness which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds, notes or other evidences of indebtedness issued and to be issued under the Resolution are and will be equally secured by the Trust Estate hereinafter described and covenants made in the Resolution, except as otherwise expressly provided or permitted in the Resolution. All bonds, notes or other evidences of indebtedness issued under and pursuant to the Resolution, as the same may be amended and supplemented from time to time, and equally secured by such Trust Estate are hereinafter called the "Bonds."

As provided in the Resolution, the Bonds are special obligations of JEA payable solely from and secured as to payment of the principal or Redemption Price thereof, and interest thereon, in accordance with their terms and the provisions of the Resolution solely by (i) the proceeds of the sale of the Bonds, (ii) the Revenues (as defined in the Resolution), and (iii) all funds and accounts established by the Resolution (other than the Debt Service Reserve Account in the Debt Service Fund), including the investments and investment income, if any, thereof (collectively, the "Trust Estate"), subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. Pursuant to the Resolution, the 2023/24 Series X Bonds are additionally secured by amounts on deposit in the Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund established pursuant to the Resolution, including the investments and investment income, if any, thereof, which amounts are pledged for the payment of the principal or sinking fund redemption price, if any, of, and interest on, the 2023/24 Series X Bonds and any other Bonds secured thereby in accordance with the provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. Copies of the Resolution are on file at the office of JEA and at the principal corporate

trust office of the Bond Registrar for the 2023/24 Series X Bonds, and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the security interest, pledge and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the holders of the Bonds with respect thereto, and for the other terms and provisions thereof.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution, or any resolution amendatory thereof or supplemental thereto, may be modified or amended by JEA, with the written consent of the holders of not less than a majority in principal amount of the Bonds affected by such modification or amendment then outstanding under the Resolution, and, in case such modification or amendment would change the terms of any sinking fund installment, with such consent of the holders of not less than a majority in principal amount of the Bonds of the particular series and maturity entitled to such sinking fund installment then outstanding; *provided, however*, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like series and maturity remain outstanding under the Resolution, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding Bonds. As provided in the Resolution (and unless otherwise provided in a supplemental resolution), if Credit Enhancement (as defined in the Resolution) is provided with respect to the Bonds of any series, or a maturity within a series, if not in default in respect of any of its obligations with respect to such Credit Enhancement, the provider of such Credit Enhancement for, and not the actual holders of, such Bonds shall be deemed to be the holder of such Bonds at all times for the purpose of giving such consent. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary (as defined in the Resolution) without its written assent thereto.

The Resolution also contains provisions permitting JEA, without the necessity for the consent of the holder of any Bond, to modify or amend the Resolution to cure ambiguities or defects in the Resolution, to clarify the provisions of the Resolution or to make any other modification or amendment which will not have a material adverse effect on the interests of Bondholders, determined as provided in the Resolution.

This bond is transferable, as provided in the Resolution, only upon the books of JEA kept for that purpose at the above-mentioned office of the Bond Registrar for the 2023/24 Series X Bonds, by the Registered Owner hereof in person, or by its duly authorized attorney, upon surrender of this bond together with a written instrument of transfer satisfactory to such Bond Registrar duly executed by the Registered Owner or its duly authorized attorney, and thereupon a new fully registered bond or bonds, without coupons, and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. JEA and each Fiduciary may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving

payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The 2023/24 Series X Bonds are issuable in the form of fully registered Bonds, without coupons, in the denominations of \$5,000 or any integral multiple of \$5,000.

[The 2023/24 Series X Bonds maturing on or after October 1, 20__ will be subject to redemption at the election of JEA on or after October 1, 20__, at any time, as a whole, or in part, at a redemption price equal to the principal amount of such 2023/24 Series X Bonds so to be redeemed, together with accrued interest to the redemption date.]

[The 2023/24 Series X Bonds maturing October 1, 20__ will be subject to redemption through mandatory Sinking Fund Installments on October 1, 20__ and on each October 1 thereafter through and including October 1, ____. The redemption price will be 100 percent of the principal amount of such 2023/24 Series X Bonds to be redeemed plus accrued interest, if any, to the redemption date. Such Sinking Fund Installments will be sufficient to redeem the following principal amounts of such 2023/24 Series X Bonds:

2023/24 Series X Bonds	
Maturing October 1, 20__	
<u>Year</u>	<u>Amount</u>
	\$

The foregoing schedule leaves \$_____ principal amount of such 2023/24 Series X Bonds to be retired at maturity.

The 2023/24 Series X Bonds maturing October 1, 20__ will be subject to redemption through mandatory Sinking Fund Installments on October 1, 20__ and on each October 1 thereafter through and including October 1, 20__. The redemption price will be 100 percent of the principal amount of the 2023/24 Series X Bonds to be redeemed, plus accrued interest, if any, to the redemption date. Such Sinking Fund Installments will be sufficient to redeem the following principal amounts of the 2023/24 Series X Bonds:

2023/24 Series X Bonds	
Maturing October 1, 20__	
<u>Year</u>	<u>Amount</u>
	\$

The foregoing schedule leaves \$_____ principal amount of such 2023/24 Series X Bonds to be retired at maturity.]

The 2023/24 Series X Bonds are payable upon redemption at the above-mentioned office of the Paying Agent. Notice of redemption, setting forth the place of payment, shall be given by first class mail, postage prepaid, to the registered owners of the 2023/24 Series X Bonds to be redeemed sent not less than 30 days nor more than 60 days prior to the redemption date, but the failure to give notice by mail, or any defect in such notice, to the registered owner of any 2023/24 Series X Bond will not affect the validity of the proceedings for the redemption of any other

2023/24 Series X Bonds. If notice of redemption shall have been given as aforesaid, and unless such notice shall have been revoked or shall cease to be in effect in accordance with the terms thereof, the 2023/24 Series X Bonds or portions thereof specified in said notice shall become due and payable on the redemption date therein fixed, and if, on the redemption date, moneys for the redemption of all the 2023/24 Series X Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such 2023/24 Series X Bonds or portions thereof so called for redemption shall cease to accrue and be payable.

This bond shall be payable, as to principal and redemption price hereof, and interest hereon, solely from the Revenues and other funds of JEA as provided in the Resolution. No member, officer, agent or employee of JEA shall be individually or personally liable for the payment of the principal or redemption price of or interest on this bond.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed and that the 2023/24 Series X Bonds, together with all other indebtedness of JEA, complies in all respects with the applicable laws of the State of Florida including, particularly, the Act.

This bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Bond Registrar for the 2023/24 Series X Bonds of the Bond Registrar's Certificate of Authentication hereon.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, JEA has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chair or its Vice Chair, and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary.

JEA

(SEAL)

Chair or Vice-Chair

ATTESTED:

Secretary or Assistant Secretary

[FORM OF
BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

**BOND REGISTRAR'S
CERTIFICATE OF AUTHENTICATION**

This bond is one of the 2023/24 Series X Bonds described in the within-mentioned Subordinated Resolution.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Bond Registrar

By: _____
Authorized Signatory

Date of Authentication: _____, 20__

[Insert Statement of Insurance, if applicable.]

The following abbreviations, when used in the inscription on the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -	as tenants in common	UNIF GIF MIN ACT _____ (Cust.)
TEN ENT -	as tenants by the entireties	Custodian for _____ (Minor)
JT TEN	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act of _____ (State)

Additional abbreviations may also be used although not listed above.

ASSIGNMENT

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

[PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

the within bond and does hereby irrevocably constitute and appoint the Registrar as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: This signature to this assignment must correspond with the name of the registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SECTION 10. APPLICATION OF BOND PROCEEDS.

(A) The proceeds from the sale of the 2023/24 New Money Bonds of a particular Series, together with other available funds of the Water and Sewer System shall be applied simultaneously with the delivery of such Series as follows:

1. There shall be deposited in the Initial Subaccount, an amount equal to the difference, if any, between (i) the Debt Service Reserve Requirement for the Initial Subaccount calculated immediately after the issuance of the 2023/24 New Money Bonds of such Series and (ii) the sum of the amounts then on deposit in Initial Subaccount and the eligible reserve fund credit instruments (as defined in subsection 4 of Section 6.01 of the First Supplemental Resolution) credited thereto, in each case valued as provided in Section 6.04 of the Bond Resolution;

2. If applicable, an amount shall be deposited in the Construction Reserve Account as determined by the Managing Director/CEO in the certificate referred to in Section 5 hereof relating to the 2023/24 Series X Bonds of such Series; and

3. The remaining balance of the proceeds shall be deposited in the Construction Fund or a separate subaccount thereof in order to pay (i) the Costs of the System which costs may include capitalized interest on the 2023/24 Series X Bonds of such Series for a period not to exceed two years, and (ii) the costs and expenses of issuing the 2023/24 New Money Bonds of such Series.

(B) The proceeds from the sale of the 2023/24 Refunding Bonds of a particular Series, together with other available funds of the Water and Sewer System shall be applied simultaneously with the delivery of such Series as follows:

1. if applicable, there shall be delivered to the Escrow Agent, simultaneously with the delivery of the 2023/24 Refunding Bonds of such Series, for deposit in the Escrow Account (the "Escrow Account") to be created under the Escrow Deposit Agreement, an amount determined by an Authorized Officer of JEA as being equal to the amount necessary, when combined with the moneys, if any, transferred to the Escrow Account as provided in Section 11 hereof, to purchase such securities as are permitted by Section 1201 of the Bond Resolution, the principal of and interest to be received on which, together with any initial cash balance, will provide moneys which will be sufficient to pay when due the principal or redemption price, as applicable, of the Refunded Bonds being refunded thereby on the respective maturity dates of such Refunded Bonds or the date such Refunded Bonds are to be called for redemption, as applicable, and the interest to become due on such Refunded Bonds on and prior to such respective maturity or redemption dates, as the case may be;

2. there shall be deposited in the Initial Subaccount, an amount equal to the difference, if any, between (i) the Debt Service Reserve Requirement for the Initial Subaccount calculated immediately after the issuance of the 2023/24 Refunding Bonds of such Series and (ii) the sum of the amounts then on deposit in Initial Subaccount and the

eligible reserve fund credit instruments (as defined in subsection 4 of Section 6.01 of the First Supplemental Resolution) credited thereto, in each case valued as provided in Section 6.04 of the Bond Resolution;

3. there shall be paid to the counterparties in the Interest Rate Swap Transactions to be terminated or partially terminated with the issuance of such Series of 2023/24 Refunding Bonds, the termination payments, if any, with respect to the termination or partial termination of such Interest Rate Swap Transactions as determined by the Managing Director/CEO pursuant to Section 5(L) hereof; and

4. all proceeds remaining after application as provided in subsections 1., 2. and 3. hereof shall be deposited into the Construction Fund or a separate sub-account thereof and used for the purposes of paying the principal or redemption price, as applicable, of Refunded Bonds when due if the Refunded Bonds are not being defeased within the meaning of Section 1201 of the Bond Resolution and paying costs of issuance of the 2023/24 Refunding Bonds of such Series.

SECTION 11. TRANSFER OF CERTAIN AMOUNTS. Subject to the provisions of the third paragraph of subsection 5 of Section 508 of the Bond Resolution, simultaneously with the delivery of the 2023/24 Refunding Bonds of a particular Series, there shall be withdrawn from the Debt Service Account in the Debt Service Fund cash in an amount determined by an Authorized Officer of JEA as being not greater than the amount accumulated therein with respect to the Refunded Bonds to be refunded through the issuance of the 2023/24 Refunding Bonds of such Series. Such withdrawal shall, however, not be made if and to the extent that the effect thereof would cause the amounts on deposit in the Debt Service Account to be less than the Accrued Aggregate Debt Service calculated immediately after the issuance of the 2023/24 Refunding Bonds of such Series. There shall be transferred to the Escrow Agent, if any, for deposit in the Escrow Account the amount so withdrawn, otherwise, such amount shall be applied together with the funds described in Section 10(B)(3) above to the payment of the Refunded Bonds.

Subject to the provisions of Subsection 5 of Section 509 of the Bond Resolution, simultaneously with the delivery of the 2023/24 Refunding Bonds of a particular Series, there may be withdrawn from the Initial Subaccount of the Debt Service Reserve Account cash in an amount determined by an Authorized Officer of JEA as being not greater than the amount of the decrease in the Debt Service Reserve Requirement with respect to such Initial Subaccount due to the defeasance of the Refunded Bonds being refunded through the issuance of such Series of the 2023/24 Refunding Bonds. There shall be transferred to the Escrow Agent, if any, for deposit in the Escrow Account the amount so withdrawn, otherwise, such amount shall be applied together with the funds described in Section 10(B)(3) above to the payment of the Refunded Bonds.

SECTION 12. 2023/24 SERIES X BONDS TO CONSTITUTE ADDITIONALLY SECURED BONDS. In accordance with the provisions of the Bond Resolution, the 2023/24 Series X Bonds of each Series shall be Additionally Secured Bonds, and the payment of the principal or sinking fund redemption price, if any, thereof and interest thereon shall be secured, in addition to the pledge created pursuant to subsection 1 of Section 501 of the Bond Resolution in favor of all of the Bonds, by amounts on deposit in the Initial Subaccount. In

furtherance of the foregoing, simultaneously with the authentication and delivery of any particular Series of the 2023/24 Series X Bonds, JEA shall cause to be deposited to the credit of the Initial Subaccount in the Debt Service Reserve Account cash from the proceeds of such Series of the 2023/24 Series X Bonds, in an amount equal to the difference (if any) between (a) the Debt Service Reserve Requirement for the Initial Subaccount calculated immediately after the authentication and delivery of such Series of the 2023/24 Series X Bonds and (b) the sum of the amounts then on deposit in Initial Subaccount and the eligible reserve fund credit instruments credited thereto, if any.

SECTION 13. TAX COVENANTS. (A) JEA covenants that it shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Tax-Exempt 2023/24 Series X Bonds under Section 103 of the Code and the applicable Treasury Regulations promulgated thereunder. Without limiting the generality of the foregoing, JEA covenants that it will comply with the instructions and requirements of the Tax Certificate to be executed and delivered on the date of issuance of each Series of the Tax-Exempt 2023/24 Series X Bonds concerning certain matters pertaining to the use of proceeds of the Tax-Exempt 2023/24 Series X Bonds of such Series, including any and all exhibits attached thereto (the "Tax Certificate"). This covenant shall survive payment in full or defeasance of the Tax-Exempt 2023/24 Series X Bonds.

(B) Notwithstanding any provisions of this Section, if JEA shall obtain an opinion of nationally recognized municipal bond attorneys to the effect that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on the applicable Series of the 2023/24 Series X Bonds, JEA may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

(C) Notwithstanding any other provision of the Bond Resolution to the contrary, (i) upon JEA's failure to observe or refusal to comply with the above covenants with respect to the Tax-Exempt 2023/24 Series X Bonds of a Series, the holders of the Tax-Exempt 2023/24 Series X Bonds of such Series shall be entitled to the rights and remedies provided to Bondholders under the Bond Resolution, other than the right (which is hereby abrogated solely in regard to JEA's failure to observe or refusal to comply with the covenants of this Section) to declare the principal of all Bonds then outstanding, and the interest accrued thereon, to be due and payable and (ii) the holders of any Bonds other than the Tax-Exempt 2023/24 Series X Bonds of such Series shall not be entitled to exercise any right or remedy provided to Bondholders under the Bond Resolution based upon JEA's failure to observe, or refusal to comply with, the above covenants with respect to the Tax-Exempt 2023/24 Series X Bonds of such Series.

SECTION 14. REDEMPTION OF REFUNDED BONDS. The Refunded Bonds to be refunded by the 2023/24 Refunding Bonds of each Series are hereby designated for redemption and the Escrow Agent (if any) or the respective paying agents for such Refunded Bonds, as applicable, are hereby directed to redeem such Refunded Bonds on the respective dates

determined by the Managing Director/CEO pursuant to clause (C) of the second paragraph of Section 5 hereof and at a redemption price equal to the principal amount of the Bonds to be redeemed plus the redemption premium(s) for the applicable redemption date(s) (in each case, together with the interest accrued thereon to the date fixed for redemption).

Such designation for redemption, and such direction to the Escrow Agent (if any) or the respective Refunded Bonds Paying Agents, as applicable, shall be, and hereby are declared to be, irrevocable upon the delivery of the applicable Series of 2023/24 Refunding Bonds to or upon the order of the Underwriters; *provided*, that notice of such redemption as provided below shall be revocable and conditional upon the issuance of the 2023/24 Refunding Bonds of the applicable Series.

In order to effectuate this designation, on or prior to the applicable Delivery Date, an Authorized Officer of JEA shall give the Escrow Agent or the Bond Registrar, as applicable, for any Refunded Bonds to be redeemed prior to maturity instructions to mail, postage prepaid, not less than 30 days (or such lesser period as is permitted by the applicable supplemental resolution(s) for the Refunded Bonds) prior to the redemption date therefor, to (i) all registered owners of such Refunded Bonds at their last addresses as they appear of record on the books of the Bond Registrar as of 45 days (or such lesser number of days as is permitted pursuant to the applicable supplemental resolution(s) for the Refunded Bonds) prior to such redemption date and (ii) the paying agent for such Refunded Bonds (or its successor), a notice of redemption in substantially the following form:

REVOCABLE NOTICE OF [PARTIAL] REDEMPTION

JEA

**WATER AND SEWER SYSTEM REVENUE BONDS
DESCRIBED BELOW**

Notice is hereby given to the holders of the outstanding JEA Water and Sewer System Revenue Bonds, described below (the "Bonds") that the Bonds have been called for redemption prior to maturity on _____, 20__ in accordance with their terms at a redemption price of [100 percent of the principal amount thereof, together with accrued interest thereon to _____, 20__]. **[The source of funds to be used for such redemption is certain moneys heretofore deposited with _____, as Escrow Agent.]**

<u>Series</u>	<u>Maturity Date</u> (<u>October 1</u>)	<u>Interest Rate</u> %	<u>Principal Amount</u> \$	<u>CUSIP</u>
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THIS CALL FOR REDEMPTION IS REVOCABLE AND IS CONDITIONED UPON THE ISSUANCE BY JEA OF ITS REFUNDING BONDS TO REFUND SUCH BONDS ON OR PRIOR TO _____, 20___. In the event that JEA's refunding bonds are not issued on or prior to _____, 20___, this notice shall be of no further force or effect and the Bonds shall continue to bear interest until paid at the same rates they would have borne had this notice not been given. If JEA's refunding bonds are not issued on or prior to

_____, 20____, the undersigned, on behalf of JEA, shall give notice forthwith of such fact to the holders of the Bonds, and this notice shall thereupon be revoked and shall be of no further force and effect.

Subject to the foregoing, the redemption price of and accrued interest on the Bonds shall become due and payable on _____, 20____ and from and after _____, 20____ interest on the Bonds shall cease to accrue and be payable.

Holders of the Bonds will receive payment of the redemption price and accrued interest to which they are entitled upon presentation and surrender thereof at the principal corporate trust offices of [specify names of current Paying Agents].

Dated this ___ day of _____, 20____.

JEA

By: _____,
as [Escrow Agent/Registrar]

SECTION 15. AUTHORIZATION AND APPROVAL OF THE NEGOTIATED SALE OF THE 2023/24 SERIES X BONDS AND EXECUTION AND DELIVERY OF THE BOND PURCHASE AGREEMENT(S); DELEGATION OF AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH. The terms and conditions of the bond purchase agreement(s) between JEA and the Underwriters, providing for the negotiated sale and purchase of the 2023/24 Series X Bonds of a particular Series, in substantially the form attached hereto as Exhibit A (the "Bond Purchase Agreement"), are hereby approved. At such time or times as the Managing Director/CEO of JEA shall determine are advantageous to JEA, such officer shall execute and deliver the Bond Purchase Agreement(s) (with such changes as are necessary to reflect, among other things, the terms of the 2023/24 Series X Bonds of a particular Series, such determination to be evidenced by the execution and delivery thereof; *provided, however*, that at or prior to the time of the execution and delivery of the Bond Purchase Agreement(s), JEA shall have received from the senior managing underwriter the disclosure statement required pursuant to Section 218.385(6), Florida Statutes. The purchase price of the 2023/24 Series X Bonds of a particular Series to be paid by the Underwriters pursuant to the Bond Purchase Agreement shall be determined as provided in Section 5 hereof, subject to the limitations set forth therein.

SECTION 16. AUTHORIZATION OF AUTHENTICATION. In the event that the Managing Director/CEO shall determine that it is desirable to sell and issue 2023/24 Series X Bonds as provided herein, U.S. Bank Trust Company, National Association, as Bond Registrar for the 2023/24 Series X Bonds, is hereby requested and authorized to authenticate and deliver such 2023/24 Series X Bonds in the aggregate principal amount determined as provided in Section 5 hereof, to or upon the order of the Underwriters, upon payment to JEA of the sum to be specified in the applicable Bond Purchase Agreement.

SECTION 17. APPOINTMENT OF ESCROW AGENT(S) AND AUTHORIZATION AND APPROVAL OF ESCROW DEPOSIT AGREEMENT(S). The Managing Director/CEO is hereby authorized to appoint U.S. Bank Trust Company, National Association, The Bank of New York Mellon Trust Company, N.A. or any other bank or trust company selected pursuant to JEA's purchasing code to act as Escrow Agent under an Escrow Deposit Agreement in connection with the refunding of Refunded Bonds. One or more Escrow Deposit Agreement(s) are hereby approved in substantially the form attached hereto as Exhibit B. The Escrow Deposit Agreement(s) may be executed and delivered as provided in Section 21 hereof. Pursuant to the Escrow Deposit Agreement(s), the Escrow Agent may be directed to invest the funds held thereunder in the manner provided therein.

In connection with the refunding of the Refunded Bonds as provided herein, each Authorized Officer of JEA is hereby authorized, if deemed desirable, to cause proceeds of the 2023/24 Refunding Bonds and other available amounts, and earnings thereon, to be invested in United States Treasury Securities – State and Local Government Series ("SLGS") or other obligations permitted to be used to accomplish the defeasance of such Refunded Bonds in such amounts, at such times, maturing at such times and having such rate or rates of interest as any Authorized Officer of JEA shall determine is necessary or desirable; and each such Authorized Officer of JEA and, upon receipt of instructions from an Authorized Officer of JEA, any authorized officer of the Escrow Agent is hereby authorized in the name and on behalf of JEA to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations.

SECTION 18. APPROVAL OF THE FORM AND USE OF PRELIMINARY OFFICIAL STATEMENT. The form and use of a preliminary official statement for each Series of the 2023/24 Series X Bonds, in substantially the form of the Preliminary Official Statement relating to Water and Sewer System Revenue Bonds, 2021 Series A or any other Preliminary Official Statement more recently executed and delivered by JEA in connection with the sale of bonds, in each case with such changes, omissions, insertions and revisions as such Authorized Officer of JEA shall deem necessary or appropriate (collectively, the "Form Preliminary Statement"), is hereby authorized and approved in connection with the offering and sale of the 2023/24 Series X Bonds of each Series.

In the event that the Managing Director/CEO shall determine that it is desirable to issue and sell the 2023/24 Series X Bonds of one or more Series as provided herein, the Managing Director/CEO is hereby authorized and directed to cause to be prepared a Preliminary Official Statement with respect to such Bonds in substantially the form of the Form Preliminary Official Statement and with such changes thereto as are necessary so that such Preliminary Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading and, in such case, to cause such Preliminary Official Statement to be used in connection with the offering and sale of the 2023/24 Series X Bonds of such Series and, if applicable, the Managing Director/CEO, the Chief Financial Officer, the Vice President, Financial Services or the Treasurer of JEA are hereby authorized to deem said Preliminary Official Statement final for purposes of Rule 15c2-12. In the event that the

Managing Director/CEO shall cause to be prepared a Preliminary Official Statement for such 2023/24 Series X Bonds as aforesaid, an Official Statement relating to the 2023/24 Series X Bonds of such Series, in substantially the form of said Preliminary Official Statement, with such changes thereto as are necessary (a) to reflect the terms of such 2023/24 Series X Bonds and (b) so that such Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, is hereby authorized and approved for use in connection with the offering and sale of such 2023/24 Series X Bonds. In such event, such Official Statement shall be executed as provided in Section 21 hereof.

SECTION 19. APPROVAL WITH RESPECT TO REGISTRATION OR QUALIFICATION OF THE AUTHORIZED BONDS UNDER THE BLUE SKY OR SECURITIES LAWS OF VARIOUS STATES. The Authorized Officers of JEA shall be, and hereby are, authorized in the name and on behalf of JEA, to take any and all action which they deem necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of the 2023/24 Series X Bonds of each Series for issue, offer, sale or trade under the Blue Sky or securities laws of any of the states of the United States of America and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorneys to receive service of process and other papers and instruments which may be required under such laws, and to take any and all further action which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law or by the Underwriters.

SECTION 20. CONTINUING DISCLOSURE. For the benefit of holders and beneficial owners from time to time of the 2023/24 Series X Bonds of each Series, JEA agrees, as an obligated person with respect to the 2023/24 Series X Bonds of such Series under Rule 15c2-12, to provide or cause to be provided such financial information and operating data, audited financial statements and notices, in such manner as may be required for purposes of paragraph (b)(5) of Rule 15c2-12. In order to describe and specify certain terms of JEA's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Authorized Officers of JEA are, and each of them hereby is, authorized and directed to sign and deliver, in the name and on behalf of JEA, one or more Continuing Disclosure Agreements with respect to the 2023/24 Series X Bonds substantially in the form of Appendix D to the Form Preliminary Official Statement, with any changes or amendments that: (i) are not inconsistent with this resolution; (ii) are not substantially adverse to JEA, or (iii) may be required by Rule 15c2-12 and that are approved by the Authorized Officer of JEA executing the same on behalf of JEA, all of which shall be conclusively evidenced by the signing of that agreement or amendments to it. The agreement formed, collectively, by this paragraph and that agreement, shall be JEA's continuing disclosure agreement with respect to the 2023/24 Series X Bonds of the applicable Series for purposes of Rule 15c2-12, and its performance shall be subject to the annual appropriation of any funds that may be necessary to perform it.

The Authorized Officers of JEA are, and each of them hereby is, further authorized and directed to take such actions as shall be necessary to comply with each such continuing disclosure agreement, including timely provision of information and notices. Prior to making any filing in

accordance with any such agreement or providing notice of the occurrence of any other events, any such officer of JEA shall consult with and obtain legal advice from, as appropriate, the Office of the General Counsel and bond or other qualified independent special counsel selected by JEA. Any such officer of JEA, acting in the name and on behalf of JEA, shall be entitled to rely upon any such legal advice in determining whether a filing should be made.

SECTION 21. AUTHORIZATION OF THE EXECUTION AND DELIVERY OF AUTHORIZED BONDS AND RELATED DOCUMENTS. The Authorized Officers of JEA are hereby authorized to execute the 2023/24 Series X Bonds of each Series, the Bond Purchase Agreement(s), the Escrow Deposit Agreement(s), if any, the Continuing Disclosure Agreement(s) and the Official Statement(s), each subject to completion thereof, and with such changes therein as they may approve as necessary and desirable and in the best interest of JEA, such approval to be evidenced by the execution and delivery thereof; *provided, however*, that the 2023/24 Series X Bonds shall be executed and delivered pursuant to the Bond Resolution and applicable law. The Secretary or an Assistant Secretary of JEA is hereby authorized (but not required) to cause the seal of JEA to be affixed to the 2023/24 Series X Bonds and the foregoing documents and to attest the same. Such Authorized Officers of JEA are each hereby authorized to deliver such 2023/24 Series X Bonds and documents on behalf of JEA.

SECTION 22. AUTHORIZATION OF EXECUTION AND DELIVERY OF DOCUMENTS RELATED TO TERMINATION OF INTEREST RATE SWAP TRANSACTIONS. The Authorized Officers of JEA are hereby authorized to execute and deliver such documents as the Managing Director/CEO shall determine to be necessary or appropriate and commercially reasonable (as confirmed by JEA's Financial Advisor) in connection with the termination, or partial termination, of the Interest Rate Swap Transactions, including, without limitation Termination Agreements, amended Confirmations, documents to enable the counterparties to comply with requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder. Such Authorized Officers of JEA are each hereby authorized to deliver such documents on behalf of JEA.

SECTION 23. FURTHER ACTIONS. Each Authorized Officer of JEA is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all administrative acts and things as may be necessary or desirable in connection with the approval, execution and delivery of the Bond Purchase Agreement(s), the Escrow Deposit Agreement(s), if any, and the Continuing Disclosure Agreement(s); and the carrying out of their terms and the terms of the Bond Resolution and this Supplemental Resolution; the issuance, sale, execution and delivery of the 2023/24 Series X Bonds, the refunding and redemption of the Refunded Bonds and the termination or partial termination of the Interest Rate Swap Transactions; and the use of the Preliminary Official Statement(s) and the Official Statement(s). Without limiting the generality of the foregoing, the Managing Director/CEO is hereby authorized to execute the certificates referred to in Section 5 hereof. In the absence of the Managing Director/CEO for any reason, the authority granted to him in this resolution is hereby delegated to the Vice President, Water/Wastewater Systems, the Chair of JEA's governing board and the Chair of the Finance and Audit Committee of JEA's governing board, in that order.

SECTION 24. REMAINING AUTHORIZATION UNDER RESOLUTION NO. 2023-03 SUPERSEDED. Any remaining authorization to issue additional debt under Resolution No. 2023-03 adopted by JEA on January 24, 2023 is hereby superseded by this Resolution and repealed. The foregoing shall not affect in any manner the authorization of debt previously issued pursuant to Resolution No. 2023-03.

SECTION 25. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way affect the validity or enforceability of such remaining provisions.

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SECTION 26. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

ADOPTED THIS 26TH DAY OF SEPTEMBER, 2023.



JEA

By: _____
Name:
Title:

ATTEST:

By: _____
Secretary

Approved as to Form:

By: _____
Office of General Counsel

EXHIBIT A

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT B

FORM OF ESCROW DEPOSIT AGREEMENT

B-1

BOND PURCHASE AGREEMENT

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida 32202

Re: \$000,000,000 JEA Water and Sewer System Revenue Bonds, 2023/24 Series X
\$000,000,000 JEA Water and Sewer System Subordinated Revenue Bonds,
2023/24 Series X

Ladies and Gentlemen:

The Underwriters (as defined below) jointly and severally hereby propose to purchase all (but not less than all) of the Bonds (as defined below) from JEA, a public body corporate and politic organized and existing under the laws of the State of Florida, and to make a public offering of the Bonds subject to the acceptance of this proposal by JEA on or before 5:00 p.m. local time then prevailing in Jacksonville, Florida, on _____, 20__, and subject to the following provisions:

Section 1. Definitions. The following terms shall have the following meanings in this Agreement unless another meaning is plainly intended:

"2023/24 Series X Bonds" means JEA's Water and Sewer System Revenue Bonds, 2023/24 Series X in the aggregate principal amount of \$000,000,000, with maturities, amounts, interest rates and yields set out in Annex A hereto and as further described in the Final Official Statement.

"2023/24 Series X Subordinated Bonds" means JEA's Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series X in the aggregate principal amount of \$000,000,000 with maturities, amounts, interest rates and yields as described in Annex A hereto and as further described in the Final Official Statement.

"Accountants" means _____, independent certified public accountants.

"Agreed Upon Procedures Letter" means the letter from the Accountants to the governing body of JEA and the Representative in a form acceptable to JEA and the Representative and with the procedures described therein to be applied at least through _____, 20__, the date of the last meeting of the Board of JEA prior to the Closing.

"Agreement" means this Bond Purchase Agreement between the Representative, acting on behalf of the Underwriters, and JEA.

"Bond Counsel" means _____, _____, _____.

"Bond Registrar" means U.S. Bank Trust Company, National Association or its corporate successor, in its capacity as Bond Registrar and Paying Agent and Subordinated Bond Registrar and Subordinated Bond Paying Agent, as the case may be, for the Bonds under the Resolution.

"Bonds" means, collectively, the 2023/24 Series X Bonds and the 2023/24 Series X Subordinated Bonds.

"City" means the City of Jacksonville, Florida.

"Closing" refers to the transaction at which the Bonds are delivered by JEA to or on behalf of the Underwriters, and paid for by the Underwriters, pursuant to this Agreement.

"Closing Date" means the date specified in Section 7 hereof, or such other date as is mutually agreeable to the Representative and JEA pursuant to Section 7 hereto.

"Closing Documents" means the documents described in Section 8 hereof and required to be delivered to the Underwriters at the Closing.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"Continuing Disclosure Agreement" means the agreement of JEA to be dated the Closing Date in substantially the form set forth in Appendix D to the Preliminary Official Statement.

"DTC" means The Depository Trust Company.

"Escrow Agent" means _____.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement to be delivered in connection with the issuance of the Bonds between JEA and the Escrow Agent relating to the refunding of the Refunded Bonds.

"Final Official Statement" means the final Official Statement of JEA relating to the Bonds, substantially in the form of the Preliminary Official Statement, with such changes as may be approved by the Representative, to be delivered pursuant to Section 6 hereof.

"Forty-Seventh Supplemental Resolution" means Resolution No. 2023-____ adopted by JEA on September 26, 2023 entitled "Forty-Seventh Supplemental Water and Sewer System Revenue Bond Resolution."

"JEA's Counsel" means the Office of the General Counsel of the City.

"Letter of Representations" means the Blanket Issuer Letter of Representations dated _____ from JEA to DTC.

"MSRB" means the Municipal Securities Rulemaking Board.

"Official Statements" means the Preliminary Official Statement and the Final Official Statement.

"Preliminary Official Statement" means the Preliminary Official Statement of JEA relating to the Bonds, dated _____, 20__, including the cover page and appendices thereto and the information included by reference therein.

"Refunded Bonds" means the bonds listed in the table in Annex G attached hereto.

"Representative" means _____, as representative of the Underwriters.

"Resolution" means, collectively, the Senior Bonds Resolution and the Subordinated Bonds Resolution.

"SEC" means the Securities and Exchange Commission.

"Senior Bonds Resolution" means the resolution of JEA adopted on February 18, 1997 and referred to therein as the "Water and Sewer System Revenue Bond Resolution," as amended, restated and supplemented, including, without limitation, as supplemented by the Forty-Fourth Supplemental Bond Resolution.

"Subordinated Bonds Resolution" means the resolution of JEA adopted on May 15, 2003 and referred to therein as "Water and Sewer System Subordinated Revenue Bond Resolution," as amended, restated and supplemented, including, without limitation, as supplemented by the Nineteenth Supplemental Subordinated Resolution.

"System" shall have the meaning ascribed thereto in the Resolution.

"Twenty-Second Supplemental Subordinated Resolution" means Resolution No. 2023-__ adopted by JEA on September 26, 2023 entitled "Twenty-Second Supplemental Water and Sewer System Subordinated Revenue Bond Resolution."

"Underwriters" means _____, acting for and on behalf of themselves and such other securities dealers, if any, as may from time to time be designated by JEA or the Underwriters.

"Underwriters' Counsel" means _____, _____, _____.

["Verification Agent" means _____.]

["Verification Report" means the report dated the date of Closing of the Verification Agent to the effect that such Verification Agent has verified the accuracy of (a) the adequacy of the maturing principal of and interest on certain federal securities to be held under the Escrow Deposit Agreement, together with other moneys held under the Escrow Deposit Agreement, to pay when due or upon earlier redemption, the principal or redemption price of and interest on the Refunded Bonds, and (b) certain mathematical

computations supporting the conclusion that the Bonds are not "arbitrage bonds" under the Code.]

Section 2. Purchase Price. Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriters shall purchase and JEA shall sell all, but not less than all, of the (i) 2023/24 Series X Bonds at an aggregate purchase price of \$ _____ (representing the aggregate principal amount of the 2023/24 Series X Bonds of \$000,000,000, less Underwriters' discount of \$ _____ [plus/minus net] original issue [premium/discount] of \$ _____) and (ii) 2023/24 Series X Subordinated Bonds at an aggregate purchase price of \$ _____ (representing the aggregate principal amount of the 2023/24 Series X Subordinated Bonds of \$000,000,000, less Underwriters' discount of \$ _____ [plus/minus net] original issue [premium/discount] of \$ _____).

JEA acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between JEA and the Underwriters, (ii) in connection with such transaction, each Underwriter is acting solely as a principal and not as an agent or a fiduciary of JEA, (iii) the Underwriters have not assumed a fiduciary responsibility in favor of JEA with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriters have advised or are currently advising JEA on other matters) or any other obligation to JEA except the obligations expressly set forth in this Agreement, (iv) the Underwriters have financial interests that differ from those of JEA and are not acting as municipal advisors (as defined in Section 15B of the Securities Exchange Act of 1934, as amended) and (v) JEA has consulted with its own legal and financial advisors to the extent it deemed it appropriate in connection with the offering of the Bonds.

Section 3. Establishing Issue Price. The Representative, on behalf of the Underwriters, agrees to assist JEA in establishing the issue price of the Bonds and shall execute and deliver to JEA at Closing, a Certificate of Underwriter Regarding Issue Price, or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Annex B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, JEA and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

Except as provided in Schedule A to Annex B and below, JEA will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Agreement, the Representative shall report to JEA the price or prices at which the Underwriters have sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Representative agrees to promptly report to JEA the prices at which Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue (but only with respect to any maturity to which the hold-the-offering-price rule described below does not apply), whether or not the Closing Date has occurred, until either (i) all Securities of that maturity have been sold or (ii) the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriters' reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, JEA or bond counsel. For purposes of

this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Annex B attached hereto, except as otherwise set forth therein. Schedule A to Annex B also sets forth, as of the date of this Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which JEA and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow JEA to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Bonds of that maturity; *provided*, that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(B) to promptly notify the Representative of any series of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriter or selling group agreement relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (a) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter or dealer that the 10 percent test has been satisfied as to the Securities of that maturity, provided, that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or the Underwriter or the dealer and as set forth in the related pricing wires.

JEA acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or a dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. JEA further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly

with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date of execution of this Agreement by all parties.

In connection with the public offering of the Bonds, the Underwriters have delivered to JEA a letter containing the information required by Section 218.385, Florida Statutes in the form attached as Annex F.

Good Faith Deposit. [If by wire transfer: There has been delivered to JEA herewith a wire transfer in the amount of \$ _____ (the "Good Faith Deposit") as security for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Closing Date in accordance with the provisions hereof. In the event of the Underwriters' compliance with their obligations hereunder, the Good Faith Deposit shall be netted from the purchase price of the Bonds payable by the Underwriters to JEA pursuant to Section 2 hereof. In the event JEA does not accept this offer the Good Faith Deposit shall be immediately returned by JEA to the Representative by wire transfer. Upon the failure of JEA to deliver the Bonds on the Closing Date, or if JEA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if such obligations shall be terminated for any reasons permitted by this Agreement except for the reasons set forth in Section 10 hereof, the Good Faith Deposit shall immediately be repaid by JEA to the Representative by wire transfer. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by JEA on the Closing Date as herein provided, the Good Faith Deposit shall be retained by JEA as and for full and agreed upon liquidated damages, and not as a penalty, to JEA for such failure, and the retention of the Good Faith Deposit shall constitute a full release and discharge of all claims and damages for such failure and of any and all defaults hereunder on the part of the Underwriters.]

[If by check: Delivered to JEA herewith is a check payable to the order of JEA in the amount of \$ _____ (the "Good Faith Deposit") as security for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Closing Date in accordance with the provisions hereof. JEA shall hold such check uncashed until the Closing Date. In the

event of the Underwriters' compliance with their obligations hereunder, the Good Faith Deposit shall be returned to the Representative on the Closing Date upon payment to JEA as provided in Section 7 hereof of the purchase price of the Bonds. In the event JEA does not accept this offer, or upon the failure of JEA to deliver the Bonds on the Closing Date, or if JEA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if such obligations of the Underwriters shall be terminated for any reason permitted by this Agreement except for the reasons set forth in Section 10 hereof, the Good Faith Deposit shall immediately be returned to the Representative. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by JEA on the Closing Date as herein provided, the Good Faith Deposit shall be retained by JEA as and for full and agreed upon liquidated damages, and not as a penalty, to JEA for such failure, and the retention of the Good Faith Deposit shall constitute a full release and discharge of all claims and damages for such failure and of any and all defaults hereunder on the part of the Underwriters.]

Section 4. Representations of JEA. JEA represents to the Underwriters that: (a) the Preliminary Official Statement has been "deemed final" by JEA as of its date for the purpose of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"); (b) as of their respective dates and on the date hereof the statements and information contained in the Official Statements are, and on the Closing Date the statements and information contained in the Final Official Statement will be, true and complete in all material respects, and the Preliminary Official Statement, as of its date, did not and the Final Official Statement, as of its date, does not on the date hereof, and will not on the Closing Date, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading; (c) the Preliminary Official Statement, as of its date, did not and does not on the date hereof, and the Final Official Statement, as of its date did not and does not on the date hereof, and will not on the Closing Date, omit any information with respect to JEA or its business, properties and affairs which might in a material respect adversely or unfavorably affect the transactions contemplated by the Preliminary Official Statement or the Final Official Statement; (d) JEA has not pledged any part of the "Trust Estate" prior to the lien thereon in favor of the "Bonds" (as those terms are defined in the Resolution); (e) JEA has full title to the System and the power and authority to operate the same and to collect the Revenues (as defined in the Resolution) therefrom; (f) the resolution or resolutions of, or other appropriate actions taken by, JEA establishing the rates and charges for services of the System described in the Official Statements have been duly adopted or taken and are in full force and effect; (g) when delivered to and paid for by the Underwriters at the Closing in accordance with the provisions of this Agreement, the Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of JEA of the character referred to in the Final Official Statement, in conformity with, and entitled to the benefit and security of, the Resolution; (h) JEA is empowered and has been duly authorized to enter into this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Letter of Representations and to adopt the Resolution; (i) the execution and delivery of this Agreement, the Continuing Disclosure Agreement, the Letter of Representations[, the Escrow Deposit Agreement] and the Bonds and compliance with the provisions thereof, under the circumstances contemplated herein and therein, will not in any material respect conflict with or constitute on the part of JEA a breach of or default under any agreement or other instrument to which JEA is a party, or any existing law, administrative regulation, court order or consent decree to which JEA is subject; (j) no litigation or proceeding (to which JEA is a party) is pending or to

the best of JEA's knowledge is threatened against or affecting JEA to restrain or enjoin the issuance or delivery of the Bonds or other indebtedness of JEA relating to the System or in any way contesting or affecting the authority for the issuance of the Bonds or the validity of the Bonds or other indebtedness of JEA, the Resolution, this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] or the Letter of Representations or in any way contesting the corporate existence or the powers of JEA; (k) except as may be disclosed in the Official Statements, no litigation or proceeding (to which JEA is a party) is pending or, to the best of its knowledge, is threatened against or affecting JEA or involving any of the business, property or affairs of JEA which involves the possibility of any judgment or liability which may result in any material adverse change in the financial condition of JEA relating to the System; (l) JEA has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon; (m) subsequent to the date of the last audited financial statements included [by specific reference] in the Official Statements there have been no material adverse changes in the assets, liabilities or condition of JEA related to the System, financial or otherwise, except as disclosed in or contemplated by the Official Statements, and neither the business, the properties, nor the affairs of JEA related to the System have been adversely affected in any substantial way as the result of any fire, explosion, accident, strike, riot, flood, windstorm, earthquake, embargo, war or act of God or of the public enemy; (n) all permits or licenses which JEA is required to maintain in order to operate the System are in full force and effect; (o) the proceeds of the Bonds will be used by JEA to redeem all of the Refunded Bonds within 90 days of the Closing; (p) other than as disclosed in the Official Statements, JEA has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under the Rule; and (q) JEA has not been in default at any time after December 31, 1975 as to principal or interest with respect to any of its debt obligations.

Section 5. Final Official Statement; Public Offering. JEA shall prepare, and shall deliver to the Underwriters as promptly as practicable but, in any event, not later than seven business days after the acceptance by JEA of this Agreement and in sufficient time to allow the Underwriters to deliver copies thereof to purchasers of the Bonds at least two business days prior to the Closing, copies of the Final Official Statement in sufficient quantity to comply with the Rule and the rules of the Municipal Securities Rulemaking Board and in form and substance satisfactory to the Representative and JEA, executed on behalf of JEA by its Managing Director and Chief Executive Officer. JEA agrees that the Preliminary Official Statement, the Final Official Statement, and audited financial statements, if any, and copies of the Resolution, prepared by or on behalf of JEA may be used by the Underwriters in the public offering of the Bonds and that it will cooperate with the Underwriters if the Underwriters decide to qualify the Bonds under the securities laws of any state; provided, however, JEA shall not be required to register as a dealer or broker in any such state or to qualify to do business in connection with any such qualification of the Bonds for sale in any state. To the extent required by MSRB Rules, JEA confirms that it does not object to the distribution of the Official Statements in electronic form. The Final Official Statement shall be provided in a "designated electronic format" (as defined in MSRB Rule G-32). The term "designated electronic format" is defined in MSRB Rule G-32 to mean portable document format, with files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. For files submitted to the Electronic Municipal Market Access system operated by the MSRB on or after January 1, 2010, documents in designated electronic

format must be word searchable (without regard to diagrams, images and other non-textual elements).

JEA authorizes the Representative to file, to the extent required by applicable SEC or MSRB rule, and the Representative agrees to file or cause to be filed, the Official Statement with (i) the MSRB or its designee (including submission to the MSRB's Electronic Municipal Market Access System ("EMMA")) or (ii) other repositories approved from time to time by the SEC (either in addition to or in lieu of the filings referred to above). If a supplement to the Final Official Statement is prepared in accordance with Section 11 hereof during the "primary offering disclosure period," and if required by applicable SEC or MSRB rule, the Representative shall also make the required submission of the supplement to the Final Official Statement to EMMA. The "primary offering disclosure period" is used as defined in MSRB Rule G-32 and shall end on the 25th day after the Closing.

Section 6. Closing, Delivery and Payment. The Bonds shall be printed or reproduced in definitive form as fully registered Bonds and shall be registered initially in the name of Cede & Co., as nominee of DTC, shall be in the denominations of the aggregate par amount of the Bonds of each series and maturity of each series (and, if applicable, each interest rate within a maturity) and shall be made available to, or on behalf of, DTC, 55 Water Street, New York, New York, which shall act as securities depository for the Bonds, not less than one business day prior to the Closing. The Representative may inspect the Bonds prior to the Closing.

The Closing shall be held beginning at 9:00 a.m. on _____, 20__ (the "Closing Date") at the offices of JEA, 225 N. Pearl Street, Jacksonville, Florida, or at such other time and other place as is mutually agreeable to the Representative and JEA. At the Closing and subject to the conditions contained herein, the Representative shall accept the delivery of the Bonds from JEA and shall make payment therefor as provided herein in federal funds or other immediately available funds upon (i) tender by JEA of the definitive Bonds to or on behalf of DTC on behalf of the Underwriters; and (ii) the delivery by JEA to the Underwriters of all the Closing Documents.

Section 7. Closing Documents. The Closing Documents shall consist of at least the following, each properly executed, certified or otherwise verified, dated as of the Closing Date except as otherwise provided below, and in such form as may be satisfactory to Bond Counsel, the Representative and Underwriters' Counsel, including, but not limited to, the matters hereinafter set forth:

(a) Certified copies of the Resolution and the ordinances of the City Council of the City approving the issuance of the Bonds;

(b) JEA's closing certificate confirming (i) the representations made by JEA herein; (ii) the application of the proceeds of the sale of the Bonds and certain other amounts as described in the Final Official Statement; (iii) the adoption and present effectiveness of all resolutions considered necessary, in the opinion of Bond Counsel, in connection with the transactions contemplated hereby, together with copies of said resolutions; (iv) that the Resolution has not been amended since the date of this Agreement, except as may have been consented to in writing by the Representative; and (v) that, except as described in the Official Statements, no material adverse change has occurred with

respect to the System, including, without limitation, the financial condition thereof, for the period from September 30, 20[] through the Closing Date;

(c) The approving opinions of Bond Counsel, dated the Closing Date, in substantially the forms attached to the Preliminary Official Statement as Appendix D and Appendix E;

(d) The supplemental opinion of Bond Counsel, dated the Closing Date, addressed to the Underwriters in substantially the form set forth as Annex C hereto;

(e) An opinion of JEA's Counsel to the effect that (i) JEA is a public body corporate and politic and an independent agency of the City, duly organized and validly existing under the laws of the State of Florida and has all the necessary power and authority to issue the Bonds and enter into this Agreement, the Letter of Representations[, the Escrow Deposit Agreement] and the Continuing Disclosure Agreement; (ii) the Resolution has been duly adopted by JEA and this Agreement, the Letter of Representations, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Bonds have been duly authorized, executed and delivered by JEA and such documents and the Resolution constitute legal, valid and binding obligations of JEA enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally, and no opinion need be expressed as to the availability of any discretionary equitable remedy; (iii) the ordinances of the City Council of the City approving the issuance of the Bonds were duly enacted by the City; (iv) JEA has approved the distribution of the Preliminary Official Statement and the Final Official Statement and the execution and delivery of the Final Official Statement to the purchasers of the Bonds; (v) the execution and delivery of the Bonds, this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Letter of Representations, the adoption of the Resolution and the issuance of the Bonds pursuant to the Resolution and compliance with the provisions of the Resolution under the circumstances contemplated thereby and hereby, do not and will not in any material respect conflict with or constitute on the part of JEA a breach of or default under any existing law, regulation, court order or consent decree to which JEA is subject; (vi) nothing has come to such counsel's attention which would lead such counsel to believe that the Final Official Statement (with the exception of the tax treatment of interest on the Bonds, Blue Sky or other securities registration matters, and financial and statistical information, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact necessary to be stated therein to make the statements therein, in light of the circumstances under which they were made, not misleading; (vii) no litigation or proceeding (to which JEA or the City is a party) is pending or to the best of such counsel's knowledge is threatened against or affecting JEA or the City to restrain or enjoin the issuance or delivery of the Bonds or the refunding of the Refunded Bonds or in any way contesting or affecting the authority for the issuance of the Bonds, or the validity of the Bonds or this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] or the Letter of Representations or in any way contesting the corporate existence or the powers of JEA; (viii) except as may be disclosed in the Preliminary Official Statement and the Final Official Statement, no litigation or proceeding (to which JEA or

the City is a party) is pending or to the best of such counsel's knowledge is threatened against or affecting JEA or involving any of the business, property or affairs of JEA which involves the possibility of any judgment or liability which may result in any material adverse change in the financial condition of JEA relating to the System; and (ix) JEA has obtained the consents, approvals, authorizations or other orders of all municipal, state or regulatory authorities required for the consummation of the transaction contemplated hereby;

(f) The opinion of Disclosure Counsel, dated the Closing Date, in substantially the form attached hereto as Annex D;

(g) The opinion of Underwriters' Counsel, dated the Closing Date, in substantially the form attached hereto as Annex E;

(h) An executed copy of the Agreed Upon Procedures Letter, dated the day prior to the Closing Date;

(i) A consent, manually signed by the Accountants, to the use of their report in the Official Statements and to the references to their firm therein, dated the day prior to the Closing Date;

(j) Appropriate arbitration certifications and tax covenants with respect to the Bonds by JEA in form and substance satisfactory to Bond Counsel and Underwriters' Counsel;

(k) Appropriate evidence that the 2023/24 Series X Bonds have been assigned ratings of "___" by Fitch Ratings ("Fitch"), "___" by Moody's Investors Service, Inc. ("Moody's") and "___" by S&P Global Ratings ("S&P") and the 2023/24 Series X Subordinated Bonds have been assigned ratings of "___" by Fitch, "___" by Moody's and "___" by S&P;

(l) A certificate of the Bond Registrar as to the incumbency of its officers and its power to serve as Bond Registrar in form and substance acceptable to Bond Counsel and Underwriters' Counsel;

(m) A certificate of the Escrow Agent, dated the Closing Date as to (i) the incumbency of its officers, (ii) that the Escrow Agent is a banking corporation, duly organized and validly existing under the laws of the United States of America or the state of its incorporation and authorized to do business in the State, (iii) that the Escrow Agent has duly accepted its duties under the Escrow Deposit Agreement, and (iv) that the Escrow Agent has taken all necessary corporate action required to act as escrow agent under the Escrow Deposit Agreement and to perform its duties thereunder;

(n) A certified copy of the Letter of Representations;

(o) An executed counterpart of the Continuing Disclosure Agreement;

(p) An executed counterpart of the Escrow Deposit Agreement;

(q) [The Verification Report;] and

(r) Such additional legal opinions, certificates, instruments and other documents and such multiple copies of the above listed documents as the Representative, Underwriters' Counsel or Bond Counsel may reasonably request to evidence compliance by JEA with legal requirements; the truth and accuracy, as of the Closing Date, of the respective representations contained herein and in the Final Official Statement; and the due performance or satisfaction by JEA of all agreements to be performed by it and all conditions to be satisfied by it at or prior to the Closing.

Section 8. Termination by Underwriters. This Agreement may be terminated in writing prior to the Closing by the Representative acting on behalf of the Underwriters if any of the following shall occur subsequent to the execution hereof: (i) this Agreement shall not have been accepted by JEA within the time herein provided; (ii) the copies of the Final Official Statement shall not have been provided within the time required by this Agreement; (iii) the Bonds and all of the Closing Documents shall not have been delivered to the Underwriters as of 2:00 p.m. on the Closing Date; (iv)(a) legislation shall have been enacted by the Congress, or introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or (b) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (c) an order, ruling, regulation or communication (including a press release) shall have been issued by the Treasury Department of the United States, the Internal Revenue Service or the Securities and Exchange Commission, or (d) any action shall be taken or statement made by or on behalf of the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, which indicates or implies that interest on the Bonds may not be excludable from gross income for federal income tax purposes or that legislation will be introduced in the next scheduled session of the United States Congress, in each case referred to in clauses (a), (b), (c) and (d), with the purpose or effect, directly or indirectly, of (y) imposing federal income taxation upon interest to be received by any holders of the Bonds or (z) requiring the offer or sale of the Bonds to be registered under the Securities Act of 1933 or the Resolution to be qualified as an indenture under the Trust Indenture Act of 1939; (v) there shall exist any event or circumstance which, in the opinion of the Representative, either makes untrue or incorrect in a material respect any statement or information contained in the Final Official Statement, or any event or circumstance is not reflected in the Final Official Statement but should be reflected therein in order to make the statements and information contained therein, in light of the circumstances under which they were made, not misleading in a material respect; (vi) there shall have occurred any outbreak of hostilities (or the escalation of any hostilities existing on the date hereof) or other national or international calamity or crisis, the effect of such outbreak or escalation, calamity or crisis on the financial markets of the United States of America being such as, in the opinion of the Representative, would make it impracticable for the Underwriters to sell the Bonds, including an effect generally on the market which affects the marketability of the Bonds; (vii) there shall be in force a general suspension of trading on the New York Stock Exchange, or any other major United States stock exchange, or minimum or maximum prices for trading shall have been fixed and be in force; (viii) in the judgment of the Representative, the market price of the Bonds, or the market

price generally of obligations of the general character of the Bonds, might be adversely affected because: (a) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, or (b) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters; (ix) a general banking moratorium shall have been declared by either federal, New York or Florida authorities having jurisdiction, and shall be in force, or there shall occur any other material disruption in commercial banking or securities settlement or clearance services in the United States; or (x) the rating on the Bonds shall have been suspended, withdrawn or downgraded by any of the three rating agencies referred to in paragraph (j) of Section 8 hereof.

Section 9. Termination by JEA. In the absence of a termination of this Agreement by the Representative as permitted by Section 9 hereof, this Agreement may be terminated in writing by JEA in the event that the Underwriters shall fail to accept delivery and pay the purchase price of the Bonds at the Closing upon (i) tender thereof to or on behalf of the Underwriters by JEA and (ii) delivery to the Underwriters of all of the Closing Documents, all as provided in Section 8 hereof, and in such event JEA shall retain the Good Faith Deposit as provided in Section 4 hereof.

Section 10. Changes Affecting the Final Official Statement After the Closing. If during the period from the date of this Agreement and a date 25 days after the End of the Underwriting Period (as defined herein), any event relating to or affecting JEA shall occur the result of which shall make it necessary, in the reasonable opinion of (i) JEA and (ii) the Representative or Underwriters' Counsel, to amend or supplement the Final Official Statement in order to make it not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made not misleading, JEA shall forthwith prepare and furnish to the Underwriters, at JEA's expense, a reasonable number of copies of an amendment of or supplement to the Final Official Statement in form and substance satisfactory to the Representative, so that it then will not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances existing at that time, not misleading; provided, however, JEA will not adopt any amendment or supplement to the Final Official Statement except with the written consent of the Representative, which consent shall not be unreasonably withheld. The "End of the Underwriting Period" shall mean the Closing Date unless the Representative shall in writing advise JEA that the Underwriting Period must be extended, in which case the End of the Underwriting Period shall be the date set forth in such writing, but in no event later than 90 days after the Closing Date.

Section 11. Expenses. The Underwriters shall pay their own out-of-pocket expenses, the fees and expenses of Underwriters' Counsel, and the fees and expenses in connection with the preparation of the Blue Sky memorandum and the registration of the Bonds for "Blue Sky" purposes. JEA acknowledges that the expense component of the Underwriters' discount includes the fees and expenses incurred by the Underwriters as described in the preceding sentence and includes an amount intended to reimburse the Underwriters for incidental expenses (including, but

not limited to, transportation, lodging and meals of JEA and Underwriters personnel) incurred by the Underwriters in connection with the transaction contemplated by this Agreement.

JEA acknowledges that it has had an opportunity to consult with its financial advisor in order to evaluate and consider the fees and expenses being incurred as a part of the issuance of the Bonds. JEA shall pay all of the other costs and expenses in connection with the financing contemplated by this Agreement, including, but not limited to: (i) the fees and expenses of Bond Counsel and JEA's Counsel and the expenses of JEA, if any; (ii) any fees and expenses incurred for filing fees; (iii) the fees and expenses of any experts or consultants; (iv) the fees and expenses of the Bond Registrar[, and] the Escrow Agent [and the Verification Report]; (v) the cost of preparation and printing of the Bonds; (vi) the cost of printing and duplication for the Official Statements and any amendments or supplements thereto; (vii) the fees and expenses of the Accountants; and (viii) bond rating agency fees. JEA acknowledges that a portion of the Underwriters' expenses are intended to reimburse the Underwriters for incidental expenses (including, but not limited to, transportation, lodging and meals of JEA and Underwriters personnel) incurred by the Underwriters (on their own behalf or on behalf of JEA personnel), as applicable, in connection with the transaction contemplated by this Agreement.

Section 12. Notices. Any notice or other communication to be given to JEA under this Agreement may be given by delivering the same in writing to the address set forth above; and any such notice or other communication to be given to the Underwriters may be given by delivering the same in writing to the Underwriters in care of _____, _____, _____, _____, Attention: _____.

Section 13. Authority of Representative. The Representative has been duly authorized to execute this Agreement and, pursuant to an agreement among the Underwriters, has been duly authorized to act hereunder by and on behalf of the Underwriters.

Section 14. Parties and Interests; Survival of Representations. This Agreement is made solely for the benefit of JEA and the Underwriters, including the successors and assigns of the Underwriters, and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements by JEA in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the Underwriters, and shall survive the delivery of and payment for the Bonds.

Section 15. Truth-In-Bonding Statement. For purposes of subsections (2) and (3) of Section 218.385, Florida Statutes, as amended, the following Truth in Bonding Statement is made with respect to the Bonds:

JEA is proposing to issue \$_____ of the Bonds. The Bonds are to be issued for the purposes of refunding the Refunded Bonds and paying cost of issuance of the Bonds. The Bonds are expected to be repaid over a period of approximately ____ years. At the interest rates set out in Annex A hereto (being a true interest cost of _____%), total interest paid over the life of the Bonds will be \$_____.

The source of repayment or security for the Bonds is the Revenues of the System. Issuing the Bonds finances the items described in the preceding paragraph. Authorizing this debt will result in an average annual debt service payment of approximately \$ _____ from Revenues, which will not otherwise be available to finance the other services or expenditures of JEA each year for approximately _____ years.

Section 16. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original but all of which taken together shall constitute one instrument.

Section 17. Entire Agreement Clause. This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties regarding the transaction contemplated by this Agreement and the process leading thereto. This Bond Purchase Agreement shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]

Very truly yours,

as Representative of the Underwriters

By: _____
Name:
Title:

Accepted by JEA on _____, 20__

By: _____
Name:
Title:

FORM APPROVED:

Office of General Counsel

[Signature Page to Bond Purchase Agreement dated _____, 20__]

ANNEX A

MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS

\$000,000,000 Water and Sewer System Revenue Bonds, 2023/24 Series X

<u>Maturity</u> <u>October 1,</u>	<u>Amount</u> \$	<u>Interest Rate</u> %	<u>Yield</u> %
--------------------------------------	---------------------	---------------------------	-------------------

\$ _____ % Term Bond Due October 1, 20__ - Yield _____ %

\$000,000,000 Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series X

<u>Maturity</u> <u>October 1,</u>	<u>Amount</u> \$	<u>Interest Rate</u> %	<u>Yield</u> %
--------------------------------------	---------------------	---------------------------	-------------------

\$ _____ % Term Bond Due October 1, 20__ - Yield _____ %

Redemption Provisions

[To come]

ANNEX B

CERTIFICATE OF UNDERWRITER REGARDING ISSUE PRICE

\$000,000,000
JEA
WATER AND SEWER SYSTEM REVENUE
BOND,
SERIES THREE 2023/24X

\$000,000,000
JEA
WATER AND SEWER SYSTEM
SUBORDINATED REVENUE BOND,
SERIES 2023/24X

The undersigned, on behalf of _____ (the "Representative"), on behalf of itself and _____ (collectively, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

Hold-the-Offering-Price Maturities

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price set forth in Schedule A attached hereto.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule B (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule C.

(b) As set forth in the Bond Purchase Agreement for the Bonds, the members of the Underwriting Group have agreed in writing that, (i) for each of the Hold-the-Offering-Price-Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for each Maturity during the Holding Period for such Maturity (the "hold-the-offering-price-rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any of the Hold-the-Offering-Price-Maturities at a price higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) ***Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) ***Holding Period*** means, with respect to a Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 20__), or (ii) the date on which the Underwriting Group has sold at least 10% of

such Maturity to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(d) *Issuer* means JEA.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [_____, 20__].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Greenberg Traurig, P.A. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

_____, as representative of the Underwriters

By: _____
Name:

Dated:

ANNEX C

[Form of Supplemental Opinion of Bond Counsel]

[Closing Date]

[Underwriters]

c/o _____

Re: \$000,000,000 JEA Water and Sewer System Revenue Bonds, 2023/24 Series X
\$000,000,000 JEA Water and Sewer System Subordinated Revenue Bonds,
2023/24 Series X

Ladies and Gentlemen:

We have served as Bond Counsel to JEA in connection with the issuance of the captioned obligations (respectively, the "2023/24 Series X Bonds" and the "2023/24 Series X Subordinated Bonds" and collectively, the "Bonds"). This letter is addressed to you, as Underwriters, pursuant to Section 8(d) of the Bond Purchase Agreement (the "Bond Purchase Agreement"), dated _____, 20__ between _____, as Representative of the Underwriters named therein, and JEA, providing for the purchase of the Bonds. The Bonds are issued pursuant to the Constitution and laws of the State of Florida, including, in particular, Chapter 80-153, Laws of Florida, Special Acts of 1980, as amended, and Article 21 of the Charter of the City of Jacksonville, Florida (the "City"), as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended in accordance with the terms thereof prior to the date hereof, and other applicable provisions of law, and under and pursuant to a resolution of JEA adopted on February 18, 1997 and referred to therein as the "Water and Sewer System Revenue Bond Resolution" (as amended and restated by a resolution adopted by JEA on March 18, 1997) and the resolutions supplemental and amendatory thereto heretofore adopted, including Resolution No. 2023-__ of JEA adopted on September 26, 2023 entitled "Forty-Seventh Supplemental Water and Sewer System Bond Resolution," authorizing the issuance of the 2023/24 Series X Bonds, and pursuant to resolution of JEA adopted on May 15, 2003 and referred to therein as the "Water and Sewer System Subordinated Revenue Bond Resolution," as supplemented (the "Subordinated Bond Resolution"), including as supplemented by Resolution No. 2023-__ of JEA adopted September 26, 2023 entitled "Twenty-Second Supplemental Water and Sewer System Subordinated Revenue Bond Resolution," authorizing the issuance of the 2023/24 Series X Subordinated Bonds, (herein collectively called the "Resolutions"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolutions or, if not defined in the Resolutions, in the Bond Purchase Agreement.

We have delivered our final legal opinions (the "Bond Opinions") as bond counsel concerning the validity of the Bonds and certain other matters to JEA, dated the date hereof and addressed to JEA. You may rely on such opinions as though the same were addressed to you.

In connection with our role as bond counsel, we have reviewed the Bond Purchase Agreement; a certified copy of the Resolutions; a certified copy of Ordinance No. 97-205-E, enacted by the Council of the City on May 13, 1997, approving, among other things, the Resolutions and the issuance by JEA of Bonds (as such term is defined in the Senior Bond Resolution); a certified copy of Ordinance 2001-663-E, enacted by the Council of the City on August 28, 2001, approving, among other things, the issuance by JEA of Bonds and Subordinated Indebtedness (as defined in the Resolutions); a certified copy of Ordinance 2004-820-E, enacted by the Council of the City on September 28, 2004, approving, among other things, the issuance by JEA of Bonds and Subordinated Indebtedness; a certified copy of Ordinance 2006-792-E, enacted by the Council of the City on September 26, 2006, approving, among other things, the issuance by JEA of Bonds and Subordinated Indebtedness; a certified copy of Ordinance 2011-448-E, enacted by the Council of the City on September 27, 2011, approving, among other things, the issuance by JEA of Bonds (as defined in the Senior Bond Resolution); the Official Statement of JEA, dated _____, 20___, relating to the Bonds (the "Official Statement"); the Continuing Disclosure Agreement; the Tax Certificate executed and delivered by JEA on the date hereof in connection with the issuance of the Bonds (the "Tax Certificate"); an opinion of the Office of General Counsel of the City, attorney for JEA; certificates of JEA and others; and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

The opinions and conclusions expressed herein are based upon an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than JEA. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof (except that we have not relied on any such legal conclusions that are to the same effect as the opinions or conclusions set forth herein). We have further assumed compliance with all covenants and agreements contained in such documents.

In addition, we call attention to the fact that the rights and obligations under the Bonds, the Resolutions, the Tax Certificate, the Continuing Disclosure Agreement and the Bond Purchase Agreement and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against bodies politic and corporate of the State of Florida. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, or waiver provisions contained in the foregoing documents.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. JEA is a public body corporate and politic and an independent agency of the City, duly created and existing under the Constitution and laws of the State of Florida.

2. The Bonds have been duly authorized by JEA and all conditions precedent to the issuance of the Bonds have been fulfilled, including, without limitation, all necessary approvals of the City.

3. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

4. The statements contained in the Official Statement under the captions "INTRODUCTION – Authorization for the 2023/24 Bonds, - Purpose of the 2023/24 Bonds, - Description of the 2023/24 Bonds, and – Security and Sources of Payment for the 2023/24 Bonds," "PLAN OF REFUNDING," "DESCRIPTION OF THE 2023/24 SERIES X BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE 2023/24 SERIES X BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE 2023/24 SERIES X SUBORDINATED BONDS," "DESCRIPTION OF THE 2023/24 SERIES X SUBORDINATED BONDS," and "TAX MATTERS" (insofar as it relates to the Bonds), "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION," "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATED BOND RESOLUTION," insofar as such statements expressly summarize certain provisions of the Resolutions, and our Bond Opinions providing, among other things, that the Bonds are valid and legally binding obligations of JEA and concerning certain federal tax matters relating to the Bonds, are accurate in all material respects.

5. We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in paragraph 4 above), completeness or fairness of any of the statements contained in the Official Statement, and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. We do not assume any responsibility for any electronic version of the Official Statement, and assume that any such version is identical in all respects to the printed version. In our capacity as bond counsel in connection with the issuance of the Bonds, we participated in conferences with your representatives, your counsel, representatives of JEA, representatives of the Office of General Counsel of the City, attorney for JEA, representatives of PFM Financial Advisors LLC, JEA's Financial Advisor, representatives of Ernst & Young LLP, independent certified public accountants, JEA's auditors, and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon and on the records, documents, certificates, opinions and matters herein mentioned (as set forth above), subject to the limitations on our role as bond counsel, we advise you as a matter of fact and not opinion that no facts came to the attention of the attorneys in our firm rendering legal services in connection with such issuance which caused us to believe that the Official Statement as of its date and as of the date hereof (except for any CUSIP numbers, financial, statistical, or economic or engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion (other than our opinions relating to the Bonds), or any information about book-entry or DTC (as such term is defined in the Official Statement) and the information contained in Appendices A and F to the Official Statement, which

we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No responsibility is undertaken or opinion rendered with respect to any other disclosure document, materials or activity.

6. The Continuing Disclosure Agreement has been duly executed and delivered by JEA and is a valid and binding agreement of JEA, enforceable in accordance with its terms. No opinion regarding the adequacy of the Continuing Disclosure Agreement for purposes of SEC Rule 15c2-12 may be inferred from this opinion.

7. In reliance upon the certifications, directions and acknowledgements of JEA and the Escrow Agent for the respective Refunded Bonds, upon deposit of amounts sufficient to pay the redemption price of, and interest on, the respective Refunded Bonds on the respective dates such Refunded Bonds have been or will be called for redemption with the Escrow Agent therefor, such Refunded Bonds will no longer be "Outstanding" within the meaning of the Resolutions.

This letter is furnished by us as bond counsel. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is delivered to you as Underwriters of the Bonds, is solely for your benefit as such Underwriters and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person.

Respectfully submitted,

ANNEX D

[Form of Disclosure Counsel Opinion]

_____, 20__

JEA
Jacksonville, Florida

Re: \$000,000,000 JEA Water and Sewer System Revenue Bonds, 2023/24 Series X
\$000,000,000 JEA Water and Sewer System Subordinated Revenue Bonds,
2023/24 Series X

Ladies and Gentlemen:

We have acted as Disclosure Counsel to JEA in connection with the issuance of the above-captioned obligations (the "Bonds") which are today being delivered _____, as senior managing underwriter on behalf of itself and _____ (the "Underwriters"). In such capacity, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

Because the primary purpose of our professional engagement as your counsel was not to establish factual matters and because of the wholly or partially nonlegal character of many of the determinations involved in the preparation of the Preliminary Official Statement dated _____, 20__ and the Official Statement dated _____, 20__ related to the Bonds (collectively, the "Official Statements"), we are not passing on and do not assume any responsibility for, except as set forth below, the accuracy, completeness or fairness of the statements contained in the Official Statement (including any appendices, schedules and exhibits thereto) and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements. Our engagement has necessarily involved a review of certain demographic, financial, statistical and operating data or information, however we express no opinion regarding the accuracy and completeness of any such information.

We have generally reviewed information furnished to us by, and have participated in telephone conferences and meetings with, representatives of JEA, JEA's Counsel, PFM Financial Advisors LLC, the financial advisor to JEA, the Underwriters and others, in which such contents of the Official Statements and related matters were discussed. We have reviewed information concerning JEA's audited financial statements and meeting minutes and other materials we deemed relevant. With your permission, we have relied upon certificates of officials of JEA and others, and upon certain other opinions, certificates and/or letters delivered in connection with the issuance of the Bonds, including, without limitation, those received from JEA's Counsel. In addition, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

Based on the foregoing assumptions and reliances, and subject to the qualifications stated herein, we are of the opinion that:

1. Based solely upon our review and discussions noted above, and in reliance upon the accuracy of the information contained in the aforementioned certificates, letters and opinions, but without having undertaken any independent investigation or verification of such information, nothing has come to the attention of the attorneys in our firm rendering legal services in accordance with this representation which leads us to believe that the Official Statements contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that we express no opinion regarding historical or projected financial information, demographic, statistical or operating data or information included in the Official Statements, including but not limited to appendices, schedules and exhibits thereto, or any information about The Depository Trust Company and its book entry system of registration.

2. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Bond Resolution and the Subordinated Bond Resolution (as both terms are defined in the Official Statements) are exempt from qualification under the Trust Indenture Act of 1939, as amended.

The opinions expressed herein are predicated upon present law, facts and circumstances; and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof or of any subsequent events or developments which might affect the opinions expressed herein. The opinions expressed herein represent professional judgment, and are not a guarantee of result.

The opinions expressed herein are limited to the laws of the State of Florida and the United States of America.

This opinion letter may be relied upon by you only and only in connection with the transaction to which reference is made above and may not be used or relied upon by any other person for any purposes whatsoever without our prior written consent. This opinion letter is not rendered to, and may not be relied upon by, holders or owners of the Bonds. The opinions expressed herein are limited to the matters set forth herein, and to the documents referred to herein and do not extend to any other agreements, documents or instruments executed by the Issuer, and no other opinion should be inferred beyond the matters expressly stated herein.

Respectfully submitted,

ANNEX E

[Form of Underwriters' Counsel Opinion]

_____, 20__

[Underwriters]

c/o _____

Re: \$000,000,000 JEA Water and Sewer System Revenue Bonds, 2023/24 Series X
\$000,000,000 JEA Water and Sewer System Subordinated Revenue Bonds,
2023/24 Series X

Ladies and Gentlemen:

We have acted as counsel to you (the "Underwriters") in connection with the purchase by the Underwriters from JEA of the captioned obligations (the "Bonds"). As such counsel, we have examined the Official Statement, dated _____, 20__, relating to the Bonds (the "Official Statement"), the Bond Purchase Agreement, dated _____, 20__, by and between _____, as Representative of the Underwriters named therein and JEA, with respect to the Bonds (the "Bond Purchase Agreement"), the Resolution (as defined in the Bond Purchase Agreement), the Continuing Disclosure Agreement (as defined in the Bond Purchase Agreement), and such other matters as we have deemed necessary; and we have participated in discussions and conferences with members of JEA and its staff, bond counsel, JEA's financial advisor, and the independent certified public accountants with respect to matters contained and included by reference in the Official Statements.

From such examination, we are of the opinion that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

We are not passing upon, do not assume responsibility for, and have not independently verified the accuracy, completeness, or fairness of the statements contained or included by reference in the Official Statement. In addition, we are not experts in evaluating the business, operations, or financial condition of public power authorities in general or JEA in particular. As your counsel we have participated in the preparation of the Official Statement and in the discussions referred to above with respect to the Official Statement. In the course of such preparation, discussions and review nothing has come to our attention which leads us to believe that the Official Statement (except for the appendices thereto and references to such appendices and the graphic, engineering, financial and statistical information, any information about book-entry or DTC (as such term is defined in the Official Statement), as to which we express no view) contains any untrue statement of a material fact or omits to state a material fact required to be

stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

We are further of the opinion that the Continuing Disclosure Agreement satisfies the requirements contained in Securities and Exchange Commission Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule.

We are furnishing this letter to you pursuant to Section 8(g) of the Bond Purchase Agreement solely for your benefit as Underwriters. Our engagement with respect to this matter has terminated as of the date hereof, and we disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not specifically addressed.

Sincerely yours,

ANNEX F

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida 32202

Re: \$000,000,000 JEA Water and Sewer System Revenue Bonds, 2023/24 Series X
\$000,000,000 JEA Water and Sewer System Subordinated Revenue Bonds,
2023/24 Series X

Ladies and Gentlemen:

In connection with the proposed issuance by JEA (the "Issuer") of \$000,000,000 in aggregate principal amount of Water and Sewer System Revenue Bonds, 2023/24 Series X and \$000,000,000 in aggregate principal amount of Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series X (collectively, the "Bonds"), _____ (collectively, the "Underwriters") are preparing to underwrite a public offering of the Bonds. Arrangements for underwriting the Bonds will be pursuant to a Bond Purchase Agreement between the Issuer and the Underwriters.

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385(6), Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the underwriting of the Bonds as follows:

- (a) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the purchase and reoffering of the Bonds are set forth in Schedule I attached hereto.
- (b) Based upon representations of the Underwriters, there are no "finders," as defined in Section 218.386, Florida Statutes, as amended, connected with the issuance of the Bonds.
- (c) The underwriting spread (*i.e.*, the difference between the price at which the Bonds will be initially offered to the public by the Underwriters and the price to be paid to the Issuer for the Bonds) will be \$ _____ per \$1,000 bond or \$ _____.
- (d) The Underwriters will charge no management fee.

(e) There is no other fee, bonus or other compensation to be paid by the Underwriters in connection with the issuance of the Bonds to any person not regularly employed or retained by the Underwriters, except as specifically enumerated as expenses referred to in paragraph (a) above to be incurred by the Underwriters as set forth in Schedule I attached hereto.

(f) The names and addresses of the Underwriters are:

We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385(6), Florida Statutes, as amended.

Very truly yours,

[Underwriters]

By: _____
Name:
Title:

SCHEDULE I

ESTIMATED UNDERWRITERS' FEE AND EXPENSES

<u>Underwriters' Fee</u>	<u>Dollar Amount</u>	<u>Per \$1,000 Bond</u>
Average Takedown	\$ _____	\$ _____
Expenses:		
Underwriters' Counsel	_____	_____
Dalcomp	_____	_____
Dalnet	_____	_____
CUSIP	_____	_____
DTC	_____	_____
Additional Counsel Fee (_____)	_____	_____
Total Fees and Expenses	<u>_____</u> \$ _____	<u>_____</u> \$ _____

ANNEX G

REFUNDED BONDS

[Insert name(s) of Series]

ESCROW DEPOSIT AGREEMENT

relating to

JEA WATER AND SEWER SYSTEM REVENUE BONDS, 2023/24 SERIES X

THIS ESCROW DEPOSIT AGREEMENT, dated as of _____, 20__, by and between JEA, a public body corporate and politic organized under the laws of the State of Florida and _____, as Escrow Agent;

WITNESSETH:

WHEREAS, JEA has previously authorized and issued obligations of JEA as hereinafter set forth and defined as the "Refunded Obligations," as to which the Aggregate Debt Service (as hereinafter defined) is set forth on Schedule A attached hereto; and

WHEREAS, JEA has determined to provide for refunding of the Aggregate Debt Service of the Refunded Obligations by depositing with the Escrow Agent cash and Defeasance Securities, which will be sufficient to pay the Aggregate Debt Service on the Refunded Obligations; and

WHEREAS, in order to obtain a portion of the funds needed for such purpose JEA has authorized and is, concurrently with the delivery of this Agreement, issuing its Water and Sewer System Revenue Bonds, 2023/24 Series X; and

WHEREAS, JEA has determined that the amount to be on deposit, from time to time, in the Escrow Account, as defined herein, will be sufficient to pay the Aggregate Debt Service;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, JEA and the Escrow Agent agree as follows:

SECTION 1. Definitions. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution (as defined below). As used herein, the following terms shall have the following meanings:

(a) "Aggregate Debt Service" means the sum of all present and future Annual Debt Service payments then remaining unpaid with respect to the Refunded Obligations through the final Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(b) "Agreement" means this Escrow Deposit Agreement.

(c) "Annual Debt Service" means, in any year, the redemption price or principal of, and interest on, the Refunded Obligations coming due or being redeemed on the respective Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(d) "Defeasance Securities" has the meaning ascribed to such term in the Resolution.

(e) "Escrow Account" means the Escrow Account identified in Section 2 herein and established and held by the Escrow Agent pursuant to this Agreement in which a portion of the proceeds from the sale of the Bonds and certain other funds will be held for payment of the Refunded Obligations.

(f) "Escrow Agent" means _____ with the power to accept trusts in the State of Florida.

(g) "Escrow Deposit Requirement" means, as of any date of calculation, the principal amount of cash and any Defeasance Securities in the Escrow Account which, together with the interest due on the Defeasance Securities, will be sufficient to pay, as the installments thereof become due, the Aggregate Debt Service.

(h) "Paying Agent" means _____ in its capacity as the paying agent for the Refunded Obligations.

(i) "Redemption Date" means the redemption date or dates for the Refunded Obligations, as set forth in Schedule B hereto.

(j) "Refunded Obligations" means the Water and Sewer System Revenue Bonds listed in Schedule B hereto.

(k) "Resolution" means the resolution duly adopted by JEA on February 18, 1997, as amended, restated and supplemented, and particularly as supplemented by resolutions adopted by JEA authorizing the issuance of the Refunded Obligations.

(l) "2023/24 Bonds" means the Water and Sewer System Revenue Bonds, 2023/24 Series X of JEA.

SECTION 2. Deposit of Funds. With respect to the Refunded Obligations, JEA hereby deposits \$ _____ with the Escrow Agent in immediately available funds (the "Escrow Deposit Amount"), to be held in irrevocable escrow by the Escrow Agent in a separate escrow trust fund (the "Escrow Account") and applied solely as provided in this Agreement. JEA represents that (i) \$ _____ of such funds are derived by JEA from a portion of the proceeds of the 2023/24 Bonds and (ii) \$ _____ of such funds are derived by JEA from amounts on deposit in the Debt Service Account of the Debt Service Fund established pursuant to the Resolution.

JEA represents, that such funds, when applied pursuant to Section 3 below, will at least equal the Escrow Deposit Requirement as of the date hereof.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees:

(a) Concurrently with the receipt of the proceeds and other moneys as described in Section 2, the Escrow Agent will apply \$ _____ of such amount to the purchase of

\$_____ aggregate principal or par amount of Defeasance Securities specifically described in Schedule D, and the remaining \$_____ will be held as cash for the benefit of the holders of the Refunded Obligations. Defeasance Securities held by the Escrow Agent are to mature in such principal amounts and pay interest in such amounts and at such times so that sufficient moneys are available to pay when due the principal of and interest on all outstanding Refunded Obligations as further set forth in Schedule B;

(b) there will be no investment of funds except as set forth in this Section 3 and in Section 5;

(c) to hold the proceeds of all investments in the Escrow Account in such Account in trust (separate from all other funds of the Escrow Agent) for the benefit of the owners of the Refunded Obligations from the date of receipt thereof to the date on which such proceeds are scheduled to be paid out of the Escrow Account and applied only for the purposes thereof, as set forth on Schedule A attached hereto; and

(d) to hold the funds and securities in the Escrow Account in irrevocable escrow during the term of this Agreement.

SECTION 4. Payment of Refunded Obligations.

(a) ***Payment of Refunded Obligations.*** The Escrow Agent shall pay to the Paying Agent for the Refunded Obligations, from the cash on hand in the Escrow Account, a sum sufficient to pay the Annual Debt Service coming due on such date with respect to the Refunded Obligations, as shown on Schedule A attached hereto.

(b) ***Surplus.*** On the Redemption Date, after making the payment from the Escrow Account described in Subsection 4(a), the Escrow Agent shall pay to JEA the remaining cash, if any, in the Escrow Account. JEA shall apply the payment made to it hereunder to the payment of the principal of and interest on the 2023/24 Bonds or for other uses permitted under the Resolution, but the Escrow Agent shall have no duty or responsibility to ensure that JEA does so.

(c) ***Payments Due on Saturdays, Sundays and Holidays.*** If any payment date shall be a legal holiday or a day on which banking institutions in the city in which is located the designated office of the Paying Agent are authorized by law to remain closed, then the Escrow Agent may make the payments required by Subsections 4(a) and 4(b) to the Paying Agent or JEA, as the case may be, on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and this Section, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Defeasance Securities held hereunder.

(b) At the written request of JEA and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the

Defeasance Securities acquired hereunder and shall substitute other Defeasance Securities and reinvest any excess receipts in Defeasance Securities. JEA will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation. Such substitutions and reinvestments may be effected only if (i) an independent certified public accountant selected by JEA shall certify or opine in writing to JEA and the Escrow Agent that the cash and principal amount of Defeasance Securities remaining on hand after the transactions are completed will be not less than the Escrow Deposit Requirement, and (ii) the Escrow Agent shall receive an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to JEA to the effect that the transactions, in and by themselves, will not cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(b) above notwithstanding, cash in excess of the Escrow Deposit Requirement caused by substitution of Defeasance Securities shall, as soon as practicable, be paid to JEA.

SECTION 6. Redemption of Refunded Obligations. JEA has exercised its option to redeem the Refunded Obligations prior to the maturity thereof on the Redemption Date as shown on Schedule B attached hereto.

SECTION 7. Redemption and Defeasance Notices. JEA has previously directed the Bond Registrar for the Refunded Obligations to give notice of redemption of such Refunded Obligations. JEA hereby directs _____ as Bond Registrar to provide notice of defeasance in the form provided in Schedule E attached hereto for the Refunded Obligations. Redemption notices and defeasance notices distributed by the Bond Registrar will be sent to bondholders pursuant to the Resolution, as supplemented, and will be distributed to the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system.

SECTION 8. Indemnity. To the extent permitted by applicable law, including but not limited to Section 768.28, Florida Statutes, JEA hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and attorneys' disbursements and expenses) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by JEA or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds and securities deposited therein, the purchase of the Defeasance Securities, the retention of the Defeasance Securities or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; *provided, however*, that JEA shall not be required to indemnify the Escrow Agent, its successors, assigns, agents and servants against the negligence or willful misconduct of the Escrow Agent or its successors, assigns, agents and servants. In no event shall JEA or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section

shall survive the termination of this Agreement. Nothing in this Section contained shall give rise to any liability on the part of JEA in favor or any person other than the Escrow Agent.

SECTION 9. Responsibilities of Escrow Agent; Fees. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the retention of the Defeasance Securities or the proceeds thereof or any investment, payment, transfer, or other application of money or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties or non-willful misconduct. The Escrow Agent shall, however, be liable to JEA for its negligent acts, omissions or errors or willful misconduct which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of JEA. The fees of the Escrow Agent shall be paid by JEA at the time this Agreement is executed and delivered, such fees to be as set forth on Schedule C attached hereto. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in the Escrow Account for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 10. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Obligations have been paid and discharged in accordance with the proceedings authorizing the Refunded Obligations.

SECTION 11. Amendments. This Agreement is made for the benefit of JEA and the holders from time to time of the Refunded Obligations and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and JEA; *provided, however,* that JEA and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Obligations, any additional rights, remedies, power or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject additional funds, securities or properties to this Agreement.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Obligations, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of JEA or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be one and the same instrument.

SECTION 14. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Deposit Agreement to be executed by their duly authorized officers and JEA's official seal to be hereunto affixed and attested as of the date first above written.



JEA

ATTEST:

By: _____
Title: _____

By: _____
Secretary

Form Approved:

Office of General Counsel

_____,
as Escrow Agent

By: _____
Its: _____

*[Signature page to Escrow Deposit Agreement relating to
JEA Water and Sewer System Revenue Bonds, 2023/24 Series X]*

**SCHEDULE A
REFUNDED OBLIGATIONS**

The Aggregate Debt Service for the Refunded Obligations is shown in the following table:

Date	Interest	Principal Redeemed	Redemption Premium	Total
	\$	\$		\$

**SCHEDULE B
LIST OF REFUNDED OBLIGATIONS**

The Refunded Bonds will consist of the Water and Sewer System Revenue Bonds listed in the following table.

<u>Series</u>	<u>Maturity Date (October 1)</u>	<u>Amount to be Refunded</u> \$	<u>Redemption Date</u>	<u>Redemption Price (expressed as a percentage of principal amount)</u> %	<u>CUSIP*</u>
Total					

* The CUSIP numbers listed here are provided for the convenience of readers. JEA is not responsible for the accuracy or completeness of such numbers.

SCHEDULE C
FEES OF ESCROW AGENT

The fee of the Escrow Agent for its services hereunder shall be \$____; provided, JEA agrees to reimburse the Escrow Agent for its reasonable out-of-pocket expenses at cost.

SCHEDULE D

ESCROW DESCRIPTIONS DETAIL

<u>Type of Security</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Cost</u>	<u>Accrued Interest</u>	<u>Total Cost</u>
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SCHEDULE E

**NOTICE OF DEFEASANCE AND DESIGNATION
OF CERTAIN BONDS FOR PRIOR REDEMPTION**

JEA

WATER AND SEWER SYSTEM REVENUE BONDS

described in Exhibit A hereto *

NOTICE IS HEREBY GIVEN to the holders of JEA's Water and Sewer System Revenue Bonds described above and in Exhibit A attached hereto (the "Refunded Bonds") that JEA has (i) deposited on _____ with _____, the Escrow Agent for the Refunded Bonds, cash and Defeasance Securities which will provide monies sufficient to pay when due the interest on the Refunded Bonds through the redemption date or maturity date, as applicable, and the principal together with any applicable redemption premium thereon, free and clear of any trust, lien or pledge securing said Refunded Bonds or otherwise existing under the Resolution (as defined below) and (ii) irrevocably designated the Refunded Bonds which are subject to redemption prior to maturity for redemption as aforesaid. As a result of such deposit, said Refunded Bonds are deemed to have been paid and to be no longer Outstanding in accordance with the resolution authorizing the issuance of Water and Sewer System Revenue Bonds, adopted by JEA on February 18, 1997, as amended (the "Resolution"). Any such redemption does not apply to any bonds issued under the Resolution other than the Refunded Bonds. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution.

JEA

By: _____,
as Escrow Agent

Dated:

* No representation is made as to the accuracy of the CUSIP number either as printed on the Refunded Bonds or as set forth in this Notice.

EXHIBIT A
REFUNDED BONDS

<u>Refunded Bonds</u>	<u>Par Amount to be Refunded</u>	<u>Outstanding Par Amount Prior to Refunding</u>	<u>Maturity (October 1)</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>Original CUSIP*</u>	<u>Refunded CUSIP*</u>	<u>Unrefunded CUSIP*</u>
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Resolution No. 2023-42

JEA

**Not To Exceed \$109,000,000
Water and Sewer System Subordinated Revenue Bonds,
2023/24 Series X**

**TWENTY-SECOND SUPPLEMENTAL WATER AND SEWER SYSTEM
SUBORDINATED REVENUE BOND RESOLUTION**

Adopted September 26, 2023

**TWENTY-SECOND SUPPLEMENTAL WATER AND SEWER SYSTEM
SUBORDINATED REVENUE BOND RESOLUTION**

BE IT RESOLVED by JEA as follows:

SECTION 1. DEFINITIONS. Unless the context otherwise requires, the terms defined in this section shall have the meanings specified in this section. Reference is made to the Resolution and the Subordinated Resolution hereinafter referred to for definitions of terms used in this resolution which are not defined in this section. Words importing a singular number shall include the plural number in each case and vice versa, and words importing persons shall include business entities.

(A) "Authorized Officer of JEA" shall mean (1) the Chair, the Vice Chair, the Secretary and any Assistant Secretary of JEA, (2) the Managing Director/CEO, (3) the Chief Operating Officer, (4) the Vice President, Water/Wastewater Systems, the Chief Financial Officer, the Vice President, Financial Services and the Treasurer of JEA (or any officer of JEA hereafter serving in a capacity equivalent to that of any of the foregoing officers) or (5) any other officer or employee of JEA authorized to perform specific acts or duties by resolution duly adopted by JEA.

(B) "Bond Purchase Agreement" shall mean the Bond Purchase Agreement to be entered into between JEA and the Underwriters named therein relating to the 2023/24 Series X Subordinated Bonds of a particular Series, the form of which is attached as Exhibit A to Resolution 2020-14.

(C) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(D) "Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement to be delivered by JEA in connection with the issuance of the 2023/24 Series X Subordinated Bonds of a particular Series, the form of which is attached as Appendix F to the Form Preliminary Official Statement.

(E) "Delivery Date" shall mean the date of the initial issuance and delivery of the 2023/24 Series X Subordinated Bonds of a particular Series.

(F) "DTC" shall mean The Depository Trust Company.

(G) "Escrow Agent" shall mean the bank or trust company appointed as escrow agent under an Escrow Deposit Agreement, if any, and its duly appointed successors, such appointment, with respect to a particular Series of the 2023/24 Series X Subordinated Bonds, to be made in the certificate referred to in Section 5 hereof relating to such Series of 2023/24 Series X Subordinated Bonds.

(H) "Escrow Deposit Agreement" shall mean the escrow deposit agreement between JEA and an Escrow Agent, if any, that may be entered into concurrently with the authentication and delivery of any Series of 2023/24 Series X Subordinated Bonds, the form of which is attached hereto as Exhibit A.

(I) "Form Preliminary Official Statement" shall have the meaning set forth in Section 18.

(J) "Initial Subordinated Debt Service Reserve Fund" shall mean the Fund by that name established in Section 5.01 of the Third Supplemental Subordinated Resolution.

(K) "Letter of Representations" shall mean the Blanket Issuer Letter of Representations, dated May 6, 2004, from JEA to DTC, providing for the issuance of certain obligations of JEA (including the 2023/24 Series X Subordinated Bonds) in book-entry form through the facilities of DTC or any successor Blanket Issuer Letter of Representations from JEA to DTC.

(L) "Managing Director/CEO" shall mean the Managing Director and Chief Executive Officer of JEA.

(M) "Refunded Bonds Paying Agent" shall mean the bank(s) or trust company(ies) serving as paying agent for the Refunded Subordinated Bonds.

(N) "Refunded Subordinated Bonds" shall mean, for any particular Series of 2023/24 Series X Subordinated Bonds, the Subordinated Bonds of the Series and maturities and in the respective principal amounts to be refunded thereby, as identified by the Managing Director/CEO in the certificate described in Section 5 hereof relating to the 2023/24 Series X Subordinated Bonds of such Series.

(O) "Resolution" shall mean the resolution of JEA adopted on March 18, 1997 and referred to as the "Water and Sewer System Revenue Bond Resolution," as amended, restated and supplemented.

(P) "Resolution No. 2023-03" shall mean Resolution No. 2023-03 of JEA adopted on the date of adoption hereof, authorizing the issuance of JEA Water and Sewer System Revenue Bonds, 2023/24 Series X.

(Q) "Rule 15c2-12" shall mean Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

(R) "Sale Date" with respect to a particular Series of 2023/24 Series X Subordinated Bonds shall mean the date on which JEA enters into a Bond Purchase Agreement with respect to such Series of 2023/24 Series X Subordinated Bonds.

(S) "Subordinated Debt Service Reserve Requirement," as of any date of calculation and with respect to the Initial Subordinated Debt Service Reserve Fund, shall have the meaning assigned to such term in Section 5.02 of the Third Supplemental Subordinated Resolution.

(T) "Subordinated Resolution" shall mean the resolution adopted by JEA on May 18, 2003 entitled "Water and Sewer System Subordinated Revenue Bond Resolution," as supplemented and amended.

(U) "Third Supplemental Subordinated Resolution" shall mean the Third Supplemental Water and Sewer System Subordinated Revenue Bond Resolution adopted by JEA on July 15, 2003.

(V) "Twenty-Second Supplemental Subordinated Resolution" shall mean this Twenty-Second Supplemental Water and Sewer System Subordinated Revenue Bond Resolution

(Resolution No. 2023-04), as from time to time amended or supplemented by Supplemental Resolution in accordance with the terms of the Subordinated Resolution.

(W) "Underwriters" shall mean any or all of the investment banking firms under contract with JEA for the purpose of underwriting negotiated sales of JEA's debt named in the Bond Purchase Agreement.

(X) "2023/24 Series X Subordinated Bonds" shall mean JEA's Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series X, authorized by Section 4 of this Twenty-Second Supplemental Subordinated Resolution.

SECTION 2. AUTHORITY FOR THIS TWENTY-SECOND SUBORDINATED RESOLUTION. This Twenty-Second Supplemental Subordinated Resolution (i) is adopted pursuant to the provisions of the Act and in accordance with (A) Article X of the Resolution and (B) Article II and Article X of the Subordinated Resolution and (ii) supplements the Resolution and the Subordinated Resolution.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

(A) Pursuant to the Subordinated Resolution, JEA has heretofore authorized the issuance, in one or more Series which may be authenticated and delivered from time to time, of Subordinated Bonds for the purposes, among others, of refunding any Subordinated Bonds.

(B) Pursuant to its Ordinances 97-205-E, 2001-663-E, 2004-820-E, 2006-792-E and 2011-448-E, the Council of the City has authorized, among other things, the issuance and sale by JEA of Subordinated Indebtedness for purposes, among others, of financing the refunding of any outstanding Subordinated Indebtedness.

(C) It is in the best interests of JEA to provide for the refunding of the Refunded Subordinated Bonds to permit JEA to refund such debt with fixed rate bonds at favorable fixed interest rates.

(D) It is in the best interests and serves a valid public purpose of JEA to issue and sell the 2023/24 Series X Subordinated Bonds in one or more Series as authorized herein for the purpose of providing all or a portion of funds required to refund the Refunded Subordinated Bonds and to pay the costs of issuance of the 2023/24 Series X Subordinated Bonds.

(E) Because of the characteristics of the 2023/24 Series X Subordinated Bonds, prevailing and anticipated market conditions and the need for flexibility in timing the issuance of each Series of the 2023/24 Series X Subordinated Bonds, it is necessary and in the best interests of JEA to sell each Series of the 2023/24 Series X Subordinated Bonds at a negotiated sale or sales to the Underwriters, upon satisfaction of the terms and conditions set forth herein and in the Bond Purchase Agreement.

(F) Upon issuance in accordance with the terms hereof, the 2023/24 Series X Subordinated Bonds will constitute Subordinated Indebtedness under the Resolution and Subordinated Bonds under the Subordinated Resolution, entitled to all the security and benefits thereof.

(G) The 2023/24 Series X Subordinated Bonds shall be limited obligations of JEA payable solely from and secured by (i) such amounts in the Subordinated Indebtedness Fund as may from time to time be available for the purpose of payment thereof as provided in Section 510 of the Resolution; *provided, however*, that the Subordinated Bonds, including the 2023/24 Series X Subordinated Bonds are subordinate in all respects to the pledge of the Trust Estate created by the Resolution as security for the Bonds, and (ii) amounts on deposit in the Funds established pursuant to the Subordinated Resolution. The 2023/24 Series X Subordinated Bonds shall be additionally secured by amounts on deposit in the Initial Subordinated Debt Service Reserve Fund established under Section 5.02 of the Third Supplemental Subordinated Resolution. The 2023/24 Series X Subordinated Bonds shall not constitute general obligations or indebtedness of the City or JEA as "bonds" within the meaning of the Constitution of the State of Florida, but shall be payable solely from and secured by a lien upon and pledge of the amounts provided in the Subordinated Resolution. In no event shall any owner of 2023/24 Series X Subordinated Bonds ever have the right to compel the ad valorem taxing power of the City or JEA, if any, or taxation of any form to pay the 2023/24 Series X Subordinated Bonds or be entitled to payment thereof from any other funds of the City or JEA.

(H) Prior to the sale of the 2023/24 Series X Subordinated Bonds of a Series, the Underwriters will provide JEA with a disclosure statement containing the information required by Section 218.385(6), Florida Statutes. The Bond Purchase Agreement shall include a Truth-In-Bonding Statement pursuant to Section 218.385, Florida Statutes.

SECTION 4. SERIES DESIGNATION; PURPOSE. Pursuant to the provisions of the Subordinated Resolution, one or more Series of Subordinated Bonds entitled to the benefit, protection and security of the Subordinated Resolution are hereby authorized to be issued in an aggregate principal amount not to exceed \$109,000,000; *provided*, that not to exceed \$10,000,000 principal amount of the 2023/24 Series X Subordinated Bonds may be issued for the purpose of refunding fixed rate Refunded Subordinated Bonds and not to exceed \$99,000,000 principal amount of the 2023/24 Series X Subordinated Bonds may be for the purpose of refunding variable rate Refunded Subordinated Bonds. Such Subordinated Bonds shall be designated as the "Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series X"; *provided*, that the Managing Director/CEO may alter the year and letter designation, all as he deems appropriate to reflect the year of issue or sale of the 2023/24 Series X Subordinated Bonds of such Series and JEA's custom in identifying Subordinated Bonds or as he otherwise deems desirable, such determination to be set forth in the certificate referred to in Section 5 hereof. Notwithstanding any such alteration of the Series designation for the 2023/24 Series X Subordinated Bonds, references in this resolution to "2023/24 Series X Subordinated Bonds" shall include all Subordinated Bonds issued pursuant to the authority contained in this Section 4. The actual aggregate principal amount of the 2023/24 Series X Subordinated Bonds to be issued shall be determined by the Managing Director/CEO on or prior to the Sale Date therefor as the amount necessary to accomplish the purposes for which the 2023/24 Series X Subordinated Bonds of such Series are being issued, such determination to be set forth in the certificate referred to in Section 5 hereof to be executed with respect to the 2023/24 Series X Subordinated Bonds of such Series. Notwithstanding any other provisions of the Subordinated Resolution, or this Twenty-Second Supplemental Subordinated Resolution, each particular Series of the 2023/24 Series X Subordinated Bonds shall be and be deemed to be a separate Series of Subordinated Bonds for all purposes of the Subordinated Resolution, including (without limitation) for purposes of determining satisfaction of the conditions to the issuance of

the 2023/24 Series X Subordinated Bonds of such Series set forth in Article II of the Subordinated Resolution.

The 2023/24 Series X Subordinated Bonds shall be issued for the following purposes: (a) providing all or a portion of the funds required to refund the Refunded Subordinated Bonds, (b) making a deposit, if any, to the Initial Subordinated Debt Service Reserve Fund, and (c) paying the costs of issuance of the 2023/24 Series X Subordinated Bonds.

The actual aggregate principal amount of each Series of the 2023/24 Series X Subordinated Bonds to be issued shall be determined by the Managing Director/CEO on or prior to the Sale Date therefor as the amount necessary to accomplish the purposes for which of the 2023/24 Series X Subordinated Bonds are being issued, such determination to be set forth in the certificate referred to in Section 5 hereof.

The 2023/24 Series X Subordinated Bonds of each Series authorized to be issued hereunder may be sold pursuant to a Bond Purchase Agreement entered into not later than September 30, 2024.

SECTION 5. DATE, MATURITIES AND INTEREST RATES; CERTAIN DETERMINATIONS WITH RESPECT TO THE 2023/24 SERIES X SUBORDINATED BONDS. The 2023/24 Series X Subordinated Bonds shall be issued as fully registered bonds in the denomination of \$5,000 each or integral multiples thereof, shall be numbered from 1 upward, shall bear interest from their date (payable semiannually thereafter on April 1 and October 1 in each year, commencing on either of the October 1 or April 1 next following the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds, as determined by the Managing Director/CEO) at such rates per annum and shall mature on October 1 in such years and amounts, all as shall be determined by the Managing Director/CEO in the manner hereinafter set forth.

On or prior to the Sale Date for a particular Series of the 2023/24 Series X Subordinated Bonds, the Managing Director/CEO shall execute a certificate setting forth the following determinations and the Managing Director/CEO may rely on a certificate from JEA's financial advisor in order to confirm the savings determinations made in clause (E) below:

(A) the aggregate principal amount of the 2023/24 Series X Subordinated Bonds of such Series; *provided*, that the aggregate principal amount of all 2023/24 Series X Subordinated Bonds shall not exceed \$109,000,000, the aggregate principal amount of 2023/24 Series X Subordinated Bonds issued to refund fixed rate Refunded Subordinated Bonds shall not exceed \$10,000,000, and the aggregate principal amount of the 2023/24 Series X Subordinated Bonds issued to refund variable rate Refunded Subordinated Bonds shall not exceed \$99,000,000;

(B) the year and letter and any other designation and the Delivery Date such Series of the 2023/24 Series X Subordinated Bonds;

(C) the Refunded Subordinated Bonds to be refunded through the issuance of the 2023/24 Series X Subordinated Bonds of such Series and the date(s) on which such Refunded Subordinated Bonds are to be redeemed, which shall be such date as the Managing Director/CEO determines to be the earliest date on which such Refunded Subordinated Bonds may be redeemed in light of the circumstances then existing; and the identity of the Escrow Agent, if any, for such

Refunded Subordinated Bonds and, if applicable, the Sinking Fund Installments to which the principal amount of the Refunded Subordinated Bonds shall be credited;

(D) the respective dates on which the 2023/24 Series X Subordinated Bonds of such Series shall mature and the principal amount of each such maturity; *provided, however*, that the 2023/24 Series X Subordinated Bonds of each Series shall have a weighted average life no greater than the remaining weighted average life of the Refunded Subordinated Bonds, plus one year;

(E) the respective rate or rates of interest to be borne by the 2023/24 Series X Subordinated Bonds of such Series maturing on each such date; *provided, however*, that (1) with respect to any 2023/24 Series X Subordinated Bonds of such Series that are issued for the purpose of refunding variable rate Subordinated Bonds, the true interest cost of such 2023/24 Series X Subordinated Bonds shall not exceed 7.00 percent; and (2) with respect to any 2023/24 Series X Subordinated Bonds of such Series, issued for the purpose of refunding fixed rate Refunded Subordinated Bonds and to achieve debt service savings (i) if any such 2023/24 Series X Subordinated Bonds mature on the October 1 next following the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds, such refunding shall result in positive net present value savings; (ii) the present value savings from (A) the issuance of such 2023/24 Series X Subordinated Bonds that are issued to refund any Refunded Subordinated Bonds maturing on an October 1 occurring at least one year and less than three years after the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds shall not be less than 3.00 percent of the aggregate principal amount of such Refunded Subordinated Bonds; (B) the issuance of such 2023/24 Series X Subordinated Bonds that are issued to refund any Refunded Subordinated Bonds maturing on an October 1 occurring at least three years and less than nine years after the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds, shall not be less than 4.00 percent of the aggregate principal amount of such Refunded Subordinated Bonds; and (C) the issuance of such 2023/24 Series X Subordinated Bonds that are issued to refund any Refunded Bonds maturing on or after the October 1 occurring at least nine years after the Delivery Date of such Series of 2023/24 Series X Subordinated Bonds shall not be less than 5.00 percent of the aggregate principal amount of the Refunded Subordinated Bonds; or (3) in lieu of complying with the requirements of clauses (1) and (2) above, the present value savings resulting from the issuance of such 2023/24 Series X Subordinated Bonds that are issued to refund any Refunded Subordinated Bonds other than variable rate Subordinated Bonds shall not be less than 5.00 percent of the aggregate principal amount of such Refunded Subordinated Bonds; *provided, further*, that compliance with the foregoing requirements of this clause (E) shall be effected by dividing the Series into its constituent purposes (*i.e.*, refunding of variable rate Subordinated Bonds and refunding fixed rate Subordinated Bonds for debt service savings) and allocating on a ratable basis (based on the respective issue prices for federal income tax purposes) costs of issuance, underwriting discount and any other items to the purpose that gave rise to such expenses; *provided, however*, that if the Managing Director/CEO determines that some other allocation method will result in a more accurate determination of the true interest cost or present value savings attributable to such constituent purpose (which determination shall be confirmed by JEA's financial advisor), then such other allocation method shall be used in lieu of the foregoing method;

(F) the commencement date of interest payments on the 2023/24 Series X Subordinated Bonds of such Series, which shall be either of the October 1 or April 1 next following the Delivery Date of such 2023/24 Series X Subordinated Bonds;

(G) if the 2023/24 Series X Subordinated Bonds of such Series maturing on a particular date and bearing interest at a particular rate are to be subject to redemption prior to maturity as provided in Article IV of the Subordinated Resolution by operation of the Subordinated Indebtedness Fund from mandatory Sinking Fund Installments, the due dates and amounts of such Sinking Fund Installments; *provided, however*, that each Sinking Fund Installment due date shall fall upon an interest payment date for the 2023/24 Series X Subordinated Bonds;

(H) if the 2023/24 Series X Subordinated Bonds of such Series maturing on a particular date and bearing interest at a particular rate are to be subject to optional redemption, the terms upon which such 2023/24 Series X Subordinated Bonds shall be subject to redemption at the election of JEA; *provided, however*, that the highest redemption price at which such 2023/24 Series X Subordinated Bonds may be so redeemed shall be not greater than 101 percent of the principal amount thereof, plus accrued interest to the date of redemption and the first such optional redemption date shall not be less than four years nor more than 10 years from the Delivery Date of such 2023/24 Series X Subordinated Bonds;

(I) the identity of the senior managing underwriter and co-senior managing underwriter, if applicable, for such Series of 2023/24 Series X Subordinated Bonds from among the Underwriters;

(J) the purchase price for the 2023/24 Series X Subordinated Bonds of such Series to be paid by the Underwriters pursuant to the Bond Purchase Agreement; *provided, however*, that such purchase price shall result in compliance with the limitations set forth in this Section 5; and

(K) the amount, if any, of proceeds of the 2023/24 Series X Subordinated Bonds of such Series to be deposited in the Initial Subordinated Bonds Debt Service Fund.

In the event that one or more Series of 2023/24 Series X Subordinated Bonds are issued on the same day as part of a common plan of finance for the same Bond financing, JEA may demonstrate compliance with the savings requirements set forth in clause (E) above by calculating such savings either on an aggregate basis (e.g., each Series of 2023/24 Series X Subordinated Bonds issued on the same day as part of the same Bond financing are combined into one Series and compliance with the savings criteria is measured using the combined Series) or on a Series by Series basis (e.g., each individual Series that is issued as part of the same Bond financing must satisfy the savings criteria independently of any other Series issued on the same day).

SECTION 6. REDEMPTION PROVISIONS. (A) If the Managing Director/CEO determines that the 2023/24 Series X Subordinated Bonds of a Series maturing on a particular date and bearing interest at a particular rate shall be subject to redemption prior to maturity as provided in Article IV of the Subordinated Resolution by operation of the Subordinated Indebtedness Fund from mandatory Sinking Fund Installments, such determination to be set forth in the certificate referred to in Section 5 hereof, then the 2023/24 Series X Subordinated Bonds of such Series maturing on such date and bearing interest at such rate shall be subject to redemption prior to maturity as provided in Article IV of the Subordinated Resolution, on the respective dates and in the respective amounts set forth in such certificate, in each such case, at a redemption price equal

to 100 percent of the principal amount thereof, together with accrued interest to the redemption date.

(B) If the Managing Director/CEO determines that the 2023/24 Series X Subordinated Bonds of a Series maturing on a particular date and bearing interest at a particular rate shall be subject to optional redemption, such 2023/24 Series X Subordinated Bonds shall be subject to redemption prior to maturity at the election of JEA, as a whole or in part, at any time on and after the initial date on which such 2023/24 Series X Subordinated Bonds may be so redeemed set forth in the certificate referred to in Section 5 hereof, at the respective redemption prices set forth in such certificate, in each case, together with accrued interest to the redemption date.

SECTION 7. BOOK-ENTRY SYSTEM. (A) Except as provided in paragraphs (B) and (C) of this Section 7, the registered holder of all 2023/24 Series X Subordinated Bonds shall be, and the 2023/24 Series X Subordinated Bonds shall be registered in the name of, Cede & Co. ("Cede"), as nominee of DTC. Payment of interest on any 2023/24 Series X Subordinated Bond shall be made in accordance with the provisions of the Subordinated Resolution to the account of Cede on the interest payment date for the 2023/24 Series X Subordinated Bonds at the address indicated for Cede in the registry books of JEA kept by the Subordinated Bond Registrar.

(B) The 2023/24 Series X Subordinated Bonds of each Series shall be issued initially in the form of a separate single, fully registered Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of the 2023/24 Series X Subordinated Bonds of such Series. The Subordinated Bond Registrar shall authenticate and deliver to or on behalf of DTC a separate single, fully registered Subordinated Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of the 2023/24 Series X Subordinated Bonds, registered in the name of Cede, as nominee of DTC. With respect to 2023/24 Series X Subordinated Bonds so registered in the name of Cede, JEA and the Subordinated Bond Paying Agent and Subordinated Bond Registrar shall have no responsibility or obligation to any DTC participant or to any beneficial owner of such 2023/24 Series X Subordinated Bonds. Without limiting the immediately preceding sentence, JEA and the Subordinated Bond Paying Agent and Subordinated Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the 2023/24 Series X Subordinated Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the 2023/24 Series X Subordinated Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, the 2023/24 Series X Subordinated Bonds. JEA and the Subordinated Bond Paying Agent and Subordinated Bond Registrar may treat DTC as, and deem DTC to be, the absolute owner of each 2023/24 Series X Subordinated Bond for all purposes whatsoever, including (but not limited to) (i) payment of the principal or redemption price of, and interest on, each such 2023/24 Series X Subordinated Bond, (ii) giving notices of redemption and other matters with respect to such 2023/24 Series X Subordinated Bonds, (iii) registering transfers with respect to such 2023/24 Series X Subordinated Bonds and (iv) giving to JEA any notice, consent, request or demand pursuant to the Subordinated Resolution for any purpose whatsoever. The Subordinated Bond Paying Agent shall pay the principal or redemption price of, and interest on, all 2023/24 Series X Subordinated Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge JEA's obligations with respect to such principal or redemption price, and interest, to the extent of the sum

or sums so paid. Except as provided in this paragraph (2) and in paragraph (3) of this Section 7, no person other than DTC shall receive a 2023/24 Series X Subordinated Bond evidencing the obligation of JEA to make payments of principal or redemption price of, and interest on, such Subordinated Bond pursuant to the Subordinated Resolution. Upon delivery by DTC to JEA or the Subordinated Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of the Subordinated Resolution, the word "Cede" in this resolution shall refer to such new nominee of DTC.

(C) (i) DTC may determine to discontinue providing its services with respect to a particular Series of the 2023/24 Series X Subordinated Bonds at any time by giving reasonable notice thereof to JEA or the Subordinated Bond Paying Agent and Subordinated Bond Registrar.

(ii) JEA, in its sole discretion and without the consent of any other person, may, upon satisfaction of the applicable procedures of DTC with respect thereto, terminate the services of DTC with respect to a particular Series of the 2023/24 Series X Subordinated Bonds if JEA determines that (a) DTC is unable to discharge its responsibilities with respect to the 2023/24 Series X Subordinated Bonds of such Series or (b) a continuation of the system of book-entry-only transfers through DTC (or a successor securities depository) is not in the best interests of the beneficial owners of the 2023/24 Series X Subordinated Bonds or of JEA.

(D) Upon the termination of the services of DTC with respect to the 2023/24 Series X Subordinated Bonds pursuant to paragraph (C)(ii)(b) hereof, or upon the discontinuance or termination of the services of DTC with respect to the 2023/24 Series X Subordinated Bonds pursuant to paragraph (C)(i) or paragraph (C)(ii)(a) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of JEA, is willing and able to undertake such functions upon reasonable and customary terms, the 2023/24 Series X Subordinated Bonds no longer shall be restricted to being registered in the registration books kept by the Subordinated Bond Registrar in the name of Cede, as nominee of DTC. In such event, JEA shall issue and the Subordinated Bond Registrar shall authenticate 2023/24 Series X Subordinated Bond certificates as requested by DTC of like Series, aggregate principal amount, maturity and interest rate, in authorized denominations, to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interests in the 2023/24 Series X Subordinated Bonds of such Series; *provided, however*, that in the case of any discontinuance or termination provided for in paragraph (C)(i) or (C)(ii)(b) of this Section, JEA may within 90 days thereafter appoint a substitute securities depository which, in JEA's opinion, is willing and able to undertake the functions of DTC upon reasonable and customary terms. In such event, and subject to the transfer provisions of the Subordinated Resolution, the word "DTC" in this resolution shall refer to such substitute securities depository and the word "Cede" in this resolution shall refer to the nominee, if any, of such substitute securities depository (or, if there shall be no such nominee, then the word "Cede" in this resolution shall refer to such substitute securities depository).

(E) Notwithstanding any other provision of the Subordinated Resolution or this resolution to the contrary, so long as any 2023/24 Series X Subordinated Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such 2023/24 Series X Subordinated Bond and all notices with respect to such 2023/24 Series X Subordinated Bond shall be made and given, respectively, to DTC as provided

in DTC's Operational Arrangements (as defined in the Letter of Representations); *provided, however*, that if a substitute securities depository shall be appointed, all payments with respect to the principal or redemption price of, and interest on, the 2023/24 Series X Subordinated Bonds and all notices with respect to the 2023/24 Series X Subordinated Bond shall be made and given, respectively, to such substitute securities depository (or any nominee thereof) as provided in the procedures of such substitute securities depository.

SECTION 8. SUBORDINATED BOND PAYING AGENT AND SUBORDINATED BOND REGISTRAR. The 2023/24 Series X Subordinated Bonds shall be payable as to principal and shall be redeemable at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (or such other city as may be designated by such bank), which bank is hereby appointed Subordinated Bond Paying Agent and Subordinated Bond Registrar.

SECTION 9. FORM OF 2023/24 SERIES X SUBORDINATED BONDS. The text of the 2023/24 Series X Subordinated Bonds, together with the Subordinated Bond Registrar's Certificate of Authentication to be endorsed thereon, shall be substantially of the following tenor, with such omissions, insertions and variations as may be necessary or desirable and authorized or permitted by this resolution or any subsequent resolution adopted prior to the issuance thereof, or as may be necessary to comply with applicable laws, rules and regulations of the United States Government and the State of Florida in effect upon the issuance thereof:

[FORM OF 2023/24 SERIES X SUBORDINATED BONDS]

At such times as the 2023/24 Series X Subordinated Bonds of a particular Series are restricted to being registered in the registration books kept by the Subordinated Bond Registrar in the name of DTC (or a successor securities depository), each 2023/24 Series X Subordinated Bond of such Series shall contain or have endorsed thereon the following legend:

AS PROVIDED IN THE SUBORDINATED RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE SUBORDINATED RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE SUBORDINATED RESOLUTION TO THE CONTRARY, (A) THIS BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO A NOMINEE OF DTC, OR BY A NOMINEE OF DTC TO DTC OR A NOMINEE OF DTC, OR BY DTC OR A NOMINEE OF DTC TO ANY SUCCESSOR SECURITIES DEPOSITORY OR ANY NOMINEE THEREOF AND (B) A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE SUBORDINATED BOND PAYING AGENT. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE

AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE SUBORDINATED RESOLUTION.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE SUBORDINATED BOND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE SUBORDINATED BOND PAYING AGENT FOR PAYMENT OF PRINCIPAL OR REDEMPTION PRICE, AND ANY SUBORDINATED BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC OR ITS NOMINEE OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, CEDE & CO., AS NOMINEE OF DTC, HAS AN INTEREST HEREIN.

R-_____ \$_____

UNITED STATES OF AMERICA
 STATE OF FLORIDA
 CITY OF JACKSONVILLE
 JEA

WATER AND SEWER SYSTEM SUBORDINATED REVENUE BOND,
 2023/24 SERIES X

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP</u>
_____ %	October 1, _____	_____, 20__	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

JEA, a body politic and corporate and an independent agency of the City of Jacksonville, Florida (the "City"), organized and existing under and by virtue of the laws of the State of Florida, acknowledges itself indebted to, and for value received, hereby promises to pay to the Registered Owner (stated above) or registered assigns, on the Maturity Date (stated above), but solely from the funds pledged therefor, upon presentation and surrender of this bond at the corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (such bank and any successors thereto being referred to herein as the "Subordinated Bond Paying Agent"), the Principal Amount (stated above) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay, but solely from the funds pledged therefor, interest on such Principal Amount in like coin or currency from the Original Issue Date (stated above), or, if one or more payments of interest has or have theretofore been made or duly provided for, from the most recent interest payment date to which interest has been paid or duly provided for, payable on the first days of April and October in each year commencing [April 1] [October 1], 20__ or, if the date of this bond is after [April 1] [October

1], 20__ commencing with the first April 1 or October 1 after the date of this bond, at a rate per annum equal to the Interest Rate (stated above), until JEA's obligation with respect to the payment of such Principal Amount shall be discharged; *provided, however*, that so long as this bond shall be restricted to being registered in the registration books of JEA in the name of the Securities Depository (as defined in the Subordinated Resolution hereinafter referred to) for this bond, the provisions of the Subordinated Resolution governing Book Entry Bonds (as defined in the Subordinated Resolution) shall govern the manner of payment of the principal or redemption price of, and interest on, this bond. The interest so payable, and punctually paid or duly provided for, on any interest payment date will, as provided in the Subordinated Resolution, be paid to the person in whose name this bond is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, such payment to be made by check or draft of the Subordinated Bond Paying Agent mailed to such person at the address shown on the registration books of JEA kept for that purpose at the corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida or its successor, as Subordinated Bond Registrar for the bonds of the series of which this bond is one. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the person in whose name this bond is registered on the Regular Record Date, and shall be paid, in the manner described above, to the person in whose name this bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by such Subordinated Bond Registrar, notice whereof shall be given to holders of bonds of the series of which this bond is one not less than 10 days prior to such Special Record Date.

This bond is one of a duly authorized series of bonds of JEA designated as its "Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series X" (herein sometimes called the "2023/24 Series X Subordinated Bonds"), in the aggregate principal amount of \$____, issued pursuant to Article 21 of the Charter of the City, as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended (herein called the "Act") and under and pursuant to a resolution of JEA adopted on May 15, 2003, as amended and supplemented, including as supplemented by a supplemental resolution (Resolution No. 2023-04) of JEA entitled "Twenty-Second Supplemental Water and Sewer System Subordinated Revenue Bond Resolution," adopted on September 26, 2023 authorizing the 2023/24 Series X Subordinated Bonds, as supplemented and amended (the "Twenty-Second Supplemental Subordinated Resolution"; said resolution as amended and supplemented, being herein called the "Subordinated Resolution"). As provided in the Subordinated Resolution, bonds, notes or other evidences of indebtedness of JEA may be issued from time to time pursuant to supplemental resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Subordinated Resolution provided. All such bonds, notes or other evidences of indebtedness issued pursuant to the Subordinated Resolution are referred to herein as the "Subordinated Bonds."

As provided in the Subordinated Resolution, the Subordinated Bonds are special obligations of JEA payable solely from and secured as to payment of the principal of, premium, if any, and interest thereon, in accordance with their terms and the provisions of the Subordinated Resolution and are secured equally and ratably by a pledge of (i) such amounts in the Subordinated Indebtedness Fund established under the Resolution (as defined in the Subordinated Resolution) as may from time to time be available for the purpose of payment thereof as provided in the

Resolution; *provided, however*, that such pledge shall be subordinate in all respects to the pledge of the Trust Estate (as defined in the Resolution) created by the Resolution as security for the Bonds (as defined in the Subordinated Resolution), and (ii) the amounts on deposit in the funds established pursuant to the Subordinated Resolution, except to the extent the Initial Subordinated Debt Service Reserve Fund are not pledged to a particular series of Subordinated Bonds. This bond and the series of which it is one constitute Subordinated Bonds for all purposes of the Subordinated Resolution, and are payable from and secured, on a parity with the Subordinated Bonds heretofore issued by JEA, by a pledge of the amounts described in clauses (i) and (ii) above. In accordance with the provisions of the Subordinated Resolution, JEA reserves the right to issue additional Subordinated Bonds payable from and secured, on a parity with the 2023/24 Series X Subordinated Bonds, by a pledge of the amounts described in clauses (i) and (ii) above. In addition, JEA has previously issued and there are outstanding obligations secured by a pledge of amounts described in clause (i) and (ii) above and JEA reserves the right to issue or incur additional obligations secured by such amounts; the aggregate amount of such additional obligations which may be issued or incurred by JEA is not limited by the provisions of the Subordinated Resolution. The aggregate principal amount of Subordinated Bonds which may be issued under the Subordinated Resolution is not limited except as provided in the Subordinated Resolution. Pursuant to the Subordinated Resolution, the 2023/24 Series X Subordinated Bonds are additionally secured by amounts on deposit in the Initial Subordinated Debt Service Reserve Fund established pursuant to the Third Supplemental Water and Sewer System Subordinated Revenue Bond Resolution adopted by JEA on July 15, 2003, including the investments and investment income, if any, thereof, which amounts are pledged for the payment of the principal or sinking fund redemption price, if any, of, and interest on, the 2023/24 Series X Subordinated Bonds and any other Subordinated Bonds secured thereby in accordance with the provisions of the Subordinated Resolution, subject only to the provisions of the Subordinated Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Subordinated Resolution. Copies of the Subordinated Resolution are on file at the office of JEA and at the corporate trust office of the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds, and reference to the Subordinated Resolution and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the security interest, pledge and covenants securing the Subordinated Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the holders of the Subordinated Bonds with respect thereto, and for the other terms and provisions thereof.

This bond and the issue of which it is one do not constitute general obligations or indebtedness of the City or JEA as "bonds" within the meaning of the Constitution of Florida, but shall be payable solely from and secured by a lien upon and a pledge of the amounts as provided in the Subordinated Resolution, and it is expressly agreed by the owner of this bond that such owner shall never have the right to compel the exercise of the ad valorem taxing power of the City or JEA, if any, or taxation in any form of any real property in the City to pay this bond or interest hereon or be entitled to payment of such principal and interest from any other funds of the City or JEA except from the special funds in the manner provided in the Subordinated Resolution.

To the extent and in the manner permitted by the terms of the Subordinated Resolution, the provisions of the Subordinated Resolution, or any resolution amendatory thereof or supplemental thereto, may be modified or amended by JEA, with the written consent of the holders of not less than a majority in principal amount of the Subordinated Bonds affected by such modification or amendment then outstanding under the Subordinated Resolution, and, in case such modification

or amendment would change the terms of any sinking fund installment, with such consent of the holders of not less than a majority in principal amount of the Subordinated Bonds of the particular series and maturity entitled to such sinking fund installment then outstanding; *provided, however*, that, if such modification or amendment will, by its terms, not take effect so long as any Subordinated Bonds of any specified like series and maturity remain outstanding under the Subordinated Resolution, the consent of the holders of such Subordinated Bonds shall not be required and such Subordinated Bonds shall not be deemed to be outstanding for the purpose of the calculation of outstanding Subordinated Bonds. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Subordinated Bond or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the holder of such Subordinated Bond, or shall reduce the percentages or otherwise affect the classes of Subordinated Bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Subordinated Bond Fiduciary (as defined in the Subordinated Resolution) without its written assent thereto.

The Subordinated Resolution also contains provisions permitting JEA, without the necessity for the consent of the holder of any Subordinated Bond, to modify or amend the Subordinated Resolution to cure ambiguities or defects in the Subordinated Resolution, to clarify the provisions of the Subordinated Resolution or to make any other modification or amendment which will not have a material adverse effect on the interests of Subordinated Bondholders, determined as provided in the Subordinated Resolution.

This bond is transferable, as provided in the Subordinated Resolution, only upon the books of JEA kept for that purpose at the above-mentioned office of the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds, by the Registered Owner hereof in person, or by its duly authorized attorney, upon surrender of this bond together with a written instrument of transfer satisfactory to such Subordinated Bond Registrar duly executed by the Registered Owner or its duly authorized attorney, and thereupon a new fully registered bond or bonds, without coupons, and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Subordinated Resolution, and upon payment of the charges therein prescribed. JEA and each Subordinated Bond Fiduciary may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The 2023/24 Series X Subordinated Bonds are issuable in the form of fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple of \$5,000.

[The 2023/24 Series X Subordinated Bonds maturing on and after October 1, 20__ will be subject to redemption at the election of JEA on or after October 1, 20__, at any time, as a whole or in part, at a redemption price equal to the principal amount of such 2023/24 Series X Subordinated Bonds so to be redeemed together with accrued interest to the redemption date.]

[The 2023/24 Series X Subordinated Bonds maturing October 1, 20__ will be subject to redemption through mandatory Sinking Fund Installments on October 1, 20__ and on each October thereafter, through and including October 1, 20__. The redemption price will

be 100 percent of the principal amount of such 2023/24 Series X Subordinated Bonds to be redeemed, plus accrued interest, if any, to the redemption date. Such Sinking Fund Installment will be sufficient to redeem the following principal amount of such 2023/24 Series X Subordinated Bonds:

2023/24 Series X Subordinated Bonds	
Maturing October 1, 20__	
<u>Year</u>	<u>Amount</u>
	\$

The foregoing schedule leaves \$_____ principal amount of such 2023/24 Series X Subordinated Bonds to be retired at maturity.]

[The 2023/24 Series X Subordinated Bonds maturing October 1, 20__ will be subject to redemption through mandatory Sinking Fund Installments on October 1, 20__ and on each October thereafter, through and including October 1, 20__. The redemption price will be 100 percent of the principal amount of such 2023/24 Series X Subordinated Bonds to be redeemed, plus accrued interest, if any, to the redemption date. Such Sinking Fund Installment will be sufficient to redeem the following principal amount of such 2023/24 Series X Subordinated Bonds:

2023/24 Series X Subordinated Bonds	
Maturing October 1, 20__	
<u>Year</u>	<u>Amount</u>
	\$

The foregoing schedule leaves \$_____ principal amount of such 2023/24 Series X Subordinated Bonds to be retired at maturity.]

The 2023/24 Series X Subordinated Bonds are payable upon redemption at the above-mentioned office of the Subordinated Bond Paying Agent. Notice of redemption, setting forth the place of payment, shall be given by first class mail, postage prepaid, to the registered owners of the 2023/24 Series X Subordinated Bonds to be redeemed sent not less than 30 days nor more than 60 days prior to the redemption date, but the failure to give notice by mail, or any defect in such notice, to the registered owner of any 2023/24 Series X Subordinated Bond will not affect the validity of the proceedings for the redemption of any other 2023/24 Series X Subordinated Bonds. If notice of redemption shall have been given as aforesaid, and unless such notice shall have been revoked or shall cease to be in effect in accordance with the terms thereof, the 2023/24 Series X Subordinated Bonds or portions thereof specified in said notice shall become due and payable on the redemption date therein fixed, and if, on the redemption date, moneys for the redemption of all the 2023/24 Series X Subordinated Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such 2023/24 Series X Subordinated Bonds or portions thereof so called for redemption shall cease to accrue and be payable.

This bond shall be payable, as to principal and redemption price hereof, and interest hereon, solely from the funds described herein as provided in the Subordinated Resolution. No member,

officer, agent or employee of JEA shall be individually or personally liable for the payment of the principal or redemption price of or interest on this bond.

It is hereby certified and recited that all conditions, acts and things required by law and the Subordinated Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed and that the 2023/24 Series X Subordinated Bonds, together with all other indebtedness of JEA, comply in all respects with the applicable laws of the State of Florida including, particularly, the Act.

This bond shall not be entitled to any benefit under the Subordinated Resolution or be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds of the Subordinated Bond Registrar's Certificate of Authentication hereon.

IN WITNESS WHEREOF, JEA has caused this bond to be signed in its name and on its behalf by the manual or facsimile signature of its Chair or its Vice Chair, and its corporate seal (or a facsimile thereof) to be hereunto affixed, imprinted, engraved or otherwise reproduced and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary.

JEA

(SEAL)

Chair or Vice-Chair

ATTESTED:

Secretary or Assistant Secretary

[FORM OF SUBORDINATED BOND REGISTRAR'S
CERTIFICATE OF AUTHENTICATION
ON ALL 2023/24 SERIES X SUBORDINATED BONDS]

**SUBORDINATED BOND REGISTRAR'S
CERTIFICATE OF AUTHENTICATION**

This bond is one of the Subordinated Bonds described in the within-mentioned Subordinated Resolution.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Subordinated Bond Registrar

By: _____
Authorized Signatory

Date of Authentication: _____, 20__

[Insert Statement of Insurance, if applicable.]

The following abbreviations, when used in the inscription on the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -	as tenants in common	UNIF GIF MIN ACT _____ (Cust.)
TEN ENT -	as tenants by the entireties	Custodian for _____ (Minor)
JT TEN	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act of _____ (State)

Additional abbreviations may also be used although not listed above.

ASSIGNMENT

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

[PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

the within bond and does hereby irrevocably constitute and appoint the Registrar as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed: _____ (Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: This signature to this assignment must correspond with the name of the registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

SECTION 10. APPLICATION OF BOND PROCEEDS. The proceeds from the sale of the 2023/24 Series X Subordinated Bonds of a particular Series, together with other available funds of the Water and Sewer System shall be applied simultaneously with the delivery of the 2023/24 Series X Subordinated Bonds as follows:

(A) if applicable, there shall be delivered to the Escrow Agent, simultaneously with the delivery of the 2023/24 Series X Subordinated Bonds of such Series, for deposit in the Escrow Account (the "Escrow Account") to be created under the Escrow Deposit Agreement, an amount determined by an Authorized Officer of JEA as being equal to the amount necessary, when combined with the moneys, if any, transferred to the Escrow Account as provided in Section 11 hereof, to purchase such securities as are permitted by Section 12.01 of the Subordinated Resolution, the principal of and interest to be received on which, together with any initial cash balance, will provide moneys which will be sufficient to pay when due the principal or redemption price, as applicable, of the Refunded Subordinated Bonds being refunded thereby on the respective maturity dates of such Refunded Subordinated Bonds or the date such Refunded Subordinated Bonds are to be called for redemption, as applicable, and the interest to become due on such Refunded Subordinated Bonds on and prior to such respective maturity or redemption dates, as the case may be;

(B) there shall be deposited in the Initial Subordinated Debt Service Reserve Fund an amount equal to the difference, if any, between (A) the Subordinated Debt Service Reserve Requirement for the Initial Subordinated Debt Service Reserve Fund calculated immediately after the issuance of the 2023/24 Series X Subordinated Bonds and (B) the sum of the amounts then on deposit in the Initial Subordinated Debt Service Reserve Fund and the eligible reserve fund credit instruments (as defined in subsection 3 of Section 5.02 of the Third Supplemental Subordinated Resolution) credited thereto; and

(C) all proceeds remaining after application as provided in subsections (A) and (B) hereof shall be deposited into the Subordinated Construction Fund or a separate sub-account thereof and used for the purposes of paying the principal or redemption price, as applicable, of Refunded Subordinated Bonds when due of the Refunded Subordinated Bonds are not being defeased within the meaning of Section 12.01 of the Subordinated Resolution and paying costs of issuance of the 2023/24 Series X Subordinated Bonds of such Series.

SECTION 11. TRANSFER OF CERTAIN AMOUNTS.

(A) In accordance with subsection 6 of Section 5.02 of the Subordinated Resolution, subject to the provisions of the Subordinated Resolution, simultaneously with the delivery of the 2023/24 Series X Subordinated Bonds of a particular Series, there shall be withdrawn from the Subordinated Indebtedness Fund cash in an amount determined by an Authorized Officer of JEA as being not greater than the amount of Subordinated Debt Service accrued on the Refunded Subordinated Bonds to be refunded through the issuance of the 2023/24 Series X Subordinated Bonds of such Series. Such withdrawal shall, however, not be made unless immediately thereafter (a) such Refunded Subordinated Bonds are deemed to have been paid pursuant to the Subordinated Resolution and (b) the amount remaining in the Subordinated Indebtedness Fund, after giving effect to the

issuance of the 2023/24 Series X Subordinated Bonds of such Series and the refunding of the Refunded Subordinated Bonds being refunded thereby, shall not be less than the amount required to be maintained therein. There shall be transferred to the Escrow Agent, if any, for deposit in the Escrow Account the amount so withdrawn, otherwise, such amount shall be applied together with the funds described in Section 10(C) above to the payment of the Refunded Subordinated Bonds.

(B) Simultaneously with the delivery of each Series of the 2023/24 Series X Subordinated Bonds, there may be withdrawn from the Initial Subordinated Debt Service Reserve Fund for transfer to the Escrow Agent or Paying Agent, as applicable, for deposit in the Escrow Account, moneys in an amount determined by an Authorized Officer of JEA. Such withdrawal shall, however, not be made if and to the extent that the effect thereof would cause the amount remaining on deposit in the Initial Subordinated Debt Service Reserve Fund to be less than the Subordinated Debt Service Reserve Requirement calculated immediately after the issuance of such 2023/24 Series X Subordinated Bonds.

SECTION 12. 2023/24 SERIES X SUBORDINATED BONDS TO CONSTITUTE ADDITIONALLY SECURED BY THE INITIAL SUBORDINATED DEBT SERVICE RESERVE FUND. The payment of the principal or sinking fund redemption price, if any, thereof and interest the 2023/24 Series X Subordinated Bonds shall be secured, in addition to the pledge created pursuant to Section 5.01 of the Subordinated Resolution in favor of the Subordinated Bonds, by amounts on deposit in the Initial Subordinated Debt Service Reserve Fund. In furtherance of the foregoing, simultaneously with the authentication and delivery of any particular Series of the 2023/24 Series X Subordinated Bonds, JEA shall cause to be deposited to the credit of the Initial Subordinated Debt Service Reserve Fund cash from the proceeds of such Series of the 2023/24 Series X Subordinated Bonds, in an amount equal to the difference (if any) between (a) the Subordinated Debt Service Reserve Requirement with respect to the Initial Subordinated Debt Service Reserve Fund calculated immediately after the authentication and delivery of the 2023/24 Series X Subordinated Bonds of such Series and (b) the sum of the amounts then on deposit in the Initial Subordinated Debt Service Reserve Fund and the reserve fund credit instruments credited thereto, if any.

SECTION 13. TAX COVENANTS. (A) JEA covenants that it shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the 2023/24 Series X Subordinated Bonds under Section 103 of the Code and the applicable Treasury Regulations promulgated thereunder. Without limiting the generality of the foregoing, JEA covenants that it will comply with the instructions and requirements of the Tax Certificate to be executed and delivered on the date of issuance of each Series of the 2023/24 Series X Subordinated Bonds concerning certain matters pertaining to the use of proceeds of the 2023/24 Series X Subordinated Bonds of such Series, including any and all exhibits attached thereto (the "Tax Certificate"). This covenant shall survive payment in full or defeasance of the 2023/24 Series X Subordinated Bonds.

(B) Notwithstanding any provisions of this Section, if JEA shall obtain an opinion of nationally recognized municipal bond attorneys to the effect that any specified action required under this Section is no longer required or that some further or different action is required to

maintain the exclusion from gross income for federal income tax purposes of interest on the applicable Series of the 2023/24 Series X Subordinated Bonds, JEA may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

(C) Notwithstanding any other provision of the Bond Resolution to the contrary, (a) upon JEA's failure to observe or refusal to comply with the above covenants with respect to the 2023/24 Series X Subordinated Bonds of a Series, the holders of the 2023/24 Series X Subordinated Bonds of such Series shall be entitled to the rights and remedies provided to the Holders of Subordinated Bonds under the Subordinated Resolution, other than the right (which is hereby abrogated solely in regard to JEA's failure to observe or refusal to comply with the covenants of this Section) to declare the principal of all Subordinated Bonds then outstanding, and the interest accrued thereon, to be due and payable and (b) the Holders of any Subordinated Bonds other than the 2023/24 Series X Subordinated Bonds of the applicable Series shall not be entitled to exercise any right or remedy provided to Holders of Subordinated Bonds under the Subordinated Resolution based upon JEA's failure to observe, or refusal to comply with, the above covenants with respect to the 2023/24 Series X Subordinated Bonds of such Series.

SECTION 14. REDEMPTION OF REFUNDED SUBORDINATED BONDS.

The Refunded Subordinated Bonds to be refunded by the 2023/24 Series X Subordinated Bonds are hereby designated for redemption and the Escrow Agent (if any) or the respective Refunded Bonds Paying Agents, as applicable, are hereby directed to redeem such Refunded Subordinated Bonds on the respective dates determined by the Managing Director/CEO pursuant to clause (C) of the second paragraph of Section 5 hereof and at a redemption price equal to the principal amount of the Refunded Subordinated Bonds to be redeemed plus the redemption premium(s) for the applicable redemption date(s) (in each case, together with the interest accrued thereon to the date fixed for redemption).

Such designation for redemption, and such direction to the Escrow Agent (if any) or the respective paying agents for the Refunded Subordinated Bonds, as applicable, shall be, and hereby are declared to be, irrevocable upon the delivery of the 2023/24 Series X Subordinated Bonds to or upon the order of the Underwriters; *provided*, that notice of such redemption as provided below shall be revocable and conditional upon the issuance of the 2023/24 Series X Subordinated Bonds of the applicable Series.

In order to effectuate this designation, on or prior to the applicable Delivery Date, an Authorized Officer of JEA shall give the Escrow Agent or the Subordinated Bond Registrar, as applicable, for any Refunded Subordinated Bonds to be redeemed prior to maturity instructions to mail, postage prepaid, not less than 30 days (or such lesser period as required by the applicable supplemental resolution(s) for the Refunded Subordinated Bonds) prior to the redemption date therefor, to (i) all registered owners of such Refunded Subordinated Bonds at their addresses as they appear of record on the books of the Subordinated Bond Registrar as of 45 days (or such lesser number of days as is permitted pursuant to the applicable supplemental resolution(s) for the Refunded Subordinated Bonds) prior to such redemption date and (ii) the paying agent for such Refunded Subordinated Bonds (or its successor), a notice of redemption in substantially the following form:

REVOCABLE NOTICE OF [PARTIAL] REDEMPTION

JEA

**WATER AND SEWER SYSTEM SUBORDINATED REVENUE BONDS
DESCRIBED BELOW**

Notice is hereby given to the holders of the outstanding JEA Variable Rate Water and Sewer System Subordinated Revenue Bonds, described below (the "Subordinated Bonds") that the Subordinated Bonds have been called for redemption prior to maturity on _____, 20__ in accordance with their terms at a redemption price of [100 percent of the principal amount thereof, together with accrued interest thereon to _____, 20__]. [The source of funds to be used for such redemption is certain moneys heretofore deposited with _____, as Escrow Agent.]

<u>Series</u>	<u>Maturity Date</u> (<u>October 1</u>)	<u>Interest Rate</u> %	<u>Principal</u> <u>Amount</u> \$	<u>CUSIP</u>
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THIS CALL FOR REDEMPTION IS REVOCABLE AND IS CONDITIONED UPON THE ISSUANCE BY JEA OF ITS SUBORDINATED REFUNDING BONDS TO REFUND SUCH SUBORDINATED BONDS ON OR PRIOR TO _____, 20__. In the event that JEA's refunding bonds are not issued on or prior to _____, 20__, this notice shall be of no further force or effect and the Subordinated Bonds shall continue to bear interest until paid at the same rates they would have borne had this notice not been given. If JEA's refunding bonds are not issued on or prior to _____, 20__, the undersigned, on behalf of JEA, shall give notice forthwith of such fact to the holders of the Subordinated Bonds, and this notice shall thereupon be revoked and shall be of no further force and effect.

Subject to the foregoing, the redemption price of and accrued interest on the Subordinated Bonds shall become due and payable on _____, 20__ and from and after _____, 20__ interest on the Subordinated Bonds shall cease to accrue and be payable.

Holders of the Subordinated Bonds will receive payment of the redemption price and accrued interest to which they are entitled upon presentation and surrender thereof at the principal corporate trust offices of [specify names of current Paying Agents].

Dated this ___ day of _____, 20__.

JEA

By: _____
as [Escrow Agent/Registrar]

SECTION 15. AUTHORIZATION AND APPROVAL OF THE NEGOTIATED SALE OF THE 2023/24 SERIES X SUBORDINATED BONDS AND EXECUTION AND DELIVERY OF THE BOND PURCHASE AGREEMENT; DELEGATION OF AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH. The terms and conditions of the bond purchase agreement between JEA and the Underwriters, providing for the negotiated sale and purchase of the 2023/24 Series X Subordinated

Bonds of a particular Series, in substantially the form attached as Exhibit A to Resolution No. 2023-03 (the "Bond Purchase Agreement"), are hereby approved. At such time or times as the Managing Director/CEO of JEA shall determine is (are) advantageous to JEA, such officer shall execute and deliver the Bond Purchase Agreement(s) (with such changes as are necessary to reflect, among other things, the terms of the 2023/24 Series X Subordinated Bonds of a particular Series), such determination to be evidenced by the execution and delivery thereof; *provided, however*, that at or prior to the time of the execution and delivery of the Bond Purchase Agreement(s), JEA shall have received from the senior managing underwriter the disclosure statement required pursuant to Section 218.385(6), Florida Statutes. The purchase price of the 2023/24 Series X Subordinated Bonds of such Series to be paid by the Underwriters pursuant to the Bond Purchase Agreement shall be determined as provided in Section 5 hereof, subject to the limitations set forth therein.

SECTION 16. AUTHORIZATION OF AUTHENTICATION. In the event that the Managing Director/CEO shall determine that it is desirable to sell and issue a particular Series of 2023/24 Series X Subordinated Bonds as provided herein, U.S. Bank Trust Company, National Association, as Subordinated Bond Registrar for the 2023/24 Series X Subordinated Bonds, is hereby requested and authorized to authenticate and deliver such 2023/24 Series X Subordinated Bonds in the aggregate principal amount determined for such Series as provided in Section 5 hereof, to or upon the order of the Underwriters, upon payment to JEA of the sum to be specified in the applicable Bond Purchase Agreement.

SECTION 17. APPOINTMENT OF ESCROW AGENT AND AUTHORIZATION AND APPROVAL OF ESCROW DEPOSIT AGREEMENT. The Managing Director/CEO is hereby authorized to appoint U.S. Bank Trust Company, National Association, The Bank of New York Mellon Trust Company, N.A. or any other bank or trust company selected pursuant to JEA's purchasing code to act as Escrow Agent under an Escrow Deposit Agreement in connection with the refunding of Refunded Subordinated Bonds. One or more Escrow Deposit Agreement(s) are hereby approved in substantially the form attached hereto as Exhibit A. The Escrow Deposit Agreement(s) may be executed and delivered as provided in Section 22 hereof. Pursuant to the Escrow Deposit Agreement(s), the Escrow Agent may be directed to invest the funds held thereunder in the manner provided therein.

In connection with the refunding of the Refunded Subordinated Bonds as provided herein, each Authorized Officer of JEA is hereby authorized, if deemed desirable, to cause proceeds of the 2023/24 Series X Subordinated Bonds and other available amounts, and earnings thereon, to be invested in United States Treasury Securities – State and Local Government Series ("SLGS") or other obligations permitted to be used to accomplish the defeasance of such Refunded Subordinated Bonds in such amounts, at such times, maturing at such times and having such rate or rates of interest as any Authorized Officer of JEA shall determine is necessary or desirable; and each such Authorized Officer of JEA and, upon receipt of instructions from an Authorized Officer of JEA, any authorized officer of the Escrow Agent is hereby authorized in the name and on behalf of JEA to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations.

SECTION 18. APPROVAL OF THE FORM AND USE OF PRELIMINARY OFFICIAL STATEMENT. The form and use of a preliminary official statement for each Series of the 2023/24 Series X Subordinated Bonds, in substantially the form of the Preliminary Official Statement relating to Water and Sewer System Subordinated Revenue Bonds, 2020 Series A or any other Preliminary Official Statement more recently executed and delivered by JEA in connection with the sale of bonds, in each case with such changes, omissions, insertions and revisions as an Authorized Officer of JEA shall deem necessary or appropriate (collectively, the "Form Preliminary Official Statement"), is hereby authorized and approved in connection with the offering and sale of the 2023/24 Series X Subordinated Bonds of each Series.

In the event that the Managing Director/CEO shall determine that it is desirable to issue and sell the 2023/24 Series X Subordinated Bonds of one or more Series as provided herein, the Managing Director/CEO is hereby authorized and directed to cause to be prepared a Preliminary Official Statement with respect to such bonds in substantially the form of the Form Preliminary Official Statement and with such changes thereto as are necessary so that such Preliminary Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading and, in such case, to cause such Preliminary Official Statement to be used in connection with the offering and sale of the 2023/24 Series X Subordinated Bonds of such Series and, if applicable, the Managing Director/CEO, the Chief Financial Officer, the Vice President, Financial Services or the Treasurer of JEA are hereby authorized to deem said Preliminary Official Statement final for purposes of Rule 15c2-12. In the event that the Managing Director/CEO shall cause to be prepared a Preliminary Official Statement for such 2023/24 Series X Subordinated Bonds as aforesaid, an Official Statement relating to the 2023/24 Series X Subordinated Bonds of such Series, in substantially the form of said Preliminary Official Statement, with such changes thereto as are necessary (a) to reflect the terms of such 2023/24 Series X Subordinated Bonds of such Series and (b) so that such Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, is hereby authorized and approved for use in connection with the offering and sale of such 2023/24 Series X Subordinated Bonds. In such event, such Official Statement shall be executed as provided in Section 22 hereof.

SECTION 19. APPROVAL WITH RESPECT TO REGISTRATION OR QUALIFICATION OF THE 2023/24 SERIES X SUBORDINATED BONDS UNDER THE BLUE SKY OR SECURITIES LAWS OF VARIOUS STATES. The Authorized Officers of JEA shall be, and hereby are, authorized in the name and on behalf of JEA, to take any and all action which they deem necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of the 2023/24 Series X Subordinated Bonds of each Series for issue, offer, sale or trade under the Blue Sky or securities laws of any of the states of the United States of America and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorneys to receive service of process and other papers and instruments which may be required under such laws, and to take any and all further action which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law or by the Underwriters.

SECTION 20. CONTINUING DISCLOSURE. For the benefit of holders and beneficial owners from time to time of the 2023/24 Series X Subordinated Bonds of each Series, JEA agrees, as an obligated person with respect to the 2023/24 Series X Subordinated Bonds of such Series under Rule 15c2-12, to provide or cause to be provided such financial information and operating data, audited financial statements and notices, in such manner as may be required for purposes of paragraph (b)(5) of Rule 15c2-12. In order to describe and specify certain terms of JEA's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Authorized Officers of JEA are, and each of them hereby is, authorized and directed to sign and deliver, in the name and on behalf of JEA, one or more Continuing Disclosure Agreements with respect to the 2023/24 Series X Subordinated Bonds substantially in the form of Appendix F to the Form Preliminary Official Statement, with any changes or amendments that: (i) are not inconsistent with this resolution, (ii) are not substantially adverse to JEA, or (iii) may be required by Rule 15c2-12, and that are approved by the Authorized Officer of JEA executing the same on behalf of JEA, all of which shall be conclusively evidenced by the signing of that agreement or amendments to it. The agreement formed, collectively, by this paragraph and that agreement, shall be JEA's continuing disclosure agreement with respect to the 2023/24 Series X Subordinated Bonds for purposes of Rule 15c2-12, and its performance shall be subject to the annual appropriation of any funds that may be necessary to perform it.

The Authorized Officers of JEA are, and each of them hereby is, further authorized and directed to take such actions as shall be necessary to comply with each such continuing disclosure agreement, including timely provision of information and notices. Prior to making any filing in accordance with any such agreement or providing notice of the occurrence of any other events, any such officer of JEA shall consult with and obtain legal advice from, as appropriate, the Office of the General Counsel and bond or other qualified independent special counsel selected by JEA. Any such officer of JEA, acting in the name and on behalf of JEA, shall be entitled to rely upon any such legal advice in determining whether a filing should be made.

SECTION 21. REPRESENTATIONS AND COVENANTS REGARDING THE PLEDGE OF THE SUBORDINATED RESOLUTION. JEA represents that, pursuant to the Act, the Subordinated Resolution creates a valid and binding lien on (i) the amounts on deposit in the Revenue Fund established pursuant to the Resolution as may from time to time be available therefor, including the investments, if any, thereof and (ii) the amounts on deposit in the Funds established under the Subordinated Resolution, including the investments, if any, thereof (collectively, the "Subordinate Lien Pledged Assets"), in each such case, except as described below, prior and superior to all other liens or encumbrances on such amounts, subject only to the provisions of the Resolution and the Subordinated Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein, for the benefit of the Holders of the Subordinated Bonds, including the 2023/24 Series X Subordinated Bonds, as security for the payment of the Subordinated Bonds, including the 2023/24 Series X Subordinated Bonds, to the extent set forth therein, enforceable in accordance with the terms thereof; *provided, however*, that such pledge (other than with respect to amounts on deposit in the Subordinated Bond Construction Fund) is junior and subordinate in all respects to the Bonds as to lien on and source and security for payment from the Revenues.

Except for the pledge and lien created by the Resolution in favor of the holders of the Bonds, JEA has not heretofore made or granted a pledge or assignment of, lien on or security

interest in the Subordinate Lien Pledged Assets that ranks on a parity with or prior to the lien and pledge made or granted in the Subordinated Resolution. JEA shall not hereafter make or grant a pledge or assignment of, lien on or security interest in such Subordinate Lien Pledged Assets that ranks prior to or on a parity with the lien and pledge made or granted in the Subordinated Resolution, except as expressly permitted thereby.

SECTION 22. AUTHORIZATION OF THE EXECUTION AND DELIVERY OF 2023/24 SERIES X SUBORDINATED BONDS AND RELATED DOCUMENTS. The Authorized Officers of JEA are hereby authorized to execute the 2023/24 Series X Subordinated Bonds of each Series, the Bond Purchase Agreement(s), the Escrow Deposit Agreement(s), if any, the Continuing Disclosure Agreement(s) and the Official Statement(s), each subject to completion thereof, and with such changes therein as they may approve as necessary and desirable and in the best interest of JEA, such approval to be evidenced by the execution and delivery thereof; *provided, however*, that the 2023/24 Series X Subordinated Bonds shall be executed and delivered pursuant to the Resolution and applicable law. The Secretary of JEA is hereby authorized (but not required) to cause the seal of JEA to be affixed to the 2023/24 Series X Subordinated Bonds and the foregoing documents and to attest the same. Such Authorized Officers of JEA are each hereby authorized to deliver such 2023/24 Series X Subordinated Bonds and documents on behalf of JEA.

SECTION 23. FURTHER ACTIONS. Each Authorized Officer of JEA is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all administrative acts and things as may be necessary or desirable in connection with: the approval, execution and delivery of the Bond Purchase Agreement(s), the Escrow Deposit Agreement(s), if any, and the Continuing Disclosure Agreement(s); and the carrying out of their terms and the terms of the Subordinated Resolution and this Twenty-Second Supplemental Subordinated Resolution; the issuance, sale, execution and delivery of the 2023/24 Series X Subordinated Bonds and the refunding and redemption of the Refunded Subordinated Bonds; and the use of the Preliminary Official Statement(s) and the Official Statement(s). Without limiting the generality of the foregoing, the Managing Director/CEO is hereby authorized to execute the certificates referred to in Section 5 hereof. In the absence of the Managing Director/CEO for any reason, the authority granted to him in this resolution is hereby delegated to the Vice President, Water/Wastewater Systems, the Chair of JEA's governing board and the Chair of the Finance and Audit Committee of JEA's governing board, in that order.

SECTION 24. REMAINING AUTHORIZATION UNDER RESOLUTION NO. 2023-04 SUPERSEDED. Any remaining authorization to issue additional debt under Resolution No. 2023-04 adopted by JEA on January 24, 2023 is hereby superseded by this Resolution and repealed. The foregoing shall not affect in any manner the authorization of debt previously issued pursuant to Resolution No. 2023-04.

SECTION 25. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way affect the validity or enforceability of such remaining provisions.

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SECTION 26. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

ADOPTED THIS 26TH DAY OF SEPTEMBER, 2023.



JEA

By: _____
Name:
Title:

ATTEST:

By: _____
Secretary

Approved as to Form:

By: _____
Office of General Counsel

EXHIBIT A

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

relating to

**JEA
WATER AND SEWER SYSTEM SUBORDINATED REVENUE BONDS,
2023/24 SERIES X**

THIS ESCROW DEPOSIT AGREEMENT, dated as of _____, 20__, by and between JEA, a public body corporate and politic organized under the laws of the State of Florida and _____, as Escrow Agent;

WITNESSETH:

WHEREAS, JEA has previously authorized and issued obligations of JEA as hereinafter set forth and defined as the "Refunded Obligations," as to which the Aggregate Debt Service (as hereinafter defined) is set forth on Schedule A attached hereto; and

WHEREAS, JEA has determined to provide for refunding of the Aggregate Debt Service of the Refunded Obligations by depositing with the Escrow Agent cash and Defeasance Securities, which will be sufficient to pay the Aggregate Debt Service on the Refunded Obligations; and

WHEREAS, in order to obtain a portion of the funds needed for such purpose JEA has authorized and is, concurrently with the delivery of this Agreement, issuing its Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series X; and

WHEREAS, JEA has determined that the amount to be on deposit, from time to time, in the Escrow Account, as defined herein, will be sufficient to pay the Aggregate Debt Service;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, JEA and the Escrow Agent agree as follows:

SECTION 1. Definitions. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution (as defined below). As used herein, the following terms shall have the following meanings:

(a) "Aggregate Debt Service" means the sum of all present and future Annual Debt Service payments then remaining unpaid with respect to the Refunded Obligations through the final Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(b) "Agreement" means this Escrow Deposit Agreement.

(c) "Annual Debt Service" means, in any year, the redemption price or principal of, and interest on, the Refunded Obligations coming due or being redeemed on the respective Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(d) "Defeasance Securities" has the meaning ascribed to such term in the Resolution.

(e) "Escrow Account" means the Escrow Account identified in Section 2 herein and established and held by the Escrow Agent pursuant to this Agreement in which a portion of the proceeds from the sale of the Bonds and certain other funds will be held for payment of the Refunded Obligations.

(f) "Escrow Agent" means _____ with the power to accept trusts in the State of Florida.

(g) "Escrow Deposit Requirement" means, as of any date of calculation, the principal amount of cash and any Defeasance Securities in the Escrow Account which, together with the interest due on the Defeasance Securities, will be sufficient to pay, as the installments thereof become due, the Aggregate Debt Service.

(h) "Paying Agent" means _____ in its capacity as the paying agent for the Refunded Obligations.

(i) "Redemption Date" means the redemption date or dates for the Refunded Obligations, as set forth in Schedule B hereto.

(j) "Refunded Obligations" means the Water and Sewer System Subordinated Revenue Bonds listed in Schedule B hereto.

(k) "Resolution" means the resolution duly adopted by JEA on May 15, 2003, as amended and supplemented, and particularly as supplemented by resolutions adopted by JEA authorizing the issuance of the Refunded Obligations.

(l) "2023/24 Subordinated Bonds" means the Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series X of JEA.

SECTION 2. Deposit of Funds. With respect to the Refunded Obligations, JEA hereby deposits \$ _____ with the Escrow Agent in immediately available funds (the "Escrow Deposit Amount"), to be held in irrevocable escrow by the Escrow Agent in a separate escrow trust fund (the "Escrow Account") and applied solely as provided in this Agreement. JEA represents that (i) \$ _____ of such funds are derived by JEA from a portion of the proceeds of the 2023/24 Subordinated Bonds and (ii) \$ _____ of such funds are derived by JEA from amounts on deposit in the Subordinated Indebtedness Fund established pursuant to the Resolution.

JEA represents, that such funds, when applied pursuant to Section 3 below, will at least equal the Escrow Deposit Requirement as of the date hereof.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees:

(a) Concurrently with the receipt of the proceeds and other moneys as described in Section 2, the Escrow Agent will apply \$ _____ of such amount to the purchase of

\$_____ aggregate principal or par amount of Defeasance Securities specifically described in Schedule D, and the remaining \$_____ will be held as cash for the benefit of the holders of the Refunded Obligations. Defeasance Securities held by the Escrow Agent are to mature in such principal amounts and pay interest in such amounts and at such times so that sufficient moneys are available to pay when due the principal of and interest on all outstanding Refunded Obligations as further set forth in Schedule B;

(b) there will be no investment of funds except as set forth in this Section 3 and in Section 5;

(c) to hold the proceeds of all investments in the Escrow Account in such Account in trust (separate from all other funds of the Escrow Agent) for the benefit of the owners of the Refunded Obligations from the date of receipt thereof to the date on which such proceeds are scheduled to be paid out of the Escrow Account and applied only for the purposes thereof, as set forth on Schedule A attached hereto; and

(d) to hold the funds and securities in the Escrow Account in irrevocable escrow during the term of this Agreement.

SECTION 4. Payment of Refunded Obligations.

(a) ***Payment of Refunded Obligations.*** The Escrow Agent shall pay to the Paying Agent for the Refunded Obligations, from the cash on hand in the Escrow Account, a sum sufficient to pay the Annual Debt Service coming due on such date with respect to the Refunded Obligations, as shown on Schedule A attached hereto.

(b) ***Surplus.*** On the Redemption Date, after making the payment from the Escrow Account described in Subsection 4(a), the Escrow Agent shall pay to JEA the remaining cash, if any, in the Escrow Account. JEA shall apply the payment made to it hereunder to the payment of the principal of and interest on the 2023/24 Subordinated Bonds or for other uses permitted under the Resolution, but the Escrow Agent shall have no duty or responsibility to ensure that JEA does so.

(c) ***Payments Due on Saturdays, Sundays and Holidays.*** If any payment date shall be a legal holiday or a day on which banking institutions in the city in which is located the designated office of the Paying Agent are authorized by law to remain closed, then the Escrow Agent may make the payments required by Subsections 4(a) and 4(b) to the Paying Agent or JEA, as the case may be, on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and this Section, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Defeasance Securities held hereunder.

(b) At the written request of JEA and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the

Defeasance Securities acquired hereunder and shall substitute other Defeasance Securities and reinvest any excess receipts in Defeasance Securities. JEA will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation. Such substitutions and reinvestments may be effected only if (i) an independent certified public accountant selected by JEA shall certify or opine in writing to JEA and the Escrow Agent that the cash and principal amount of Defeasance Securities remaining on hand after the transactions are completed will be not less than the Escrow Deposit Requirement, and (ii) the Escrow Agent shall receive an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to JEA to the effect that the transactions, in and by themselves, will not cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(b) above notwithstanding, cash in excess of the Escrow Deposit Requirement caused by substitution of Defeasance Securities shall, as soon as practicable, be paid to JEA.

SECTION 6. Redemption of Refunded Obligations. JEA has exercised its option to redeem the Refunded Obligations prior to the maturity thereof on the Redemption Date as shown on Schedule B attached hereto.

SECTION 7. Redemption and Defeasance Notices. JEA has previously directed the Bond Registrar for the Refunded Obligations to give notice of redemption of such Refunded Obligations. JEA hereby directs _____ as Bond Registrar to provide notice of defeasance in the form provided in Schedule E attached hereto for the Refunded Obligations. Redemption notices and defeasance notices distributed by the Bond Registrar will be sent to bondholders pursuant to the Resolution, as supplemented, and will be distributed to the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system.

SECTION 8. Indemnity. To the extent permitted by applicable law, including but not limited to Section 768.28, Florida Statutes, JEA hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and attorneys' disbursements and expenses) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by JEA or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds and securities deposited therein, the purchase of the Defeasance Securities, the retention of the Defeasance Securities or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; *provided, however*, that JEA shall not be required to indemnify the Escrow Agent, its successors, assigns, agents and servants against the negligence or willful misconduct of the Escrow Agent or its successors, assigns, agents and servants. In no event shall JEA or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section

shall survive the termination of this Agreement. Nothing in this Section contained shall give rise to any liability on the part of JEA in favor or any person other than the Escrow Agent.

SECTION 9. Responsibilities of Escrow Agent; Fees. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the retention of the Defeasance Securities or the proceeds thereof or any investment, payment, transfer, or other application of money or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties or non-willful misconduct. The Escrow Agent shall, however, be liable to JEA for its negligent acts, omissions or errors or willful misconduct which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of JEA. The fees of the Escrow Agent shall be paid by JEA at the time this Agreement is executed and delivered, such fees to be as set forth on Schedule C attached hereto. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in the Escrow Account for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 10. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Obligations have been paid and discharged in accordance with the proceedings authorizing the Refunded Obligations.

SECTION 11. Amendments. This Agreement is made for the benefit of JEA and the holders from time to time of the Refunded Obligations and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and JEA; *provided, however,* that JEA and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Obligations, any additional rights, remedies, power or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject additional funds, securities or properties to this Agreement.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Obligations, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of JEA or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be one and the same instrument.

SECTION 14. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Deposit Agreement to be executed by their duly authorized officers and JEA's official seal to be hereunto affixed and attested as of the date first above written.



JEA

ATTEST:

By: _____
Title: _____

By: _____
Secretary

Form Approved:

Office of General Counsel

_____,
as Escrow Agent

By: _____
Its: _____

*[Signature page to Escrow Deposit Agreement relating to
JEA Water and Sewer System Subordinated Revenue Bonds, 2023/24 Series*

**SCHEDULE A
REFUNDED OBLIGATIONS**

The Aggregate Debt Service for the Refunded Obligations is shown in the following table:

Date	Interest	Principal Redeemed	Redemption Premium	Total
	\$	\$		\$

**SCHEDULE B
LIST OF REFUNDED OBLIGATIONS**

The Refunded Bonds will consist of the Water and Sewer System Subordinated Revenue Bonds listed in the following table.

<u>Series</u>	<u>Maturity Date (October 1)</u>	<u>Amount to be Refunded</u> \$	<u>Redemption Date</u>	<u>Redemption Price (expressed as a percentage of principal amount)</u> %	<u>CUSIP*</u>
Total		_____			

* The CUSIP numbers listed here are provided for the convenience of readers. JEA is not responsible for the accuracy or completeness of such numbers.

SCHEDULE C
FEES OF ESCROW AGENT

The fee of the Escrow Agent for its services hereunder shall be \$____; provided, JEA agrees to reimburse the Escrow Agent for its reasonable out-of-pocket expenses at cost.

SCHEDULE D

ESCROW DESCRIPTIONS DETAIL

<u>Type of Security</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Cost</u>	<u>Accrued Interest</u>	<u>Total Cost</u>
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SCHEDULE E

**NOTICE OF DEFEASANCE AND DESIGNATION
OF CERTAIN BONDS FOR PRIOR REDEMPTION**

JEA

WATER AND SEWER SYSTEM SUBORDINATED REVENUE BONDS

described in Exhibit A hereto *

NOTICE IS HEREBY GIVEN to the holders of JEA's Water and Sewer System Subordinated Revenue Bonds described above and in Exhibit A attached hereto (the "Refunded Bonds") that JEA has (i) deposited on _____ with _____, the Escrow Agent for the Refunded Bonds, cash and Defeasance Securities which will provide monies sufficient to pay when due the interest on the Refunded Bonds through the redemption date or maturity date, as applicable, and the principal together with any applicable redemption premium thereon, free and clear of any trust, lien or pledge securing said Refunded Bonds or otherwise existing under the Resolution (as defined below) and (ii) irrevocably designated the Refunded Bonds which are subject to redemption prior to maturity for redemption as aforesaid. As a result of such deposit, said Refunded Bonds are deemed to have been paid and to be no longer Outstanding in accordance with the resolution authorizing the issuance of Water and Sewer System Subordinated Revenue Bonds, adopted by JEA on May 15, 2003, as amended (the "Resolution"). Any such redemption does not apply to any bonds issued under the Resolution other than the Refunded Bonds. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution.

JEA

By: _____,
as Escrow Agent

Dated:

* No representation is made as to the accuracy of the CUSIP number either as printed on the Refunded Bonds or as set forth in this Notice.

EXHIBIT A
REFUNDED BONDS

<u>Refunded Bonds</u>	<u>Par Amount to be Refunded</u>	<u>Outstanding Par Amount Prior to Refunding</u>	<u>Maturity (October 1)</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>Original CUSIP*</u> <u>Number</u>	<u>Refunded CUSIP*</u> <u>Number</u>	<u>Unrefunded CUSIP*</u> <u>Number</u>
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RESOLUTION NO. 2023-37

A RESOLUTION SUPPLEMENTING A RESOLUTION ENTITLED "ST. JOHNS RIVER POWER PARK SYSTEM SECOND REVENUE BOND RESOLUTION," PROVIDING FOR THE ISSUANCE IN ONE OR MORE SERIES OF NOT EXCEEDING \$88,000,000 ST. JOHNS RIVER POWER PARK SYSTEM REVENUE BONDS, ISSUE THREE, SERIES X OF JEA AUTHORIZED THEREIN, FOR THE PURPOSES OF PAYING A PORTION OF THE COST OF REFUNDING A PORTION OF THE OUTSTANDING ST. JOHNS RIVER POWER PARK SYSTEM REVENUE BONDS, ISSUE THREE AND PAYING COSTS OF ISSUANCE OF SAID BONDS; FIXING THE DATE AND OTHER DETAILS OF SAID BONDS; DELEGATING THE AUTHORITY TO DETERMINE SERIES DESIGNATION, MATURITIES, INTEREST RATES, SINKING FUND INSTALLMENTS, REDEMPTION PROVISIONS AND CERTAIN OTHER DETAILS FOR EACH SUCH SERIES OF ISSUE THREE BONDS; APPOINTING A PAYING AGENT FOR SAID BONDS; DESIGNATING SUCH ISSUE THREE SERIES X BONDS AS AN "ADDITIONALLY SECURED SERIES"; MAKING CERTAIN COVENANTS AND DESIGNATIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; AUTHORIZING THE NEGOTIATED SALE OF SAID BONDS AND APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE BOND PURCHASE AGREEMENTS WITH RESPECT TO NEGOTIATED SALES, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; PROVIDING FOR THE REFUNDING OF CERTAIN OUTSTANDING ST. JOHNS RIVER POWER PARK SYSTEM REVENUE BONDS, ISSUE THREE; APPROVING THE FORM OF AND USE OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE PREPARATION AND USE OF AN OFFICIAL STATEMENT FOR EACH SERIES OF SAID BONDS; AUTHORIZING THE AUTHENTICATION AND DELIVERY OF EACH SERIES OF SAID ISSUE THREE SERIES X BONDS; PROVIDING FOR THE APPOINTMENT OF AN ESCROW AGENT FOR THE ISSUE THREE BONDS TO BE REFUNDED THROUGH THE ISSUANCE OF EACH SERIES OF SAID ISSUE THREE SERIES X BONDS AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT, IF APPLICABLE, BETWEEN JEA AND SUCH ESCROW AGENT; AUTHORIZING THE REGISTRATION OR QUALIFICATION OF EACH SERIES OF SAID ISSUE THREE SERIES X BONDS UNDER THE BLUE SKY LAWS OF VARIOUS STATES; AUTHORIZING CERTAIN OFFICIALS OF JEA TO TAKE OTHER ACTION IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF EACH SERIES OF SAID ISSUE THREE SERIES X BONDS; AGREEING TO PROVIDE CONTINUING DISCLOSURE INFORMATION WITH RESPECT TO SAID BONDS AND PROVIDING FOR THE EXECUTION OF CONTINUING DISCLOSURE

AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR THE NECESSARY INSTRUMENTS AND AGREEMENTS RELATING TO SAID ISSUE THREE SERIES X BONDS; SUPERSEDING AND REPEALING RESOLUTION NO. 2023-05 OF JEA AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, JEA has heretofore, by a resolution entitled "St. Johns River Power Park System Second Revenue Bond Resolution" adopted on February 20, 2007 (the "Second Bond Resolution"), authorized the issuance of St. Johns River Power Park System Revenue Bonds, Issue Three (the "Issue Three Bonds"); and

WHEREAS, JEA deems it in its best interest that not exceeding \$88,000,000 principal amount of St. Johns River Power Park System Revenue Bonds, Issue Three, Series X (the "Issue Three Series X Bonds") be authorized and sold in one or more Series for the purpose of paying a portion of the cost of refunding the Refunded Bonds (as defined herein); and

WHEREAS, current and anticipated conditions in the market for obligations such as the Issue Three Series X Bonds and the need for flexibility in timing the issuance of each Series of the Issue Three Series X Bonds make it necessary and in the best interest of JEA that the Issue Three Series X Bonds be sold on a negotiated basis, and that the Managing Director/CEO (as defined herein) be delegated the authority to determine certain matters in connection with the sale and issuance of each Series of the Issue Three Series X Bonds, in the manner provided, and subject to the limitations set forth, herein; and

WHEREAS, in order to fix the date, Paying Agent and Bond Registrar, form and certain other details of each Series of the Issue Three Series X Bonds, to designate each Series of the Issue Three Series X Bonds as an "Additionally Secured Series" as such term is defined in the Second Bond Resolution, and to delegate the authority to determine maturities, principal amounts, interest rates, Sinking Fund Installments, redemption provisions and certain other details of each Series of the Issue Three Series X Bonds, it is necessary that this resolution be adopted; and

WHEREAS, JEA may desire to enter into an Escrow Deposit Agreement with the Escrow Agent with respect to a particular Series of the Issue Three Series X Bonds to ensure that the procedure required for the paying and retiring of the Refunded Bonds will be followed.

NOW, THEREFORE, BE IT RESOLVED BY JEA AS FOLLOWS:

**ARTICLE I
DEFINITIONS AND AUTHORITY**

SECTION 1.01 **Definitions.** All terms used but not defined herein shall have the same meanings as specified in the Second Bond Resolution and as used in this resolution. In addition, the following terms shall have the meanings set forth below:

"Authorized Officer of JEA" shall mean (1) the Chair, the Vice Chair, the Secretary and any Assistant Secretary of JEA, (2) the Managing Director/CEO, (3) the Chief Operating Officer, (4) the Vice President, Electric Systems, the Chief Financial Officer, the Vice President, Financial Services and the Treasurer of JEA (or any officer of JEA hereafter serving in a capacity equivalent

to that of any of the foregoing officers) or (5) any other officer or employee of JEA authorized to perform specific acts or duties by resolution duly adopted by JEA.

"Bond Purchase Agreement" shall have the meaning assigned to such term in Section 4.01 hereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement to be delivered by JEA in connection with the issuance of the Issue Three Series X Bonds of a particular Series, a form of which is attached as Appendix C to the Form Preliminary Official Statement.

"Delivery Date" shall mean the Date of Issuance of a particular Series of the Issue Three Series X Bonds (however such Issue Three Series X Bonds are identified upon initial issuance and delivery pursuant to the certificate referred to in Section 2.03 hereof relating to the Issue Three Series X Bonds of such Series).

"DTC" shall mean The Depository Trust Company.

"Escrow Account" shall mean (i) the account by that name created under the Escrow Deposit Agreement or (ii) the trust account by that name established by the Paying Agent for the purposes of Section 1201 of the Second Bond Resolution.

"Escrow Agent" shall mean the bank or trust company appointed as escrow agent under an Escrow Deposit Agreement, and its duly appointed successors, such appointment, with respect to a particular Series of the Issue Three Series X Bonds, to be made in the certificate referred to in Section 2.03 hereof relating to the Issue Three Series X Bonds of such Series.

"Escrow Deposit Agreement" shall mean the escrow deposit agreement between JEA and an Escrow Agent that may be entered into concurrently with the authentication and delivery of the Issue Three Series X Bonds of a particular Series.

"Form Preliminary Official Statement" shall have the meaning assigned to such term in Section 4.02 hereof.

"Initial Subaccount" shall mean the Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund 2d established pursuant to the Second Bond Resolution.

"Letter of Representations" shall mean the Blanket Issuer Letter of Representations, dated May 6, 2004, from JEA to DTC, providing for the issuance of certain obligations of JEA (including the Issue Three Series X Bonds) in book-entry form through the facilities of DTC or any successor Blanket Issuer Letter of Representations from JEA to DTC.

"Managing Director/CEO" shall mean the Managing Director and Chief Executive Officer of JEA.

"Refunded Bonds" shall mean, for any particular Series of the Issue Three Series X Bonds, the Issue Three Bonds of the Series and maturities (and, if applicable, interest rates within maturities) and in the respective principal amounts to be refunded thereby, as identified by the Managing Director/CEO in the certificate described in Section 2.03 hereof relating to the Issue Three Series X Bonds of such Series.

"Rule" means Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Sale Date" with respect to a particular Series of the Issue Three Series X Bonds shall mean the date on which JEA enters into a Bond Purchase Agreement with respect to such Series of the Issue Three Series X Bonds.

"Underwriters" shall mean any or all of the investment banking firms under contract with JEA for the purpose of underwriting negotiated sales of JEA's debt named in the Bond Purchase Agreement.

SECTION 1.02 **Authority for this Resolution.** This resolution is adopted pursuant to the provisions of the Acts and Articles II and X of the Second Bond Resolution and shall be and constitute a "Supplemental Resolution" within the meaning of the Second Bond Resolution.

ARTICLE II AUTHORIZATION OF ISSUE THREE SERIES X BONDS

SECTION 2.01 **Principal Amount Designation and Series.** Pursuant to the provisions of the Second Bond Resolution, one or more Series of Bonds entitled to the benefit, protection and security of the Second Bond Resolution are hereby authorized in the aggregate principal amount of not to exceed \$88,000,000; *provided*, that such Series of Bonds be sold pursuant to one or more Bond Purchase Agreements entered into no later than September 30, 2024. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "St. Johns River Power Park System Revenue Bonds, Issue Three, Series X"; *provided*, that the Managing Director/CEO may alter the designation for any Series as he deems appropriate to reflect the other Issue Three Bonds then previously issued by JEA or as he otherwise deems desirable. Such determination shall be set forth in the certificate referred to in Section 2.03 hereof relating to the Issue Three Series X Bonds of such Series. Notwithstanding any such alteration of the Series designation for the Issue Three Series X Bonds, references in this resolution to "Issue Three Series X Bonds" shall include all bonds issued pursuant to the authority contained in this Section 2.01. The actual aggregate principal amount of the Issue Three Series X Bonds of a particular series to be issued shall be determined by the Managing Director/CEO on or prior to the Sale Date therefor as the amount necessary to accomplish the purposes for which the Issue Three Series X Bonds of such Series are being issued, such determination to be set forth in the certificate referred to in Section 2.03 hereof to be executed with respect to the Issue Three Series X Bonds of such Series. Notwithstanding any other provision of the Second Bond Resolution or this resolution, each such particular Series of the Issue Three Series X Bonds shall be and be deemed to be a separate Series of Bonds for all purposes of the Second Bond Resolution, including (without limitation) for the purpose of determining satisfaction of the conditions to the issuance of the Issue Three Series X Bonds of such Series set forth in Article II of the Second Bond Resolution.

SECTION 2.02 **Purpose.** The Issue Three Series X Bonds shall be issued to provide a portion of the moneys necessary to refund the Refunded Bonds to be refunded thereby and paying the costs of issuance of the Issue Three Series X Bonds.

SECTION 2.03 **Maturities and Interest Rates; Certain Determinations with Respect to the Issue Three Series X Bonds.** The Issue Three Series X Bonds of each Series shall be issued as fully registered bonds in the denomination of \$5,000 each or integral multiples thereof shall be numbered from 1 upward, shall bear interest from their date (payable semiannually thereafter on April 1 and October 1 in each year, commencing on either of the April 1 or October 1 next following the Delivery Date of such Series of Issue Three Series X Bonds, as determined by the Managing Director/CEO) at such rates per annum and shall mature on October 1 in such years and amounts, all as shall be determined by the Managing Director/CEO in the manner hereinafter set forth.

On or prior to the Sale Date for a particular Series of the Issue Three Series X Bonds, as applicable, the Managing Director/CEO shall execute a certificate setting forth the following determinations and the Managing Director/CEO may rely on a certificate from JEA's financial advisor in order to confirm the savings determinations made in clause (f) below:

(a) the aggregate principal amount of the Issue Three Series X Bonds of such Series; *provided*, that, aggregate principal amount of all Issue Three Series X Bonds shall not exceed \$88,000,000;

(b) the number, if any, and any other designation and the Delivery Date for such Series of Issue Three Series X Bonds;

(c) the Refunded Bonds to be refunded through the issuance of the Issue Three Series X Bonds of such Series and the date or dates on which such Refunded Bonds are to be redeemed, which shall be such date or dates as the Managing Director/CEO determines to be the earliest date or dates on which such Refunded Bonds may be redeemed in light of the circumstances then existing; and the identity of the Escrow Agent, if any, for such Refunded Bonds and the Sinking Fund Installments, if any, to which the principal amount of the Refunded Bonds shall be credited;

(d) the principal amounts of the Issue Three Series X Bonds of such Series coming due on any particular date;

(e) the respective dates on which the Issue Three Series X Bonds of such Series shall mature and the principal amount of each such maturity; *provided, however*, (i) that the Issue Three Series X Bonds of each Series shall have a weighted average life no greater than the weighted average life of the Refunded Bonds refunded thereby, plus one year and (ii) that the final maturity date of the Issue Three Series X Bonds shall be no later than October 1, 2028;

(f) the respective rate or rates of interest to be borne by the Issue Three Series X Bonds of such Series maturing on each such date; *provided, however*, that (A) for any Issue Three Series X Bonds maturing on the October 1 next following the Delivery Date of such Series of Issue Three Series X Bonds, such refunding shall result in positive net

present value savings for such maturity; (B) for any Issue Three Series X Bonds maturing on an October 1 occurring at least one year and less than three years after the Delivery Date of such Series of Issue Three Series X Bonds, the present value savings shall not be less than 3.00 percent of the aggregate principal amount of such Refunded Bonds; (C) for any Issue Three Series X Bonds maturing on an October 1 occurring at least three years and less than nine years after the Delivery Date of such Series of Issue Three Series X Bonds, the present value savings shall not be less than 4.00 percent of the aggregate principal amount of such Refunded Bonds; (D) for any Issue Three Series X Bonds maturing after on or after the October 1 occurring at least nine years after the Delivery Date of such Series of Issue Three Series X Bonds, the present value savings shall not be less than 5.00 percent of the aggregate principal amount of such Refunded Bonds; or (E) in lieu of complying with the requirements of sub-clauses (A), (B), (C) and (D) above, the present value savings resulting from the issuance of such Issue Three Series X Bonds shall not be less than 5.00 percent of the aggregate principal amount of such Refunded Bonds; *provided, further*, compliance with the foregoing requirements of this clause (f) shall be effected by dividing the issue into its constituent purposes (*i.e.*, refunding of the respective maturities described in subclauses (A) through (E) above) and allocating on a ratable basis (based on the respective issue prices for federal income tax purposes) costs of issuance, underwriting discount, any deposit to the Initial Subaccount and any other items to the purposes that gave rise to such expenses; *provided, however*, that if the Managing Director/CEO determines that some other allocation method will result in a more accurate determination of the present value savings attributable to such constituent purposes (which determination shall be confirmed by JEA's financial advisor), then such other allocation method shall be used in lieu of the foregoing method;

(g) the commencement date of interest payments on the Issue Three Series X Bonds of such Series, which shall be either of the April 1 or October 1 next following the Delivery Date of such Series of Issue Three Series X Bonds;

(h) if the Issue Three Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate are to be subject to redemption prior to maturity as provided in Article IV of the Second Bond Resolution by operation of the Debt Service Fund 2d from mandatory Sinking Fund Installments, the due dates and amounts of such Sinking Fund Installments; *provided, however*, that each Sinking Fund Installment due date shall fall upon an October 1 interest payment date for the Issue Three Series X Bonds;

(i) if the Issue Three Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate are to be subject to optional redemption, the terms upon which such Issue Three Series X Bonds shall be subject to redemption at the election of JEA; *provided, however*, that the highest redemption price at which such Issue Three Series X Bonds may be so redeemed shall not be greater than 101 percent of the principal amount thereof, plus accrued interest to the date of redemption and the first such optional redemption date shall not be less than four years nor more than 10 years from the date of issuance;

(j) the purchase price for the Issue Three Series X Bonds of such Series to be paid by the Underwriters pursuant to the Bond Purchase Agreement; *provided, however*, that such purchase price shall result in compliance with the limitations set forth in this Section 2.03;

(k) the identity of the senior managing underwriter and co-senior managing underwriter, if applicable, for such Series of Issue Three Series X Bonds from any of the Underwriters; and

(l) the amount, if any, of the proceeds of the Issue Three Series X Bonds of such Series to be deposited in the Initial Subaccount, if any.

In the event that one or more Series of Issue Three Series X Bonds are issued on the same day as part of a common plan of finance for the same Bond financing, JEA may demonstrate compliance with the savings requirements set forth in clause (f) above by calculating such savings either on an aggregate basis (e.g., each Series of Issue Three Series X Bonds issued on the same day as part of the same Bond financing are combined into one Series and compliance with the savings criteria is measured using the combined Series) or on a Series by Series basis (e.g., each individual Series that is issued as part of the same Bond financing must satisfy the savings criteria independently of any other Series issued on the same day).

ARTICLE III

ADDITIONAL PROVISIONS RELATING TO ISSUE THREE SERIES X BONDS

SECTION 3.01 Minimum Denomination, Dates, Numbers and Letters. The Issue Three Series X Bonds of each Series shall be issued in fully registered form in the denominations of \$5,000 or any integral multiple of \$5,000. Each Issue Three Series X Bond shall be dated the date of its authentication, except that all Issue Three Series X Bonds issued prior to the first interest payment date shall be dated the applicable Delivery Date thereof. Unless an Authorized Officer of JEA shall otherwise direct, the Issue Three Series X Bonds of each Series shall be numbered, from one upward, preceded by the letter "R" prefixed to the number.

SECTION 3.02 Place of Payment; Appointment of Paying Agent and Bond Registrar. Except as provided in subsection 5 of Section 309 of the Second Bond Resolution and subsection (3) of Section 3.04 hereof, the principal and Redemption Price of the Issue Three Series X Bonds shall be payable at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (or such other city as may be designated by such bank), and such institution is hereby appointed Paying Agent for the Issue Three Series X Bonds. The principal and Redemption Price of the Issue Three Series X Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by the Second Bond Resolution. Except as provided in subsection (3) of Section 3.04 of this resolution, the interest on the Issue Three Series X Bonds shall be payable by check or draft of U.S. Bank Trust Company, National Association, as Paying Agent, mailed to the persons entitled thereto at the addresses of such persons shown on the registration books of JEA kept for that purpose at the office of U.S. Bank Trust Company, National Association, and such institution is hereby appointed Bond Registrar for the Issue Three Series X Bonds.

SECTION 3.03 Designation of Issue Three Series X Bonds as an Additionally Secured Series. In accordance with the provisions of subsection 1 of Section 509 of the Second Bond Resolution, the Issue Three Series X Bonds shall be additionally secured by amounts on deposit in the Initial Subaccount and, as such, shall be Initial Subaccount Additionally Secured Bonds.

SECTION 3.04 Designation of the Issue Three Series X Bonds as Book Entry Bonds; Appointment of Securities Depository for the Issue Three Series X Bonds. (1) Except as provided in subsection (4) below, the Issue Three Series X Bonds are hereby authorized to be and shall be issued as Book Entry Bonds within the meaning of and subject to Section 309 of the Second Bond Resolution.

(2) DTC is hereby appointed as the initial Securities Depository for the Issue Three Series X Bonds.

(3) The Issue Three Series X Bonds of each Series shall be issued initially in the form of a separate single, fully registered Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of such Series. So long as DTC serves as Securities Depository for a particular Series of the Issue Three Series X Bonds, the registered holder of all Issue Three Series X Bonds of such Series shall be, and each of the Issue Three Series X Bonds of such Series shall be registered in the name of Cede & Co. ("Cede"), as nominee of DTC. Upon delivery by DTC to JEA or the Bond Registrar for the Issue Three Series X Bonds of such Series of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of the Second Bond Resolution, the word "Cede" in this resolution shall refer to such new nominee of DTC. Notwithstanding any other provisions of the Second Bond Resolution or this resolution to the contrary, so long as any Issue Three Series X Bond of a particular series is registered in the name of Cede, as nominee of DTC in its capacity as Securities Depository for the Issue Three Series X Bonds of such Series, all payments with respect to the principal or Redemption Price of, and interest on, such Issue Three Series X Bond of such Series and all notices with respect to such Issue Three Series X Bond of such Series shall be made or given, as the case may be, to DTC as provided in DTC's Operational Arrangements (as defined in the Letter of Representations); *provided, however*, that if a substitute securities depository shall be appointed, all payments with respect to the principal or Redemption Price of, and interest on, the Issue Three Series X Bonds of such Series and all notices with respect to the Issue Three Series X Bonds of such Series shall be made and given, respectively, to such substitute securities depository (or any nominee thereof) as provided in the procedures of such substitute securities depository.

(4) (a) DTC may determine to discontinue providing its services as Securities Depository for a particular Series of the Issue Three Series X Bonds at any time by giving reasonable notice thereof to JEA or the Paying Agent and the Bond Registrar for the Issue Three Series X Bonds of such Series. Upon the discontinuance of the services of DTC as Securities Depository for the Issue Three Series X Bonds of such Series pursuant to the preceding sentence, JEA may within 90 days thereafter appoint a substitute securities depository which, in the opinion of JEA, is willing and able to undertake the functions of Securities Depository under the Second Bond Resolution upon reasonable and customary terms. In such event, and subject to the transfer provisions of the Second Bond Resolution, the word "DTC" in this resolution shall refer to such

substitute securities depository and the word "Cede" in this resolution shall refer to the nominee, if any, of such substitute securities depository (or, if there shall be no such nominee, then the word "Cede" in this resolution shall refer to such substitute securities depository). If no such successor can be found within such period, the Issue Three Series X Bonds of such Series no longer shall be restricted to being registered in the registration books kept by the Bond Registrar for the Issue Three Series X Bonds of such Series in the name of a Securities Depository.

(b) In the event that the Issue Three Series X Bonds of a Series no longer shall be restricted to being registered in the registration books kept by the Bond Registrar for the Issue Three Series X Bonds of such Series in the name of a Securities Depository as provided in paragraph (a) of this subsection (4), (i) JEA shall execute and such Bond Registrar for the Issue Three Series X Bonds of such Series shall authenticate and deliver, upon presentation and surrender of the Issue Three Series X Bonds of such Series bond certificates as requested by the Securities Depository therefor of like Series, aggregate principal amount, maturity and interest rate, in authorized denominations, to the identifiable beneficial owners in replacement of such beneficial owners' beneficial ownership interests in the Issue Three Series X Bonds of such Series, and (ii) such Bond Registrar shall notify the Paying Agents for the Issue Three Series X Bonds of such Series that the Issue Three Series X Bonds of such Series no longer are restricted to being registered in the registration books kept by such Bond Registrar in the name of a Securities Depository.

SECTION 3.05 Redemption Prices and Terms. (1) If the Managing Director/CEO determines that the Issue Three Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate shall be subject to redemption prior to maturity as provided in Article IV of the Second Bond Resolution by operation of the Debt Service Fund 2d to satisfy the Sinking Fund Installments, and such determination is set forth in the certificate referred to in Section 2.03 hereof relating to such Series of the Issue Three Series X Bonds, then the Issue Three Series X Bonds of such Series maturing on such date and bearing interest at such rate shall be subject to redemption prior to maturity as provided in Article IV of the Second Bond Resolution, on the respective dates and in the respective amounts set forth in such certificate, in each such case, at a Redemption Price equal to 100 percent of the principal amount thereof, together with accrued interest to the redemption date.

(2) If the Managing Director/CEO determines that the Issue Three Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate shall be subject to optional redemption, such Issue Three Series X Bonds shall be subject to redemption prior to maturity at the election of JEA, as a whole or in part, at any time on and after the initial date on which such Issue Three Series X Bonds may be so redeemed set forth in the certificate referred to in Section 2.03 hereof relating to such Series of the Issue Three Series X Bonds, in either such case, at the respective Redemption Prices set forth in such certificate, in each case, together with accrued interest to the redemption date.

SECTION 3.06 Application of Proceeds of Issue Three Series X Bonds. In accordance with Article II of the Second Bond Resolution, the proceeds of the Issue Three Series X Bonds of such Series shall be applied simultaneously with the delivery of such Series of the Issue Three Series X Bonds as follows:

(a) There shall be delivered to the Escrow Agent or the Paying Agent, as applicable, simultaneously with the delivery of the Issue Three Series X Bonds of each Series, for deposit in the Escrow Account, an amount determined by an Authorized Officer of JEA as being equal to the amount necessary, when combined with the moneys, if any, transferred to the Escrow Account as provided in Section 3.07 hereof, to purchase such securities as are permitted by Section 1201 of the Second Bond Resolution, the principal of and interest to be received on which, together with any initial cash balance, will provide moneys which will be, or if such amount is to be held uninvested, the amount which will be sufficient to pay when due the principal or Redemption Price, as applicable, of the Refunded Bonds being refunded thereby on the respective maturity dates of such Refunded Bonds or the respective dates such Refunded Bonds are to be called for redemption, as applicable, and the interest to become due on such Refunded Bonds on and prior to such respective maturity or redemption dates, as the case may be;

(b) There shall be deposited in the Initial Subaccount an amount equal to the difference, if any, between (i) the Debt Service Reserve Requirement for the Initial Subaccount calculated immediately after the authentication and delivery of the Issue Three Series X Bonds of such Series and (ii) the sum of the amounts then on deposit in the Initial Subaccount, valued as provided in Section 604 of the Second Bond Resolution; and

(c) The remaining balance of the proceeds shall be deposited in the Construction Fund 2d in order to pay (i) the costs and expenses of issuing the Issue Three Series X Bonds of such Series and (ii) if the Issue Three Series X Bonds of such Series are being issued to refund any Refunded Bonds that are not being defeased within the meaning of Section 1201 of the Second Bond Resolution, the principal of or Redemption Price, as applicable, of such Refunded Bonds when due.

SECTION 3.07 Transfer of Certain Amounts. (a) Subject to the provisions of subsection 5 of Section 507 of the Second Bond Resolution, simultaneously with the delivery of each Series of the Issue Three Series X Bonds, there shall be transferred from the Debt Service Account in the Debt Service Fund 2d to the Escrow Agent or Paying Agent, as applicable, for deposit in the Escrow Account, moneys in an amount determined by an Authorized Officer of JEA as not being greater than the Debt Service accrued on the Refunded Bonds being refunded thereby to the date of delivery of such Issue Three Series X Bonds. Such withdrawal shall, however, not be made if and to the extent that the effect thereof would cause the amount remaining on deposit in the Debt Service Account to be less than the Accrued Aggregate Debt Service calculated immediately after the issuance of such Issue Three Series X Bonds.

(b) Subject to the provisions of subsection 5 of Section 508 of the Second Bond Resolution, simultaneously with the delivery of each Series of the Issue Three Series X Bonds, there shall be withdrawn from the Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund 2d for transfer to the Escrow Agent or Paying Agent, as applicable, for deposit in the Escrow Account, moneys in an amount determined by an Authorized Officer of JEA. Such withdrawal shall, however, not be made if and to the extent that the effect thereof would cause the amount remaining on deposit in Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund to be less than the Debt Service Reserve Requirement calculated immediately after the issuance of such Issue Three Series X Bonds.

SECTION 3.08 Authorization of Refunding. There is hereby authorized the refunding of the Refunded Bonds in the manner provided herein.

SECTION 3.09 Redemption of Refunded Bonds. (1) In the case of any Refunded Bonds to be refunded by a Series of the Issue Three Series X Bonds that are to be redeemed prior to maturity, such Refunded Bonds are hereby designated for redemption and the Escrow Agent (if any) or the respective Paying Agents therefor, as applicable, are hereby directed to redeem such Refunded Bonds on the respective dates determined by the Managing Director/CEO pursuant to clause (b) of the second paragraph of Section 2.03 hereof at a Redemption Price equal to the principal amount of the Refunded Bonds to be redeemed plus the redemption premium(s) for the applicable redemption date(s) (in each case, together with accrued interest thereon to the date fixed for redemption).

(2) The designation for redemption set forth in the foregoing subsection (1), and the direction to the Escrow Agent (if any) or the respective Paying Agents for the Refunded Bonds, as applicable, set forth therein, shall be, and hereby are declared to be, irrevocable upon the original issuance of the applicable Series of the Issue Three Series X Bonds.

(3) In order to effectuate such designation, on or prior to the applicable Delivery Date, an Authorized Officer of JEA shall give the Escrow Agent or the Bond Registrar, as applicable, for any Refunded Bonds to be redeemed prior to maturity instructions to mail, postage prepaid, not less than 30 days (or such lesser number of days as is permitted pursuant to the applicable supplemental resolution(s) for the Refunded Bonds) prior to the redemption date therefor, to all registered owners of such Refunded Bonds at their last addresses appearing on the registry books of JEA kept by the Bond Registrar therefor, a notice of redemption in substantially the following form:

[REVOCABLE]¹ NOTICE OF [FULL] [PARTIAL] REDEMPTION

JEA

**ST. JOHNS RIVER POWER PARK SYSTEM REVENUE BONDS, ISSUE THREE
DESCRIBED BELOW**

Notice is hereby given to the holders of the outstanding JEA St. Johns River Power Park System Revenue Bonds, Issue Three described below (the "Bonds") that the Bonds have been called for redemption prior to maturity on _____, 20__ in accordance with their terms at a redemption price of _____ percent of the principal amount thereof [, together with accrued interest thereon to _____, 20__]. **[The source of funds to be used for such redemption is certain moneys heretofore deposited with [_____, as Escrow Agent.][_____, as Paying Agent.]**

¹ To be included in any redemption notice given prior to the Delivery Date of the Issue Three Series X Bonds of the Series issued to refund such Refunded Bonds.

<u>Series</u>	<u>Maturity Date</u> <u>(October 1)</u>	<u>Interest Rate</u> _____%	<u>Principal Amount</u> \$ ____	<u>CUSIP</u>
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[THIS CALL FOR, REDEMPTION IS REVOCABLE AND IS CONDITIONED UPON THE ISSUANCE BY JEA OF ITS REFUNDING BONDS ON OR PRIOR TO _____, 20___. In the event that JEA's refunding bonds are not issued on or prior to _____, 20___, this notice shall be of no further force or effect and the Bonds shall continue to bear interest until paid at the same rates they would have borne had this notice not been given. If JEA's refunding bonds are not issued on or prior to _____, 20___, the undersigned, on behalf of JEA, shall give notice forthwith of such fact to the holders of the Bonds, and this notice shall thereupon be revoked and shall be of no further force and effect.]

[Subject to the foregoing, t] [T]he redemption price of [and accrued interest on] the Bonds shall become due and payable on _____, 20__ and from and after _____, 20__ interest on the Bonds shall cease to accrue and be payable. [Interest will be paid in the usual manner.]

Holders of the Bonds will receive payment of the redemption price [and accrued interest] to which they are entitled upon presentation and surrender thereof at the principal corporate trust offices of [specify names of current Paying Agents].

Dated this ___ day of _____, 20___.

JEA

By: _____
as [Escrow Agent/ Bond Registrar]

SECTION 3.10 Tax Covenants. (1) JEA covenants that it shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Issue Three Series X Bonds of such Series under Section 103 of the Code and the applicable Treasury Regulations promulgated thereunder. Without limiting the generality of the foregoing, JEA covenants that it will comply with the instructions and requirements of the Tax Certificate, to be executed and delivered on the Date of Issuance of any Series of the Issue Three Series X Bonds concerning certain matters pertaining to the use of proceeds of the Issue Three Series X Bonds of such Series, including any and all exhibits attached thereto (the "Tax Certificate"). This covenant shall survive payment in full or defeasance of the Issue Three Series X Bonds.

(2) Notwithstanding any provisions of this Section, if JEA shall obtain a Counsel's Opinion that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on any Series of the Issue Three Series X Bonds, JEA may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

(3) Notwithstanding any other provision of the Second Bond Resolution to the contrary, (a) upon JEA's failure to observe or refusal to comply with the above covenants with respect to any Series of the Issue Three Series X Bonds, the Holders of the Issue Three Series X Bonds of such Series shall be entitled to the rights and remedies provided to Holders of Bonds under the Second Bond Resolution, other than the right (which is hereby abrogated solely in regard to JEA's failure to observe or refusal to comply with the covenants of this Section) to declare the principal of all Issue Three Series X Bonds of such Series then outstanding, and the interest accrued thereon, to be due and payable and (b) the Holders of any Issue Three Bonds other than the Issue Three Series X Bonds of such Series shall not be entitled to exercise any right or remedy provided to Holders under the Second Bond Resolution based upon JEA's failure to observe, or refusal to comply with, the above covenants with respect to Issue Three Series X Bonds of such Series.

SECTION 3.11 Representations and Covenants Regarding the Pledge of the Second Bond Resolution. JEA represents that, pursuant to the Acts, the Second Bond Resolution creates a valid, binding and irrevocable pledge of (a) the proceeds of the sale of the Issue Three Series X Bonds of each particular Series, (b) the Revenues and (c) all Funds and Accounts established by the Second Bond Resolution (other than the Debt Service Reserve Account in the Debt Service Fund 2d and the Renewal and Replacement Fund 2d), including the investments and investment income, if any, thereof (collectively, the "Trust Estate"), in each such case, prior to all other liens or encumbrances on the Trust Estate, subject only to the provisions of the Second Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Second Bond Resolution, for the benefit of the Holders of the Bonds, including the Issue Three Series X Bonds, as security for the payment of the Bonds, including the Issue Three Series X Bonds, to the extent set forth therein, enforceable in accordance with the terms thereof.

JEA has not heretofore made or granted a pledge or assignment of, lien on or security interest in the Trust Estate that ranks on a parity with or prior to the pledge made or granted in the Second Bond Resolution. JEA shall not hereafter make or grant a pledge or assignment of, lien on or security interest in the Trust Estate that ranks prior to or on a parity with the pledge made or granted in the Second Bond Resolution, except as expressly permitted thereby.

SECTION 3.12 Form of Bonds. The form of the Issue Three Series X Bonds and the Bond Registrar's Certificate of Authentication thereon shall be substantially as set forth as Exhibit A hereto, with such variations, omissions and insertions, not inconsistent with the provisions of the Second Bond Resolution, as shall be approved by the Managing Director/CEO, such approval to be conclusively evidenced by his execution of the instruments necessary to issue the Issue Three Series X Bonds.

ARTICLE IV

SALE OF THE ISSUE THREE SERIES X BONDS; OFFICIAL STATEMENT; ESCROW DEPOSIT AGREEMENT; CONTINUING DISCLOSURE

SECTION 4.01 Negotiated Sale. For the reasons stated in the recitals to this resolution, it is necessary and in the best interests of JEA to sell the Issue Three Series X Bonds of each Series on a negotiated basis. The terms and conditions of the bond purchase agreement between JEA and the Underwriters, providing for the negotiated sale and purchase of the Issue Three Series X Bonds of a particular Series, in substantially the form attached hereto as Exhibit B

(the "Bond Purchase Agreement"), are hereby approved. At such time or times as the Managing Director/CEO shall determine is (or are) advantageous to JEA, such officer shall execute and deliver the Bond Purchase Agreement (with such changes as are necessary to reflect, among other things, the terms of the Issue Three Series X Bonds of the particular Series) as provided in Section 5.01 hereof, such determination to be evidenced by the execution and delivery thereof; *provided, however*, that at or prior to the time of the execution and delivery of the Bond Purchase Agreement, JEA shall have received from the senior managing underwriter(s) the disclosure statement required pursuant to Section 218.385(6), Florida Statutes. The purchase price of the Issue Three Series X Bonds to be paid by the Underwriters pursuant to the applicable Bond Purchase Agreement shall be determined as provided in Section 2.03 of this resolution, subject to the limitations set forth therein.

SECTION 4.02 Preliminary Official Statement and Official Statement. The form and use of a preliminary official statement for the Issue Three Series X Bonds, in substantially the form of the Preliminary Official Statement relating to St. Johns River Power Park System Revenue Bonds, Issue Three Series Eight or any other Preliminary Official Statement more recently executed and delivered by JEA in connection with the sale of bonds with such changes, omissions, insertions and revisions as an Authorized Officer of JEA shall deem necessary or appropriate (collectively, the "Form Preliminary Official Statement"), is hereby authorized and approved in connection with the offering and sale of the Issue Three Series X Bonds of each Series.

In the event that the Managing Director/CEO shall determine that it is desirable to issue and sell the Issue Three Series X Bonds of one or more Series as provided in Section 4.01 or Section 4.02 hereof, the Managing Director/CEO is hereby authorized and directed to cause to be prepared a Preliminary Official Statement with respect to such bonds substantially in the form of the Form Preliminary Official Statement and with such changes thereto as are necessary (a) to reflect, among other things, the terms of such Issue Three Series X Bonds and the security and sources of payment therefor and (b) so that such Preliminary Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, and, in such case, to cause such Preliminary Official Statement to be used in connection with the offering and sale of such Issue Three Series X Bonds and, if applicable, the Treasurer of JEA, the Chief Financial Officer, the Vice President, Financial Services or the Managing Director/CEO is hereby authorized to deem said Preliminary Official Statement final for purposes of the Rule. In the event that the Managing Director/CEO shall cause to be prepared a Preliminary Official Statement for such Issue Three Series X Bonds as aforesaid, an Official Statement relating to such Issue Three Series X Bonds, in substantially the form of said Preliminary Official Statement, with such changes as are necessary (a) to reflect, among other things, the terms of such Issue Three Series X Bonds and the security and sources of payment therefor and (b) so that such Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, is hereby authorized and approved for use in connection with the offering and sale of such Issue Three Series X Bonds.

SECTION 4.03 Appointment of the Escrow Agent and Authorization and Approval of the Escrow Deposit Agreement; Authorization to Purchase SLGS and Other Investments. The Managing Director/CEO is hereby authorized to appoint U.S. Bank Trust

Company, National Association, The Bank of New York Mellon Trust Company, N.A. or any other bank or trust company selected pursuant to JEA's procurement code to act as Escrow Agent with respect to a particular Series of the Issue Three Series X Bonds. An Escrow Deposit Agreement is hereby approved in substantially the form attached hereto as Exhibit C, with such changes thereto as are necessary to reflect, among other things, the terms of the relevant transaction. Pursuant to the Escrow Deposit Agreement, the Escrow Agent shall be directed to invest the funds held thereunder in the manner provided therein.

In connection with the refunding of the Refunded Bonds as provided herein, each Authorized Officer of JEA is hereby authorized, if deemed desirable, to cause proceeds of the Issue Three Series X Bonds and other available amounts, and earnings thereon, to be invested in United States Treasury Securities - State and Local Government Series ("SLGS") or other obligations permitted to be used to accomplish the defeasance of such Refunded Bonds in such amounts, at such times, maturing at such times and having such rate or rates of interest as any Authorized Officer of JEA shall determine is necessary or desirable; and each such Authorized Officer of JEA and, upon receipt of instructions from an Authorized Officer of JEA, any authorized officer of the Escrow Agent is hereby authorized in the name and on behalf of JEA to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations.

SECTION 4.04 Continuing Disclosure. For the benefit of the holders and beneficial owners from time to time of the Issue Three Series X Bonds of a particular Series, JEA agrees, as an obligated person with respect to the Issue Three Series X Bonds of such Series under the Rule, to provide or cause to be provided such financial information and operating data, audited financial statements and notices, in such manner as may be required for purposes of paragraph (b)(5) of the Rule. In order to describe and specify certain terms of JEA's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Authorized Officers of JEA are, and each of them hereby is, authorized and directed to sign and deliver, in the name and on behalf of JEA, a Continuing Disclosure Agreement with respect to the Issue Three Series X Bonds of such Series substantially in the form of Appendix C to the Form Preliminary Official Statement, with any changes or amendments that: (i) are not inconsistent with this resolution and (ii) are not substantially adverse to JEA or (iii) may be required by Rule 15c2-12, and that are approved by the officer of JEA executing the same on behalf of JEA, all of which shall be conclusively evidenced by the signing of that agreement or amendments to it. The agreement formed, collectively, by this paragraph and that agreement, shall be JEA's continuing disclosure agreement with respect to the Issue Three Series X Bonds of such Series for purposes of the Rule, and its performance shall be subject to the annual appropriation of any funds that may be necessary to perform it.

The Authorized Officers of JEA are, and each of them hereby is, further authorized and directed to take such actions as shall be necessary to comply with each such continuing disclosure agreement, including timely provision of information and notices. Prior to making any filing in accordance with any such agreement or providing notice of the occurrence of any other events, an Authorized Officer of JEA shall consult with and obtain legal advice from, as appropriate, the General Counsel and bond or other qualified independent special counsel selected by JEA. Any

Authorized Officer of JEA, acting in the name and on behalf of JEA, shall be entitled to rely upon any such legal advice in determining whether a filing should be made.

ARTICLE V OTHER PROVISIONS

SECTION 5.01 Authorization of the Execution and Delivery of Any Series of Issue Three Series X Bonds and Related Documents; Authorization of Authentication. The Authorized Officers of JEA are hereby authorized to execute the Issue Three Series X Bonds of any Series, the Bond Purchase Agreements, the Escrow Deposit Agreements, if any, the Continuing Disclosure Agreements, and the Official Statements on behalf of JEA, each subject to completion thereof, and with such changes therein as they may approve as necessary and desirable and in the best interest of JEA, such approval to be evidenced by the execution and delivery thereof; *provided, however*, that the Issue Three Series X Bonds of each Series shall be executed and delivered pursuant to the Second Bond Resolution and applicable law. The Secretary or an Assistant Secretary of JEA is hereby authorized (but not required) to cause the seal of JEA to be affixed to the Issue Three Series X Bonds of each Series and the foregoing documents and to attest the same. Such Authorized Officers of JEA are each hereby authorized to deliver such Bonds and documents on behalf of JEA.

In the event that the Managing Director/CEO shall determine that it is desirable to sell and issue the Issue Three Series X Bonds of a particular Series as provided in this resolution, U.S. Bank Trust Company, National Association, as Bond Registrar for the Issue Three Series X Bonds, is hereby requested and authorized to authenticate and deliver the Issue Three Series X Bonds of such Series in the aggregate principal amount for such Series determined as provided in this resolution, to or upon the order of the Underwriters, upon payment to JEA of the sum to be specified in the Bond Purchase Agreement with respect to such Issue Three Series X Bonds and pursuant to the terms of the Second Bond Resolution and such Bond Purchase Agreement.

SECTION 5.02 Further Actions. Each Authorized Officer of JEA is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all administrative acts and things as may be necessary or desirable in connection with the adoption of this resolution and the approval, execution and delivery of the Bond Purchase Agreements, the Escrow Deposit Agreements, if any, and the Continuing Disclosure Agreements, the carrying out of the terms of the Second Bond Resolution and this resolution; the issuance, sale, execution and delivery of the Issue Three Series X Bonds of each Series; and the use of the Preliminary Official Statements and the Official Statements. Without limiting the generality of the foregoing, the Managing Director/CEO is hereby authorized to execute the certificates referred to in Section 2.03 of this resolution, in order to evidence the determinations referred to in Sections 2.01, 4.01 and 4.02 hereof. In the absence of the Managing Director/CEO of JEA for any reason, the authority granted to him in this resolution is hereby delegated to the Vice President, Electric Systems of JEA, the Chair of JEA's governing board and the Chair of the Finance and Audit Committee of JEA's governing board, in that order.

SECTION 5.03 **Approval with Respect to Registration or Qualification of the Issue Three Series X Bonds Under the Blue Sky or Securities Laws of Various States.** The Authorized Officers of JEA shall be, and hereby are, authorized in the name and on behalf of JEA, to take any and all action which they deem necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of the Issue Three Series X Bonds of a Series for issue, offer, sale or trade under the Blue Sky or securities laws of any of the states of the United States of America and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorneys to receive service of process and other papers and instruments which may be required under such laws, and to take any and all further action which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law or by the Underwriters.

SECTION 5.04 **Severability.** If any one or more provisions of this resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way affect the validity or enforceability of such remaining provisions.

ARTICLE VI
REPEAL OF RESOLUTION NO. 2023-05

SECTION 6.01 **Repeal of Resolution No. 2023-05.** Any remaining authorization to issue additional debt under Resolution No. 2023-05 adopted by JEA on January 24, 2023 and the authorization of the issuance of St. Johns River Power Park System Revenue Bonds, Issue Three, Series X thereunder are hereby superseded by this Resolution and said Resolution No. 2023-05 is hereby repealed. The foregoing shall not affect in any manner the authorization of debt previously issued pursuant to Resolution No. 2023-05.

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**ARTICLE VII
EFFECTIVE DATE**

SECTION 7.01 **Effective Date.** This resolution shall take effect immediately upon its adoption.

ADOPTED THIS 26TH DAY OF SEPTEMBER, 2023.



JEA

By: _____
Name:
Title:

ATTEST:

By: _____
Secretary

Approved as to Form:

By: _____
Office of General Counsel

EXHIBIT A

FORM OF BONDS

AS PROVIDED IN THE RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE RESOLUTION TO THE CONTRARY, (A) THIS BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO A NOMINEE OF DTC, OR BY A NOMINEE OF DTC TO DTC OR A NOMINEE OF DTC, OR BY DTC OR A NOMINEE OF DTC TO ANY SUCCESSOR SECURITIES DEPOSITORY OR ANY NOMINEE THEREOF AND (B) A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE RESOLUTION.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT FOR PAYMENT OF PRINCIPAL OR REDEMPTION PRICE, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC OR ITS NOMINEE OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, CEDE & CO., AS NOMINEE OF DTC, HAS AN INTEREST HEREIN.

No. R-_____ \$_____

UNITED STATES OF AMERICA
 STATE OF FLORIDA
 JEA
 ST. JOHNS RIVER POWER PARK SYSTEM REVENUE BONDS
 ISSUE THREE, SERIES X

<u>RATE OF INTEREST</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
_____%	October 1, 20__	____, 20__	46613Q____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that JEA, a body politic and corporate and an independent agency of the City of Jacksonville, Florida (the "City"), acknowledges itself indebted to, and for value received hereby promises to pay to the Registered Owner or registered assigns set forth above on the Maturity Date set forth above, but solely from the funds pledged therefor, upon presentation and surrender of this bond at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (such bank and any successors thereto being herein called the "Paying Agent"), the Principal Sum set forth above in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay to the Registered Owner hereof interest on such Principal Sum in like coin or currency, from the date hereof until JEA's obligation with respect to the payment of such Principal Sum shall be discharged, at the rate of interest per annum set forth above, payable on the first days of April and October in each year, commencing [April 1] [October 1], 20___. Interest payments shall be made by check or draft of the Paying Agent, mailed to the person in whose name this bond is registered at such person's address as it appears on the registration books maintained by U.S. Bank Trust Company, National Association (the "Bond Registrar") on behalf of JEA at the close of business on the 15th day of the month (whether or not a business day) next preceding the applicable interest payment date (the "Record Date"), irrespective of any transfer or exchange of this bond subsequent to such Record Date and prior to such interest payment date, unless JEA shall default in the payment of interest due on such interest payment date. In the event of any such default in the payment of interest, such defaulted interest shall be payable to the person in whose name this bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Bond Registrar on behalf of JEA to the registered owner (as of the fifth calendar day preceding such mailing) of this bond not less than 15 calendar days preceding such special record date. However, so long as this bond and the issue of which it is one are held in book entry form pursuant to the Resolution (hereinafter referred to), the provisions of the Resolution governing such book entry form shall govern repayment of the principal or redemption price of, and interest on, such bonds.

This bond is one of a duly authorized issue of bonds of JEA designated "St. Johns River Power Park System Revenue Bonds, Issue Three" (hereinafter called the "Issue Three Bonds"), and is part of the Series of such Issue Three Bonds in the principal amount of \$_____ designated as "Issue Three, Series X" (the "Series X Bonds"). This bond is issued under and in full compliance with the Constitution and laws of the State of Florida, and particularly Chapter 80-513, Laws of Florida, and Article 21 of the Charter of the City, as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended in accordance with the terms thereof (the "Acts"), and under and pursuant to a resolution of JEA adopted by the Governing Body of JEA on February 20, 2007, entitled "St. Johns River Power Park System Second Revenue Bond Resolution" and approved by Ordinance 2006-793-E of the Council of the City enacted on September 26, 2006 and Ordinance No. 2009-11-E of the Council of the City enacted on February 10, 2009 and Resolution No. 2023-___ of JEA adopted on September 26, 2023, supplemental to the Resolution, authorizing the Series X Bonds ("Resolution No. 2023-___") (said Resolution as supplemented and amended being herein collectively called the "Resolution").

The Series X Bonds are being issued (a) to provide a portion of the moneys necessary to refund \$_____ aggregate principal amount of certain of JEA's St. Johns River Power Park System Revenue Bonds, Issue Three (the "Refunded Bonds") and (b) to pay the costs of issuance of the Bonds.

As provided in the Resolution, the Series X Bonds and all other bonds issued under the Resolution on a parity with the Issue Three Bonds (herein collectively called the "bonds") are direct and special obligations of JEA payable solely from and secured as to payment of the principal and redemption price thereof, and interest thereon, in accordance with their terms and the provisions of the Resolution solely by (a) the proceeds of the sale of the bonds, (b) the Revenues (as defined in the Resolution), and (c) all funds and accounts established by the Resolution (other than the Debt Service Reserve Account in the Debt Service Fund 2d and the Renewal and Replacement Fund 2d (as defined in the Resolution)) including the investments and

investment income, if any, thereof, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. Copies of the Resolution are on file at the office of JEA and at the above-mentioned office of the Bond Registrar, and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Acts is made for a description of the security interest, pledge and covenants securing the bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the holders of the bonds with respect thereto, the terms and conditions upon which the bonds are issued and may be issued thereunder, the terms and provisions upon which this bond shall cease to be entitled to any lien, benefit or security under the Resolution and all covenants, agreements and obligations of JEA under the Resolution may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Bond Registrar, and for the other terms and provisions thereof.

The Series X Bonds maturing on or prior to October 1, 20__ are not subject to redemption. The Series X Bonds maturing on October 1, 20__ will be redeemable at the election of JEA on and after October 1, 20__, at any time, as a whole or in part, at the redemption price of 100 percent of the principal amount of the Series X Bonds so to be redeemed, together with accrued interest to the redemption date. The Series X Bonds maturing on October 1, 20__ at an interest rate of ____% will be redeemable at the election of JEA on and after October 1, 20__, at any time, as a whole or in part, at the redemption price of 100 percent of the principal amount of the Series X Bonds so to be redeemed, together with accrued interest to the redemption date.

The Series X Bonds maturing on October 1, 20__, as set forth in the table below, are subject to mandatory redemption by lot prior to maturity on October 1 in the years and amounts shown below at par (plus accrued interest to the redemption date) from Sinking Fund Installments required to be paid in such years and amounts:

**Series X Bonds
Maturing on October 1, 20__**

<u>Year</u>	<u>Principal Amount</u>
	\$
	*

* Final Maturity.

Such Sinking Fund Installments shall be applied to the redemption of the applicable Series X Bonds on October 1 of each of the applicable years set forth above, and may also be so applied on the immediately preceding April 1.

The Resolution requires JEA to mail a notice of any redemption of the Series X Bonds by first class mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date to the Holders of any Series X Bonds or portions thereof which are to be redeemed, at their last address, if any, appearing upon the registry books but failure to do will not affect the validity of the proceedings for the redemption of any other Bonds. The notice will provide that it can be revoked in accordance with its terms.

As provided in the Resolution, bonds may be issued from time to time pursuant to supplemental resolutions in one or more issues, and in one or more Series of an issue, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution, or any resolution amendatory thereof or supplemental thereto, may be modified or amended by JEA, with the written consent of the holders of not less than a majority in principal amount of the bonds affected by such modification or amendment then outstanding; *provided, however*, that if such modification or amendment will, by its terms, not take effect so long as any bonds of any specified like Series and maturity remain outstanding, the consent of the holders of such bonds shall not be required and such bonds shall not be deemed to be outstanding for the purpose of any calculation of outstanding bonds pursuant to the Resolution. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding bond or of any installment of interest thereon or a reduction in the principal amount or the redemption price thereof or in the rate of interest thereon without the consent of the holder of such bond, or shall reduce the percentages or otherwise affect the classes of bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Bond Registrar or of any Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Resolution, only upon the books of JEA kept for that purpose at the above-mentioned office of the Bond Registrar by the registered owner hereof in person, or by his duly authorized attorney, upon surrender of this bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney, and thereupon a new bond or bonds, of the same issue, Series and maturity, and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. JEA, the Bond Registrar and any Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The Series X Bonds are issuable in the form of fully registered bonds without coupons. Subject to the conditions and upon the payment of the charges provided in the Resolution, the registered owner of any bond or bonds may surrender the same (together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of bonds of the same issue, Series and maturity of any other authorized denominations.

The principal or redemption price of, and interest on, the Series X Bonds are payable solely from the Revenues (as defined in the Resolution) and other funds pledged therefor under the Resolution and neither the State of Florida nor any political subdivision thereof, other than JEA, is obligated to pay the principal or redemption price of, or interest on, this bond and the issue of which it is one and neither the faith and credit nor the taxing power of the State of Florida or any political subdivision thereof is pledged to the payment of the principal or redemption price of, or interest on, this bond or the issue of which it is one.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of JEA, complies in all respects with the applicable laws of the State of Florida.

This bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Bond Registrar of the Bond Registrar's Certificate of Authentication hereon.

IN WITNESS WHEREOF, JEA has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Chair, and its corporate seal or a facsimile thereof to be impressed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary, and this bond to be dated _____, 20__.

JE A



By: _____
Chair or Vice-Chair

ATTEST:

By: _____
Secretary

[FORM OF
BOND REGISTRAR'S
CERTIFICATE OF AUTHENTICATION]

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds delivered pursuant to the within mentioned Resolution.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Bond Registrar

By: _____
Authorized Signatory

Date of Authentication: _____, 20__

[Insert Statement of Insurance, if applicable.]

The following abbreviations, when used in the inscription on the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

The following abbreviations, when used in the inscription on the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	as tenants in common	UNIF GIF MIN ACT _____ (Cust.)
-		
TEN ENT	as tenants by the entireties	Custodian for _____ (Minor)
-		
JT TEN	as joint tenants with right of survivorship and not as tenants in common	Under Uniform Gifts to Minors Act of _____ (State)

Additional abbreviations may also be used although not listed above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to _____

[PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

the within bond and does hereby irrevocably constitute and appoint the Registrar as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed: _____ (Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guaranty program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program (MSP), a member firm of the New York Stock Exchange or a commercial bank or a trust company.

NOTICE: No transfer will be registered and no new Bond will be issued in the name or names of the Transferee(s), unless the signature(s) to this assignment correspond(s) with the name or names as it/they appear(s) upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Numbers of the Transferee(s) is/are supplied.

EXHIBIT B

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT C

FORM OF ESCROW DEPOSIT AGREEMENT

BOND PURCHASE AGREEMENT

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida 32202

Re: \$000,000,000 JEA St. Johns River Power Park Revenue Bonds,
Issue Three, Series X

Ladies and Gentlemen:

The Underwriters (as defined below) jointly and severally hereby propose to purchase all (but not less than all) of the Bonds (as defined below) from JEA, a public body corporate and politic organized and existing under the laws of the State of Florida, and to make a public offering of the Bonds subject to the acceptance of this proposal by JEA on or before 5:00 p.m. local time then prevailing in Jacksonville, Florida, on _____, 20__, and subject to the following provisions:

Section 1. Definitions. The following terms shall have the following meanings in this Agreement unless another meaning is plainly intended:

"Accountants" means _____, independent certified public accountants.

"Agreed Upon Procedures Letter" means the letter from the Accountants to the governing body of JEA and the Representative in a form acceptable to JEA and the Representative and with the procedures described therein to be applied at least through _____, 20__, the date of the last meeting of the Board of JEA prior to the Closing.

"Agreement" means this Bond Purchase Agreement between the Representative, acting on behalf of the Underwriters, and JEA.

"Bond Counsel" means _____, _____, _____.

"Bond Registrar" means _____ or its corporate successor, in its capacity as Bond Registrar and Paying Agent for the Bonds under the Resolution.

"Bonds" means the Series X Bonds.

"City" means the City of Jacksonville, Florida.

"Closing" refers to the transaction at which the Bonds are delivered by JEA to or on behalf of the Underwriters, and paid for by the Underwriters, pursuant to this Agreement.

"Closing Date" means the date specified in Section 7 hereof, or such other date as is mutually agreeable to the Representative and JEA pursuant to Section 7 hereto.

"Closing Documents" means the documents described in Section 8 hereof and required to be delivered to the Underwriters at the Closing.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"Continuing Disclosure Agreement" means the agreement of JEA to be dated the Closing Date in substantially the form set forth in Appendix C to the Preliminary Official Statement, which JEA hereby agrees to provide to assist the Underwriters in complying with Rule 15c2-12.

"DTC" means The Depository Trust Company.

"Electric System Resolution" means the resolution of JEA adopted on March 30, 1982, as supplemented, amended and restated authorizing the issuance of bonds to finance improvements to the Electric System (as defined in the Preliminary Official Statement), particularly as supplemented by Resolution No. 2023-___ adopted on September 26, 2023.

"Escrow Agent" means _____.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement, to be delivered in connection with the issuance of the Bonds, between JEA and the Escrow Agent relating to the refunding of the Refunded Bonds.

"Final Official Statement" means the final Official Statement of JEA relating to the Bonds, substantially in the form of the Preliminary Official Statement, with such changes as may be approved by the Representative, to be delivered pursuant to Section 6 hereof.

"JEA's Counsel" means the Office of the General Counsel of the City.

"Letter of Representations" means the Blanket Issuer Letter of Representations dated _____ from JEA to DTC.

"MSRB" means the Municipal Securities Rulemaking Board.

"Official Statements" means the Preliminary Official Statement and the Final Official Statement.

"Preliminary Official Statement" means the Preliminary Official Statement of JEA relating to the Bonds, dated _____, 20__, including the cover page and appendices thereto and the information included by reference therein.

"Refunded Bonds" means JEA's outstanding St. Johns River Power Park System Revenue Bonds, Issue Three, Series _____, all as described as Annex G hereto.

"Representative" means _____, as representative of the Underwriters.

"Resolution" means the resolution of JEA adopted on February 20, 2007, as amended and supplemented, authorizing the issuance of the Bonds, particularly as supplemented by Resolution No. 2023-___ of JEA adopted September 26, 2023.

"SEC" means the Securities and Exchange Commission.

"Series X Bonds" means JEA's St. Johns River Power Park Revenue Bonds, Issue Three, Series X in the aggregate principal amount of \$000,000,000, with maturities, amounts, interest rates and yields set out in Annex A hereto and as further described in the Final Official Statement.

"Underwriters" means _____, acting for and on behalf of themselves and such other securities dealers, if any, as may from time to time be designated by JEA or the Underwriters.

"Underwriters' Counsel" means _____, _____, _____.

["Verification Agent" means _____.]

["Verification Report" means the report dated the date of Closing of the Verification Agent to the effect that such Verification Agent has verified the accuracy of (a) the adequacy of the maturing principal of and interest on certain federal securities to be held under the Escrow Deposit Agreement, together with other moneys held under the Escrow Deposit Agreement, to pay when due or upon earlier redemption, the principal or redemption price of and interest on the Refunded Bonds, and (b) certain mathematical computations supporting the conclusion that the Bonds are not "arbitrage bonds" under the Code.]

Section 2. Purchase Price. Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriters shall purchase and JEA shall sell all, but not less than all, of the Bonds at an aggregate purchase price of \$_____ (representing the aggregate principal amount of the Bonds of \$000,000,000, less Underwriters' discount of \$_____ [plus/minus net] original issue [premium/discount] of \$_____).

JEA acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between JEA and the Underwriters, (ii) in connection with such transaction, each Underwriter is acting solely as a principal and not as an agent or a fiduciary of JEA, (iii) the Underwriters have not assumed a fiduciary responsibility in favor of JEA with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriters have advised or are currently advising JEA on other matters) or any other obligation to JEA except the obligations expressly set forth in this Agreement, (iv) the Underwriters have financial interests that differ from those of JEA and are not acting as municipal advisors (as defined in Section 15B of the Securities Exchange Act of 1934, as amended) and (v) JEA has consulted with its own legal and financial advisors to the extent it deemed it appropriate in connection with the offering of the Bonds.

Section 3. Establishing Issue Price. The Representative, on behalf of the Underwriters, agrees to assist JEA in establishing the issue price of the Bonds and shall execute and deliver to JEA at Closing, a Certificate of Underwriter Regarding Issue Price, or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Annex B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, JEA and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

Except as provided in Schedule A to Annex B and below, JEA will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Agreement, the Representative shall report to JEA the price or prices at which the Underwriters have sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Representative agrees to promptly report to JEA the prices at which Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue (but only with respect to any maturity to which the hold-the-offering-price rule described below does not apply), whether or not the Closing Date has occurred, until either (i) all Securities of that maturity have been sold or (ii) the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriters' reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, JEA or bond counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Annex B attached hereto, except as otherwise set forth therein. Schedule A to Annex B also sets forth, as of the date of this Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which JEA and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow JEA to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative confirms that:

- (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language

obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Bonds of that maturity; *provided*, that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(B) to promptly notify the Representative of any series of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriter or selling group agreement relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (a) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter or dealer that the 10 percent test has been satisfied as to the Securities of that maturity, provided, that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or the Underwriter or the dealer and as set forth in the related pricing wires.

JEA acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or a dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements

for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. JEA further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date of execution of this Agreement by all parties.

In connection with the public offering of the Bonds, the Underwriters have delivered to JEA a letter containing the information required by Section 218.385, Florida Statutes in the form attached as Annex F.

Section 4. Good Faith Deposit. [If by wire transfer: There has been delivered to JEA herewith a wire transfer in the amount of \$ _____ (the "Good Faith Deposit") as security

for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Closing Date in accordance with the provisions hereof. In the event of the Underwriters' compliance with their obligations hereunder, the Good Faith Deposit shall be netted from the purchase price of the Bonds payable by the Underwriters to JEA pursuant to Section 2 hereof. In the event JEA does not accept this offer the Good Faith Deposit shall be immediately returned by JEA to the Representative by wire transfer. Upon the failure of JEA to deliver the Bonds on the Closing Date, or if JEA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if such obligations shall be terminated for any reasons permitted by this Agreement except for the reasons set forth in Section 10 hereof, the Good Faith Deposit shall immediately be repaid by JEA to the Representative by wire transfer. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by JEA on the Closing Date as herein provided, the Good Faith Deposit shall be retained by JEA as and for full and agreed upon liquidated damages, and not as a penalty, to JEA for such failure, and the retention of the Good Faith Deposit shall constitute a full release and discharge of all claims and damages for such failure and of any and all defaults hereunder on the part of the Underwriters.]

[If by check: Delivered to JEA herewith is a check payable to the order of JEA in the amount of \$ _____ (the "Good Faith Deposit") as security for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Closing Date in accordance with the provisions hereof. JEA shall hold such check uncashed until the Closing Date. In the event of the Underwriters' compliance with their obligations hereunder, the Good Faith Deposit shall be returned to the Representative on the Closing Date upon payment to JEA as provided in Section 7 hereof of the purchase price of the Bonds. In the event JEA does not accept this offer, or upon the failure of JEA to deliver the Bonds on the Closing Date, or if JEA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if such obligations of the Underwriters shall be terminated for any reason permitted by this Agreement except for the reasons set forth in Section 10 hereof, the Good Faith Deposit shall immediately be returned to the Representative. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by JEA on the Closing Date as herein provided, the Good Faith Deposit shall be retained by JEA as and for full and agreed upon liquidated damages, and not as a penalty, to JEA for such failure, and the retention of the Good Faith Deposit shall constitute a full release and discharge of all claims and damages for such failure and of any and all defaults hereunder on the part of the Underwriters.

Section 5. Representations of JEA. JEA represents to the Underwriters that: (a) the Preliminary Official Statement has been "deemed final" by JEA as of its date for the purpose of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"); (b) as of their respective dates and on the date hereof the statements and information contained in the Official Statements are, and on the Closing Date the statements and information contained in the Final Official Statement will be, true and complete in all material respects, and the Preliminary Official Statement, as of its date, did not and the Final Official Statement, as of its date, does not on the date hereof, and will not on the Closing Date, contain any untrue statement of a material fact or omit any statement or information which is required to be stated therein or necessary to make the statements and information therein, in light of the circumstances under which they are made, not misleading; (c) the Preliminary Official Statement, as of its date, did not and does not on the date hereof, and the Final Official Statement, as of its date did not and does not on the date hereof, and

will not on the Closing Date, omit any information with respect to JEA or its business, properties and affairs which might in a material respect adversely or unfavorably affect the transactions contemplated by the Preliminary Official Statement or the Final Official Statement; (d) JEA has full title to the Electric System (as defined in the Official Statement) and the power and authority to operate the same and collect the Revenues (as defined in the Electric System Resolution) therefrom; (e) the resolution or resolutions of, or other appropriate actions taken by, JEA establishing the rates and charges for services of the Electric System described in the Official Statement have been duly adopted or taken and are in full force and effect; (f) JEA's obligation to make payments from the Electric System with respect to the System, including debt service on the Bonds is a "Contract Debt" payable as a "Cost of Operation and Maintenance" of the Electric System; (g) the Electric System Resolution and the Resolution have been duly adopted and are in full force and effect and JEA is not in default in the performance of its obligations thereunder; (h) when delivered to and paid for by the Underwriters at the Closing in accordance with the provisions of this Agreement, the Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of JEA of the character referred to in the Final Official Statement, in conformity with, and entitled to the benefit and security of, the Resolution; (i) JEA is empowered and has been duly authorized to enter into this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Letter of Representations and to adopt the Resolution; (j) the execution and delivery of this Agreement, the Continuing Disclosure Agreement, the Letter of Representations[, the Escrow Deposit Agreement] and the Bonds and compliance with the provisions thereof, under the circumstances contemplated herein and therein, will not in any material respect conflict with or constitute on the part of JEA a breach of or default under any agreement or other instrument to which JEA is a party, or any existing law, administrative regulation, court order or consent decree to which JEA is subject; (k) no litigation or proceeding (to which JEA is a party) is pending or to the best of JEA's knowledge is threatened against or affecting JEA to restrain or enjoin the issuance or delivery of the Bonds or other indebtedness of JEA relating to its electric utility functions or in any way contesting or affecting the authority for the issuance of the Bonds or other indebtedness of JEA relating to its electric utility functions or the validity of the Bonds or other indebtedness of JEA, the Electric System Resolution, the Resolution, this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] or the Letter of Representations or in any way contesting the corporate existence or the powers of JEA; (l) except as may be disclosed in the Official Statements, no litigation or proceeding (to which JEA is a party) is pending or, to the best of its knowledge, is threatened against or affecting JEA or involving any of the business, property or affairs of JEA which involves the possibility of any judgment or liability which may result in any material adverse change in the property, business or assets or in the condition, financial or otherwise, of JEA relating to its electric utility functions; (m) JEA has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon; (n) subsequent to the date of the last audited financial statements included in the Official Statements there have been no material adverse changes in the assets, liabilities or condition of JEA related to its electric utility functions, financial or otherwise, except as disclosed in or contemplated by the Official Statements, and neither the business, the properties, nor the affairs of JEA related to its electric utility functions have been adversely affected in any substantial way as the result of any fire, explosion, accident, strike, riot, flood, windstorm, earthquake, embargo, war or act of God or of the public enemy; (o) all permits or licenses which JEA is required to maintain in order to operate the Electric System and the

Scherer 4 Project (as such terms are defined in the Official Statement) are in full force and effect; (p) the proceeds of the Bonds will be used by JEA to redeem all of the Refunded Bonds within 90 days of the Closing; (q) other than as disclosed in the Preliminary Official Statement, JEA has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under the Rule; and (r) JEA has not been in default any time after December 31, 1975 as to principal or interest with respect to any of its debt obligations.

Section 6. Final Official Statement; Public Offering. JEA shall prepare, and shall deliver to the Underwriters as promptly as practicable but, in any event, not later than seven business days after the acceptance by JEA of this Agreement and in sufficient time to allow the Underwriters to deliver copies thereof to purchasers of the Bonds at least two business days prior to the Closing, copies of the Final Official Statement in sufficient quantity to comply with the Rule and the rules of the Municipal Securities Rulemaking Board and in form and substance satisfactory to the Representative and JEA, executed on behalf of JEA by its Managing Director and Chief Executive Officer. JEA agrees that the Preliminary Official Statement, the Final Official Statement, audited financial statements, if any, and copies of the Resolution, the Electric System Resolution, audited financial statements, if any, prepared by or on behalf of JEA may be used by the Underwriters in the public offering of the Bonds and that it will cooperate with the Underwriters if the Underwriters decide to qualify the Bonds under the securities laws of any state; provided, however, JEA shall not be required to register as a dealer or broker in any such state or to qualify to do business in connection with any such qualification of the Bonds for sale in any state. To the extent required by MSRB Rules, JEA confirms that it does not object to the distribution of the Official Statements in electronic form. The Final Official Statement shall be provided in a "designated electronic format" (as defined in MSRB Rule G-32). The term "designated electronic format" is defined in MSRB Rule G-32 to mean portable document format, with files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. For files submitted to the Electronic Municipal Market Access system operated by the MSRB on or after January 1, 2010, documents in designated electronic format must be word searchable (without regard to diagrams, images and other non-textual elements).

JEA further agrees to provide the Underwriters with copies of the Escrow Deposit Agreement and any other advance refunding documents (as defined in MSRB Rule G-32) in a word-searchable pdf format as described in the MSRB's Rule G-32 and shall provide such electronic copy of the word-searchable pdf format of such advance refunding documents to the Underwriters no later than four business days after the Closing Date to enable the Underwriters to comply with MSRB Rule G-32.

JEA authorizes the Representative to file, to the extent required by applicable SEC or MSRB rule, and the Representative agrees to file or cause to be filed, the Official Statement with (i) the MSRB or its designee (including submission to the MSRB's Electronic Municipal Market Access System ("EMMA")) or (ii) other repositories approved from time to time by the SEC (either in addition to or in lieu of the filings referred to above). If a supplement to the Final Official Statement is prepared in accordance with Section 11 hereof during the "primary offering disclosure period," and if required by applicable SEC or MSRB rule, the Representative shall also make the required submission of the supplement to the Final Official Statement to EMMA. The "primary

offering disclosure period" is used as defined in MSRB Rule G-32 and shall end on the 25th day after the Closing.

Section 7. Closing, Delivery and Payment. The Bonds shall be printed or reproduced in definitive form as fully registered Bonds and shall be registered initially in the name of Cede & Co., as nominee of DTC, shall be in the denominations of the aggregate par amount of the Bonds of each series and maturity of each series (and, if applicable, each interest rate within a maturity) and shall be made available to, or on behalf of, DTC, 55 Water Street, New York, New York, which shall act as securities depository for the Bonds not less than one business day prior to the closing. The Representative may inspect the Bonds prior to the Closing.

The Closing shall be held beginning at 9:00 a.m. on _____, 20__ (the "Closing Date") at the offices of JEA, 225 N. Pearl Street, Jacksonville, Florida, or at such other time and other place as is mutually agreeable to the Representative and JEA. At the Closing and subject to the conditions contained herein, the Representative shall accept the delivery of the Bonds from JEA and shall make payment therefor as provided herein in federal funds or other immediately available funds upon (i) tender by JEA of the definitive Bonds to or on behalf of DTC on behalf of the Underwriters; and (ii) the delivery by JEA to the Underwriters of all the Closing Documents.

Section 8. Closing Documents. The Closing Documents shall consist of the following, each properly executed, certified or otherwise verified, dated as of the Closing Date except as otherwise provided below, and in such form as may be satisfactory to Bond Counsel, the Representative and Underwriters' Counsel, including, but not limited to, the matters hereinafter set forth:

- (a) Certified copies of the Resolution;
- (b) JEA's closing certificate confirming (i) the representations made by JEA herein; (ii) the application of the proceeds of the sale of the Bonds and certain other amounts as described in the Final Official Statement; (iii) the adoption and present effectiveness of all resolutions considered necessary, in the opinion of Bond Counsel, in connection with the transactions contemplated hereby, together with copies of said resolutions; (iv) that the Electric System Resolution and the Resolution have not been amended since the date of this Agreement, except as may have been consented to in writing by the Representative; and (v) that, except as described in the Official Statements, no material adverse change has occurred with respect to the Electric System and the Scherer 4 Project (all as defined therein), including, without limitation, the financial condition thereof, for the period from September 30, 20__ through the Closing Date;
- (c) The approving opinion of Bond Counsel, dated the Closing Date, in substantially the form attached to the Preliminary Official Statement as Appendix D;
- (d) The supplemental opinion of Bond Counsel, dated the Closing Date, addressed to the Underwriters in substantially the form set forth as Annex C hereto;
- (e) An opinion of JEA's Counsel to the effect that (i) JEA is a public body corporate and politic and an independent agency of the City, duly organized and validly

existing under the laws of the State of Florida and has all the necessary power and authority to issue the Bonds and enter into this Agreement and the Continuing Disclosure Agreement; (ii) the Electric System Resolution and the Resolution have been duly adopted by JEA and this Agreement, the Letter of Representations, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Bonds have been duly authorized, executed and delivered by JEA and such documents and the Electric System Resolution and the Resolution constitute legal, valid and binding obligations of JEA enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally, and no opinion need be expressed as to the availability of any discretionary equitable remedy; (iii) JEA has approved the distribution of the Preliminary Official Statement and the Final Official Statement and the execution and delivery of the Final Official Statement to the purchasers of the Bonds; (iv) the ordinances of the city council of the City approving the issuance of the Bonds were duly enacted by the City; (v) the execution and delivery of the Bonds, this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Letter of Representations, the adoption of the Electric System Resolution and the Resolution and the issuance of the Bonds pursuant to the Resolution and compliance with the provisions of the Electric System Resolution and the Resolution under the circumstances contemplated thereby and hereby, do not and will not in any material respect conflict with or constitute on the part of JEA a breach of or default under any existing law, regulation, court order or consent decree to which JEA is subject; (vi) nothing has come to such counsel's attention which would lead such counsel to believe that the Final Official Statement (with the exception of the tax treatment of interest on the Bonds, Blue Sky or other securities registration matters, and financial and statistical information, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact required or necessary to be stated therein to make the statements therein, in light of the circumstances under which they were made, not misleading; (vii) no litigation or proceeding (to which JEA or the City is a party) is pending or to the best of such counsel's knowledge is threatened against or affecting JEA or the City to restrain or enjoin the issuance or delivery of the Bonds or the refunding of the Refunded Bonds or in any way contesting or affecting the authority for the issuance of the Bonds, or the validity of the Bonds or this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] or the Letter of Representations, the Electric System Resolution and the Resolution or in any way contesting the corporate existence or the powers of JEA; (viii) except as may be disclosed in the Preliminary Official Statement and the Final Official Statement, no litigation or proceeding (to which JEA or the City is a party) is pending or to the best of such counsel's knowledge is threatened against or affecting JEA or involving any of the business, property or affairs of JEA which involves the possibility of any judgment or liability which may result in any material adverse change in the financial condition of JEA relating to its electric utility functions; and (ix) JEA has obtained the consents, approvals, authorizations or other orders of all municipal, state or regulatory authorities required for the consummation of the transaction contemplated hereby;

(f) The opinion of Disclosure Counsel, dated the Closing Date, in substantially the form attached hereto as Annex D;

(g) The opinion of Underwriters' Counsel, dated the Closing Date, in substantially the form attached hereto as Annex E;

(h) An executed copy of the Agreed Upon Procedures Letter, dated no later than one business day prior to the Closing Date;

(i) A consent, manually signed by the Accountants, to the use of their report in the Official Statements and to the references to their firm therein, dated the business day prior to the Closing Date;

(j) Appropriate arbitrage certifications and tax covenants with respect to the Bonds by JEA in form and substance satisfactory to Bond Counsel and Underwriters' Counsel;

(k) Appropriate evidence that the Bonds have been assigned ratings of "___" by Fitch Ratings ("Fitch"), "___" by Moody's Investors Service, Inc. ("Moody's") and "___" by S&P Global Ratings ("S&P");

(l) A certificate of the Bond Registrar and Paying Agent as to the incumbency of its officers and its power to serve as Bond Registrar and Paying Agent in form and substance acceptable to Bond Counsel and Underwriters' Counsel;

(m) A certificate of the Escrow Agent, dated the Closing Date as to (i) the incumbency of its officers, (ii) that the Escrow Agent is a banking corporation, duly organized and validly existing under the laws of the United States of America or the state of its incorporation and authorized to do business in the State, (iii) that the Escrow Agent has duly accepted its duties under the Escrow Deposit Agreement, and (iv) that the Escrow Agent has taken all necessary corporate action required to act as escrow agent under the Escrow Deposit Agreement and to perform its duties thereunder;

(n) A certified copy of the Letter of Representations;

(o) An executed counterpart of the Continuing Disclosure Agreement;

(p) An executed counterpart of the Escrow Deposit Agreement;

(q) [The Verification Report;] and

(r) Such additional legal opinions, certificates, instruments and other documents and such multiple copies of the above listed documents as the Representative, Underwriters' Counsel or Bond Counsel may reasonably request to evidence compliance by JEA with legal requirements; the truth and accuracy, as of the Closing Date, of the respective representations contained herein and in the Final Official Statement; and the due performance or satisfaction by JEA of all agreements to be performed by it and all conditions to be satisfied by it at or prior to the Closing.

Section 9. Termination by Underwriters. This Agreement may be terminated in writing prior to the Closing by the Representative acting on behalf of the Underwriters if any of

the following shall occur subsequent to the execution hereof: (i) this Agreement shall not have been accepted by JEA within the time herein provided; (ii) the copies of the Final Official Statement shall not have been provided within the time required by this Agreement; (iii) the Bonds and all of the Closing Documents shall not have been delivered to the Underwriters as of 2:00 p.m. on the Closing Date; (iv)(a) legislation shall have been enacted by the Congress, or introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or (b) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (c) an order, ruling, regulation or communication (including a press release) shall have been issued by the Treasury Department of the United States, the Internal Revenue Service or the Securities and Exchange Commission, or (d) any action shall be taken or statement made by or on behalf of the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, which indicates or implies that interest on the Bonds may not be excludable from gross income for federal income tax purposes or that legislation will be introduced in the next scheduled session of the United States Congress, in each case referred to in clauses (a), (b), (c) and (d), with the purpose or effect, directly or indirectly, of (y) imposing federal income taxation upon interest to be received by any holders of the Bonds or (z) requiring the offer or sale of the Bonds to be registered under the Securities Act of 1933 or the Resolution to be qualified as an indenture under the Trust Indenture Act of 1939; (v) there shall exist any event or circumstance which, in the opinion of the Representative, either makes untrue or incorrect in a material respect any statement or information contained in the Final Official Statement, or any event or circumstance is not reflected in the Final Official Statement but should be reflected therein in order to make the statements and information contained therein, in light of the circumstances under which they were made, not misleading in a material respect; (vi) there shall have occurred any outbreak of hostilities (or the escalation of any hostilities existing on the date hereof) or other national or international calamity or crisis, the effect of such outbreak or escalation, calamity or crisis on the financial markets of the United States of America being such as, in the opinion of the Representative, would make it impracticable for the Underwriters to sell the Bonds, including an effect generally on the market which affects the marketability of the Bonds; (vii) there shall be in force a general suspension of trading on the New York Stock Exchange, or any other major United States stock exchange, or minimum or maximum prices for trading shall have been fixed and be in force; (viii) in the judgment of the Representative, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, might be adversely affected because: (a) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, or (b) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters; (ix) a general banking moratorium shall have been declared by either federal, New York or Florida authorities having jurisdiction, and shall be in force, or there shall occur any other material disruption in commercial banking or securities settlement or clearance services in the United

States; or (x) the rating on the Bonds shall have been suspended, withdrawn or downgraded by any of the three rating agencies referred to in paragraph (j) of Section 8 hereof.

Section 10. Termination by JEA. In the absence of a termination of this Agreement by the Representative as permitted by Section 9 hereof, this Agreement may be terminated in writing by JEA in the event that the Underwriters shall fail to accept delivery and pay the purchase price of the Bonds at the Closing upon (i) tender thereof to or on behalf of the Underwriters by JEA and (ii) delivery to the Underwriters of all of the Closing Documents, all as provided in Section 8 hereof, and in such event JEA shall retain the Good Faith Deposit as provided in Section 4 hereof.

Section 11. Changes Affecting the Final Official Statement After the Closing. If during the period from the date of this Agreement and a date 25 days after the End of the Underwriting Period (as defined herein), any event relating to or affecting JEA shall occur the result of which shall make it necessary, in the reasonable opinion of (i) JEA and (ii) the Representative or Underwriters' Counsel, to amend or supplement the Final Official Statement in order to make it not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made not misleading, JEA shall forthwith prepare and furnish to the Underwriters, at JEA's expense, a reasonable number of copies of an amendment of or supplement to the Final Official Statement in form and substance satisfactory to the Representative, so that it then will not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances existing at that time, not misleading; provided, however, JEA will not adopt any amendment or supplement to the Final Official Statement except with the written consent of the Representative, which consent shall not be unreasonably withheld. The "End of the Underwriting Period" shall mean the Closing Date unless the Representative shall in writing advise JEA that the Underwriting Period must be extended, in which case the End of the Underwriting Period shall be the date set forth in such writing, but in no event later than 90 days after the Closing Date.

Section 12. Expenses. The Underwriters shall pay their own out-of-pocket expenses, the fees and expenses of Underwriters' Counsel, and the fees and expenses in connection with the preparation of the Blue Sky memorandum and the registration of the Bonds for "Blue Sky" purposes. JEA acknowledges that the expense component of the Underwriters' discount includes the fees and expenses incurred by the Underwriters as described in the preceding sentence and includes an amount intended to reimburse the Underwriters for incidental expenses (including, but not limited to, transportation, lodging and meals of JEA and Underwriters personnel) incurred by the Underwriters in connection with the transaction contemplated by this Agreement.

JEA acknowledges that it has had an opportunity to consult with its financial advisor in order to evaluate and consider the fees and expenses being incurred as a part of the issuance of the Bonds. JEA shall pay all of the other costs and expenses in connection with the financing contemplated by this Agreement, including, but not limited to: (i) the fees and expenses of Bond Counsel and JEA's Counsel and the expenses of JEA, if any; (ii) any fees and expenses incurred for filing fees; (iii) the fees and expenses of any experts or consultants; (iv) the fees and expenses of the Bond Registrar and Paying Agent, the Escrow Agent and the Verification Report; (v) the cost of preparation and printing of the Bonds; (vi) the cost of printing and duplication for the

Official Statements and any amendments or supplements thereto; (vii) the fees and expenses of the Accountants; and (viii) bond rating agency fees. JEA acknowledges that a portion of the Underwriters' expenses are intended to reimburse the Underwriters for incidental expenses (including, but not limited to, transportation, lodging and meals of JEA and Underwriters personnel) incurred by the Underwriters (on their own behalf or on behalf of JEA personnel), as applicable, in connection with the transaction contemplated by this Agreement.

Section 13. Notices. Any notice or other communication to be given to JEA under this Agreement may be given by delivering the same in writing to the address set forth above; and any such notice or other communication to be given to the Underwriters may be given by delivering the same in writing to the Underwriters in care of _____, _____, _____, _____, Attention: _____.

Section 14. Authority of Representative. The Representative has been duly authorized to execute this Agreement and, pursuant to an agreement among the Underwriters, has been duly authorized to act hereunder by and on behalf of the Underwriters.

Section 15. Parties and Interests; Survival of Representations. This Agreement is made solely for the benefit of JEA and the Underwriters, including the successors and assigns of the Underwriters, and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements by JEA in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the Underwriters, and shall survive the delivery of and payment for the Bonds.

Section 16. Truth-In-Bonding Statement. For purposes of subsections (2) and (3) of Section 218.385, Florida Statutes, as amended, the following Truth in Bonding Statement is made with respect to the Bonds:

JEA is proposing to issue \$ _____ of the Bonds. The Bonds are to be issued for the purposes of refunding the Refunded Bonds and paying cost of issuance of the Bonds. The Bonds are expected to be repaid over a period of approximately ____ years. At the interest rates set out in Annex A hereto (being a true interest cost of _____%), total interest paid over the life of the Bonds will be \$ _____.

The source of repayment or security for the Bonds is primarily the revenues of the St. Johns River Power Park System derived from the revenues of the JEA's Electric System. Issuing the Bonds finances the items described in the preceding paragraph. Authorizing this debt will result in an average annual debt service payment of approximately \$ _____ from St. Johns River Power Park System revenues, which will not otherwise be available to finance the other services or expenditures of JEA each year for approximately ____ years.

Section 17. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original but all of which taken together shall constitute one instrument.

Section 18. Entire Agreement Clause. This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties regarding the transaction contemplated by this Agreement and the process leading thereto. This Bond Purchase Agreement shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]

Very truly yours,

as Representative of the Underwriters

By: _____
Name:
Title:

Accepted by JEA on _____, 20__

By: _____
Name:
Title:

FORM APPROVED:

Office of General Counsel

[Signature Page to Bond Purchase Agreement dated _____, 20__]

ANNEX A

MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS

\$000,000,000 St. Johns River Power Park System Revenue Bonds, Issue Three, Series X

<u>Maturity</u> <u>October 1,</u>	<u>Amount</u> \$	<u>Interest Rate</u> %	<u>Yield</u> %
--------------------------------------	---------------------	---------------------------	-------------------

\$ _____ % Term Bond Due October 1, 20__ - Yield _____ %

Redemption Provisions

[to come]

ANNEX B**CERTIFICATE OF UNDERWRITER REGARDING ISSUE PRICE****\$000,000,000 St. Johns River Power Park System Revenue Bonds, Issue Three, Series X**

The undersigned, on behalf of _____ (the "Representative"), on behalf of itself and _____ (collectively, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

Hold-the-Offering-Price Maturities

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price set forth in Schedule A attached hereto.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule B (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule C.

(b) As set forth in the Bond Purchase Agreement for the Bonds, the members of the Underwriting Group have agreed in writing that, (i) for each of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for each Maturity during the Holding Period for such Maturity (the "hold-the-offering-price-rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any of the Hold-the-Offering-Price-Maturities at a price higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) ***Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) ***Holding Period*** means, with respect to a Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 20__), or (ii) the date on which the Underwriting Group has sold at least 10% of such Maturity to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(d) ***Issuer*** means JEA.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [_____, 20__].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Greenberg Traurig, P.A. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

_____, as representative of the
Underwriters

By: _____
Name:

Dated:

ANNEX C

[Form of Supplemental Opinion of Bond Counsel]

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida

[Underwriters]

c/o _____

Re: 000,000,000 JEA St. Johns River Power Park Revenue Bonds, Issue Three, Series X (the "Series X Bonds")

Ladies and Gentlemen:

We have served as Bond Counsel to JEA in connection with the issuance of the above-captioned Series X Bonds (the "Bonds"). This letter is addressed to the underwriters addressed above (the "Underwriters"), pursuant to Section 8(d) of the Bond Purchase Agreement, dated _____, 20__ (the "Bond Purchase Agreement"), between _____, as Representative of the Underwriters, and JEA, providing for the purchase of the Bonds. The Bonds are issued pursuant to the Constitution and laws of the State of Florida, including, in particular, Article 21 of the Charter of the City of Jacksonville, Florida (the "City"), as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended in accordance with the terms thereof prior to the date hereof, and other applicable provisions of law and, under and pursuant to a resolution of JEA adopted on February 20, 2007, as supplemented and amended (the "Resolution"), including as supplemented by Resolution No. 2023-__ of JEA adopted on September 26, 2023. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution, or, if not defined in the Resolution, in the Bond Purchase Agreement.

On the date hereof, we have delivered our approving opinions (the "Bond Counsel Opinion") concerning the validity of the Bonds and certain other matters to JEA. The opinions and conclusions expressed herein are subject to the same qualifications, limitations and reliances as stated in the Bond Counsel Opinion. The Underwriters may rely on the Bond Counsel Opinion as though such opinions were addressed to them.

In connection with our role as Bond Counsel, we have reviewed the Bond Purchase Agreement; a certified copy of the Resolution; a certified copy of Ordinance 2006-793-E enacted by the Council of the City September 26, 2006 and Ordinance No. 2009-11-E enacted by the Council of the City February 10, 2009 approving, among other things, the issuance and sale by JEA of the Bonds, the Continuing Disclosure Agreement; the Official Statement of JEA, dated

_____, 20__, relating to the Bonds, including those portions of the Annual Disclosure Report (as defined therein) which are included by reference therein (the "Official Statement"); the Tax Certificate executed and delivered by JEA on the date hereof in connection with the issuance of the Bonds (the "Tax Certificate"); an opinion of the Office of General Counsel of the City, attorney for JEA; certificates of JEA and others; and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

The opinions and conclusions expressed herein are based upon an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than JEA. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof (except that we have not relied on any such legal conclusions that are to the same effect as the opinions or conclusions set forth herein). We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the Bonds, the Second Power Park Resolution, the Tax Certificate, the Continuing Disclosure Agreement and the Bond Purchase Agreement and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against bodies politic and corporate of the State of Florida. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, or waiver provisions contained in the foregoing documents.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. JEA is a public body corporate and politic and an independent agency of the City, duly created and existing under the Constitution and laws of the State of Florida.
2. The Bonds have been duly authorized by JEA and all conditions precedent to the issuance of the Bonds have been fulfilled, including, without limitation, all necessary approvals of the City.
3. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Second Power Park Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

4. The statements contained in the Official Statement under the captions "REFUNDING PLAN," "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES X BONDS," "DESCRIPTION OF THE SERIES X BONDS," and "TAX MATTERS" and the statements contained in [List appendices covered] insofar as such statements expressly summarize certain provisions of the Electric System Resolution, the Second Power Park Resolution, and our Bond Opinion concerning certain federal tax matters relating to the Bonds, are accurate in all material respects.

5. We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in paragraph 4 above), completeness or fairness of any of the statements contained in the Official Statement, and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as Bond Counsel in connection with the issuance of the Bonds, we participated in conferences with your representatives, your counsel, representatives of JEA, representatives of PFM Financial Advisors LLC, JEA's Financial Advisor, representatives of Ernst & Young LLP, independent certified public accountants, JEA's auditors, and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon and on the records, documents, certificates, opinions and matters herein mentioned (as set forth above), subject to the limitations on our role as Bond Counsel, we advise you as a matter of fact and not opinion that no facts came to the attention of the attorneys in our firm rendering legal services in connection with such issuance which caused us to believe that the Official Statement as of its date and as of the date hereof (except for any CUSIP numbers, financial, statistical, economic or engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion (other than our opinions relating to the Bonds), any information about book-entry or DTC and the information contained in Appendices A, B and C to the Official Statement, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

6. The Continuing Disclosure Agreement has been duly executed and delivered by JEA and is a valid and binding agreement of JEA, enforceable in accordance with its terms. No opinion regarding the adequacy of the Continuing Disclosure Agreement for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1934, as amended, may be inferred from this opinion.

This letter is furnished by us as Bond Counsel to JEA. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. This letter is delivered to you as Underwriters of the Bonds, is solely for your benefit as such Underwriters and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not specifically addressed.

Respectfully submitted,

ANNEX D

[Form of Disclosure Counsel Opinion]

_____, 20__

JEA
Jacksonville, Florida

Re: \$000,000,000 JEA St. Johns River Power Park System Revenue Bonds,
Issue Three, Series X

Ladies and Gentlemen:

We have acted as Disclosure Counsel to JEA in connection with the issuance of the above-captioned obligations (the "Bonds") which are today being delivered _____, as senior managing underwriter on behalf of itself and _____ (the "Underwriters"). In such capacity, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

Because the primary purpose of our professional engagement as your counsel was not to establish factual matters and because of the wholly or partially nonlegal character of many of the determinations involved in the preparation of the Preliminary Official Statement dated _____, 20__ and the Official Statement dated _____, 20__ related to the Bonds (collectively, the "Official Statements"), we are not passing on and do not assume any responsibility for, except as set forth below, the accuracy, completeness or fairness of the statements contained in the Official Statement (including any appendices, schedules and exhibits thereto) and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements. Our engagement has necessarily involved a review of certain demographic, financial, statistical and operating data or information, however we express no opinion regarding the accuracy and completeness of any such information.

We have generally reviewed information furnished to us by, and have participated in telephone conferences and meetings with, representatives of JEA, JEA's Counsel, PFM Financial Advisors LLC, the financial advisor to JEA, the Underwriters and others, in which such contents of the Official Statements and related matters were discussed. We have reviewed information concerning JEA's audited financial statements and meeting minutes and other materials we deemed relevant. With your permission, we have relied upon certificates of officials of JEA and others, and upon certain other opinions, certificates and/or letters delivered in connection with the issuance of the Bonds, including, without limitation, those received from JEA's Counsel. In addition, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

Based on the foregoing assumptions and reliances, and subject to the qualifications stated herein, we are of the opinion that:

1. Based solely upon our review and discussions noted above, and in reliance upon the accuracy of the information contained in the aforementioned certificates, letters and opinions, but without having undertaken any independent investigation or verification of such information, nothing has come to the attention of the attorneys in our firm rendering legal services in accordance with this representation which leads us to believe that the Official Statements contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that we express no opinion regarding historical or projected financial information, demographic, statistical or operating data or information included in the Official Statements, including but not limited to appendices, schedules and exhibits thereto, or any information about The Depository Trust Company and its book entry system of registration.

2. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Bond Resolution and the Subordinated Bond Resolution (as both terms are defined in the Official Statements) are exempt from qualification under the Trust Indenture Act of 1939, as amended.

The opinions expressed herein are predicated upon present law, facts and circumstances; and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof or of any subsequent events or developments which might affect the opinions expressed herein. The opinions expressed herein represent professional judgment, and are not a guarantee of result.

The opinions expressed herein are limited to the laws of the State of Florida and the United States of America.

This opinion letter may be relied upon by you only and only in connection with the transaction to which reference is made above and may not be used or relied upon by any other person for any purposes whatsoever without our prior written consent. This opinion letter is not rendered to, and may not be relied upon by, holders or owners of the Bonds. The opinions expressed herein are limited to the matters set forth herein, and to the documents referred to herein and do not extend to any other agreements, documents or instruments executed by the Issuer, and no other opinion should be inferred beyond the matters expressly stated herein.

Respectfully submitted,

ANNEX E

[Form of Underwriters' Counsel Opinion]

_____, 20__

[Underwriters]

c/o

Re: \$000,000,000 JEA St. Johns River Power Park System Revenue Bonds,
Issue Three, Series X

Ladies and Gentlemen:

We have acted as counsel to you (the "Underwriters") in connection with the purchase by the Underwriters from JEA of the captioned obligations designated (the "Bonds"). As such counsel, we have examined the Official Statement, dated _____, 20__, relating to the Bonds (the "Official Statement"), the Bond Purchase Agreement, dated _____, 20__, by and between _____, as Representative of the Underwriters named therein and JEA, with respect to the Bonds (the "Bond Purchase Agreement"), the Resolution (as defined in the Bond Purchase Agreement), the Continuing Disclosure Agreement (as defined in the Bond Purchase Agreement), and such other matters as we have deemed necessary; and we have participated in discussions and conferences with members of JEA and its staff, bond counsel, JEA's financial advisor, and the independent certified public accountants with respect to matters contained and included by reference in the Official Statement.

From such examination, we are of the opinion that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

We are not passing upon, do not assume responsibility for, and have not independently verified the accuracy, completeness, or fairness of the statements contained or included by reference in the Official Statement. In addition, we are not experts in evaluating the business, operations, or financial condition of public power authorities in general or JEA in particular. As your counsel we have participated in the preparation of the Official Statement and in the discussions referred to above with respect to the Official Statement. In the course of such preparation, discussions and review nothing has come to our attention which leads us to believe that the Official Statement (except for the appendices thereto and references to such appendices and the graphic, engineering, financial and statistical information, any information about book-entry or DTC (as such term is defined in the Official Statement), as to which we express no view) contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

We are further of the opinion that the Continuing Disclosure Agreement satisfies the requirements contained in Securities and Exchange Commission Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule.

We are furnishing this letter to you pursuant to Section 8(f) of the Bond Purchase Agreement solely for your benefit as Underwriters. Our engagement with respect to this matter has terminated as of the date hereof, and we disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not specifically addressed.

Respectfully submitted,

ANNEX F

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida 32202

Re: \$000,000,000 JEA St. Johns River Power Park System Revenue Bonds,
Issue Three, Series X

Ladies and Gentlemen:

In connection with the proposed issuance by JEA (the "Issuer") of \$000,000,000 in aggregate principal amount of St. Johns River Power Park System Revenue Bonds, Issue Three, Series X (the "Bonds"), [Underwriters] (collectively, the "Underwriters") are preparing to underwrite a public offering of the Bonds. Arrangements for underwriting the Bonds will be pursuant to a Bond Purchase Agreement between the Issuer and the Underwriters.

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385(6), Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the underwriting of the Bonds as follows:

(a) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the purchase and reoffering of the Bonds are set forth in Schedule I attached hereto.

(b) Based upon representations of the Underwriters, there are no "finders," as defined in Section 218.386, Florida Statutes, as amended, connected with the issuance of the Bonds.

(c) The underwriting spread (*i.e.*, the difference between the price at which the Bonds will be initially offered to the public by the Underwriters and the price to be paid to the Issuer for the Bonds) will be \$_____ per \$1,000 bond or \$_____.

(d) The Underwriters will charge no management fee.

(e) There is no other fee, bonus or other compensation to be paid by the Underwriters in connection with the issuance of the Bonds to any person not regularly employed or retained by the Underwriters, except as specifically enumerated as expenses referred to in paragraph (a) above to be incurred by the Underwriters as set forth in Schedule I attached hereto.

(f) The names and addresses of the Underwriters are:

We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385(6), Florida Statutes, as amended.

Very truly yours,

[Underwriters]

By: _____
Name:
Title:

SCHEDULE I

ESTIMATED UNDERWRITERS' FEE AND EXPENSES

<u>Underwriters' Fee</u>	<u>Dollar Amount</u>	<u>Per \$1,000 Bond</u>
Average Takedown	\$ _____	\$ _____
Expenses:		
Underwriters' Counsel	_____	_____
Dalcomp	_____	_____
Dalnet	_____	_____
CUSIP	_____	_____
DTC	_____	_____
Total Fees and Expenses	_____ \$ _____	_____ \$ _____

ANNEX G

REFUNDED BONDS

[Insert name(s) of Series]

ESCROW DEPOSIT AGREEMENT

relating to

**JEA
ST. JOHNS RIVER POWER PARK SYSTEM
REVENUE BONDS
ISSUE THREE, SERIES X**

THIS ESCROW DEPOSIT AGREEMENT, dated as of _____, 20__, by and between JEA, a public body corporate and politic organized under the laws of the State of Florida and _____, as Escrow Agent;

WITNESSETH:

WHEREAS, JEA has previously authorized and issued obligations of JEA as hereinafter set forth and defined as the "Refunded Obligations," as to which the Aggregate Debt Service (as hereinafter defined) is set forth on Schedule A attached hereto; and

WHEREAS, JEA has determined to provide for refunding of the Aggregate Debt Service of the Refunded Obligations by depositing with the Escrow Agent cash and Defeasance Securities, which will be sufficient to pay the Aggregate Debt Service on the Refunded Obligations; and

WHEREAS, in order to obtain a portion of the funds needed for such purpose JEA has authorized and is, concurrently with the delivery of this Agreement, issuing its St. Johns River Power Park System Revenue Bonds, Issue Three, Series X; and

WHEREAS, JEA has determined that the amount to be on deposit, from time to time, in the Escrow Account, as defined herein, will be sufficient to pay the Aggregate Debt Service;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, JEA and the Escrow Agent agree as follows:

SECTION 1. Definitions. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution (as defined below). As used herein, the following terms shall have the following meanings:

(a) "Aggregate Debt Service" means the sum of all present and future Annual Debt Service payments then remaining unpaid with respect to the Refunded Obligations through the final Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(b) "Agreement" means this Escrow Deposit Agreement.

(c) "Annual Debt Service" means, in any year, the redemption price or principal of, and interest on, the Refunded Obligations coming due or being redeemed on the respective Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(d) "Defeasance Securities" means securities permitted by Section 101 of the Resolution.

(e) "Escrow Account" means the Escrow Account identified in Section 2 herein and established and held by the Escrow Agent pursuant to this Agreement in which a portion of the proceeds from the sale of the Bonds and certain other funds will be held for payment of the Refunded Obligations.

(f) "Escrow Agent" means _____ with the power to accept trusts in the State of Florida.

(g) "Escrow Deposit Requirement" means, as of any date of calculation, the principal amount of cash and any Defeasance Securities in the Escrow Account which, together with the interest due on the Defeasance Securities, will be sufficient to pay, as the installments thereof become due, the Aggregate Debt Service.

(h) "Paying Agent" means _____ in its capacity as the paying agent for the Refunded Obligations.

(i) "Redemption Date" means the redemption date or dates for the Refunded Obligations, as set forth in Schedule B hereto.

(j) "Refunded Obligations" means the St. Johns River Power Park System Revenue Bonds, Issue Three listed in Schedule B hereto.

(k) "Resolution" means the resolution entitled the "St. Johns River Power Park System Second Revenue Bond Resolution" duly adopted by JEA on February 20, 2007, as amended and supplemented, and particularly as supplemented by resolutions adopted by JEA authorizing the issuance of the Refunded Obligations.

(l) "Series X Bonds" means JEA's St. Johns River Power Park System Revenue Bonds, Issue Three, Series X.

SECTION 2. Deposit of Funds. With respect to the Refunded Obligations, JEA hereby deposits \$ _____ with the Escrow Agent in immediately available funds (the "Escrow Deposit Amount"), to be held in irrevocable escrow by the Escrow Agent in a separate escrow trust fund (the "Escrow Account") and applied solely as provided in this Agreement. JEA represents that (i) \$ _____ of such funds are derived by JEA from a portion of the proceeds of the Series X Bonds and (ii) \$ _____ of such funds are derived by JEA from amounts on deposit in the Debt Service Fund established pursuant to the Resolution.

JEA represents, that such funds, when applied pursuant to Section 3 below, will at least equal the Escrow Deposit Requirement as of the date hereof.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees:

(a) Concurrently with the receipt of the proceeds and other moneys as described in Section 2, the Escrow Agent will apply \$ _____ of such amount to the purchase of \$ _____ aggregate principal or par amount of Defeasance Securities specifically described in Schedule D, and the remaining \$ _____ will be held as cash for the benefit of the holders of the Refunded Obligations. Defeasance Securities held by the Escrow Agent are to mature in such principal amounts and pay interest in such amounts and at such times so that sufficient moneys are available to pay when due the principal of and interest on all outstanding Refunded Obligations as further set forth in Schedule B;

(b) there will be no investment of funds except as set forth in this Section 3 and in Section 5;

(c) to hold the proceeds of all investments in the Escrow Account in such Account in trust (separate from all other funds of the Escrow Agent) for the benefit of the owners of the Refunded Obligations from the date of receipt thereof to the date on which such proceeds are scheduled to be paid out of the Escrow Account and applied only for the purposes thereof, as set forth on Schedule A attached hereto; and

(d) to hold the funds and securities in the Escrow Account in irrevocable escrow during the term of this Agreement.

SECTION 4. Payment of Refunded Obligations.

(a) ***Payment of Refunded Obligations.*** The Escrow Agent shall pay to the Paying Agent for the Refunded Obligations, from the cash on hand in the Escrow Account, a sum sufficient to pay the Annual Debt Service coming due on such date with respect to the Refunded Obligations, as shown on Schedule A attached hereto.

(b) ***Surplus.*** On the Redemption Date, after making the payment from the Escrow Account described in Subsection 4(a), the Escrow Agent shall pay to JEA the remaining cash, if any, in the Escrow Account. JEA shall apply the payment made to it hereunder to the payment of the principal of and interest on the Series X Bonds or for other uses permitted under the Resolution, but the Escrow Agent shall have no duty or responsibility to ensure that JEA does so.

(c) ***Payments Due on Saturdays, Sundays and Holidays.*** If any payment date shall be a legal holiday or a day on which banking institutions in the city in which is located the designated office of the Paying Agent are authorized by law to remain closed, then the Escrow Agent may make the payments required by Subsections 4(a) and 4(b) to the Paying Agent or JEA, as the case may be, on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and this Section, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Defeasance Securities held hereunder.

(b) At the written request of JEA and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the Defeasance Securities acquired hereunder and shall substitute other Defeasance Securities and reinvest any excess receipts in Defeasance Securities. JEA will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation. Such substitutions and reinvestments may be effected only if (i) an independent certified public accountant selected by JEA shall certify or opine in writing to JEA and the Escrow Agent that the cash and principal amount of Defeasance Securities remaining on hand after the transactions are completed will be not less than the Escrow Deposit Requirement, and (ii) the Escrow Agent shall receive an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to JEA to the effect that the transactions, in and by themselves, will not cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(b) above notwithstanding, cash in excess of the Escrow Deposit Requirement caused by substitution of Defeasance Securities shall, as soon as practicable, be paid to JEA.

SECTION 6. Redemption of Refunded Obligations. JEA has exercised its option to redeem the Refunded Obligations prior to the maturity thereof on the Redemption Date as shown on Schedule B attached hereto.

SECTION 7. Redemption Notice. JEA has previously directed the Bond Registrar for the Refunded Obligations to give notice of redemption of such Refunded Obligations. JEA hereby directs _____ as Bond Registrar to provide notice of defeasance in the form provided in Schedule E attached hereto for the Refunded Obligations. Redemption notices and defeasance notices distributed by the Bond Registrar will be sent to bondholders pursuant to the Resolution, as supplemented, and will be distributed to the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system.

SECTION 8. Indemnity. To the extent permitted by applicable law, including but not limited to Section 768.28, Florida Statutes, JEA hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and attorneys' disbursements and expenses) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by JEA or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds and securities deposited therein, the purchase of the Defeasance Securities, the retention of the Defeasance Securities or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; *provided, however*, that JEA shall not be required to indemnify the Escrow Agent, its successors, assigns, agents and servants against the negligence or willful misconduct of the Escrow Agent or its successors, assigns, agents and servants. In no event

shall JEA or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section shall survive the termination of this Agreement. Nothing in this Section contained shall give rise to any liability on the part of JEA in favor or any person other than the Escrow Agent.

SECTION 9. Responsibilities of Escrow Agent; Fees. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the retention of the Defeasance Securities or the proceeds thereof or any investment, payment, transfer, or other application of money or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties or non-willful misconduct. The Escrow Agent shall, however, be liable to JEA for its negligent acts, omissions or errors or willful misconduct which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of JEA. The fees of the Escrow Agent shall be paid by JEA at the time this Agreement is executed and delivered, such fees to be as set forth on Schedule C attached hereto. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in the Escrow Account for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 10. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Obligations have been paid and discharged in accordance with the proceedings authorizing the Refunded Obligations.

SECTION 11. Amendments. This Agreement is made for the benefit of JEA and the holders from time to time of the Refunded Obligations and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and JEA; *provided, however,* that JEA and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Obligations, any additional rights, remedies, power or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject additional funds, securities or properties to this Agreement.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or

elimination affects the rights of the holders of the Refunded Obligations, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of JEA or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be one and the same instrument.

SECTION 14. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Deposit Agreement to be executed by their duly authorized officers and JEA's official seal to be hereunto affixed and attested as of the date first above written.



JEA

ATTEST:

By: _____
Title: _____

By: _____
Secretary

Form Approved:

Office of General Counsel

_____,
as Escrow Agent

By: _____
Its: _____

*[Signature page to Escrow Deposit Agreement relating to
JEA St. Johns River Power Park System Revenue Bonds Issue Three, Series*

**SCHEDULE A
REFUNDED OBLIGATIONS**

The Aggregate Debt Service for the Refunded Obligations is shown in the following table:

Date	Interest	Principal Redeemed	Redemption Premium	Total
	\$	\$		\$

**SCHEDULE B
LIST OF REFUNDED OBLIGATIONS**

The Refunded Bonds will consist of the St. Johns River Power Park Revenue Bonds, Issue Three listed in the following table.

<u>Issue Three</u>	<u>Maturity Date (October 1)</u>	<u>Amount to be Refunded</u> \$	<u>Redemption Date</u>	<u>Redemption Price (expressed as a percentage of principal amount)</u> %	<u>CUSIP*</u>

Total					

* The CUSIP numbers listed here are provided for the convenience of readers. JEA is not responsible for the accuracy or completeness of such numbers.

**SCHEDULE C
FEES OF ESCROW AGENT**

The fee of the Escrow Agent for its services hereunder shall be \$____; provided, JEA agrees to reimburse the Escrow Agent for its reasonable out-of-pocket expenses at cost.

SCHEDULE D

ESCROW DESCRIPTIONS DETAIL

<u>Type of Security</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Cost</u>	<u>Accrued Interest</u>	<u>Total Cost</u>
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SCHEDULE E

**NOTICE OF DEFEASANCE AND DESIGNATION
OF CERTAIN BONDS FOR PRIOR REDEMPTION**

JEA

ST. JOHNS RIVER POWER PARK SYSTEM REVENUE BONDS

described in Exhibit A hereto *

NOTICE IS HEREBY GIVEN to the holders of JEA's St. Johns River Power Park System Revenue Bonds described above and in Exhibit A attached hereto (the "Refunded Bonds") that JEA has (i) deposited on _____ with _____, the Escrow Agent for the Refunded Bonds, cash and Defeasance Securities which will provide monies sufficient to pay when due the interest on the Refunded Bonds through the redemption date or maturity date, as applicable, and the principal together with any applicable redemption premium thereon, free and clear of any trust, lien or pledge securing said Refunded Bonds or otherwise existing under the Resolution (as defined below) and (ii) irrevocably designated the Refunded Bonds which are subject to redemption prior to maturity for redemption as aforesaid. As a result of such deposit, said Refunded Bonds are deemed to have been paid and to be no longer Outstanding in accordance with the resolution authorizing the issuance of St. Johns River Power Park System Revenue Bonds, adopted by JEA on February 20, 2007, as amended (the "Resolution"). Any such redemption does not apply to any bonds issued under the Resolution other than the Refunded Bonds. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution.

JEA

By: _____,
as Escrow Agent

Dated:

* No representation is made as to the accuracy of the CUSIP number either as printed on the Refunded Bonds or as set forth in this Notice.

EXHIBIT A
REFUNDED BONDS

<u>Refunded Bonds</u>	<u>Par Amount to be Refunded</u>	<u>Outstanding Par Amount Prior to Refunding</u>	<u>Maturity (October 1)</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>Original CUSIP*</u>	<u>Refunded CUSIP*</u>	<u>Unrefunded CUSIP*</u>
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RESOLUTION NO. 2023-39

A RESOLUTION SUPPLEMENTING A RESOLUTION OF JEA ADOPTED ON JUNE 15, 2004 AND REFERRED TO THEREIN AS THE DISTRICT ENERGY SYSTEM REVENUE BOND RESOLUTION, AS AMENDED AND SUPPLEMENTED; PROVIDING FOR THE ISSUANCE IN ONE OR MORE SERIES OF NOT EXCEEDING \$22,000,000 DISTRICT ENERGY SYSTEM REVENUE BONDS, 2023/24 SERIES X OF JEA AUTHORIZED THEREIN, FOR THE PURPOSES OF PROVIDING MONEYS FOR THE PAYMENT OF A PORTION OF THE COSTS OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE DISTRICT ENERGY SYSTEM AND PAYING THE COSTS OF ISSUANCE OF SAID BONDS; PROVIDING FOR THE ISSUANCE IN ONE OR MORE SERIES OF NOT EXCEEDING \$31,000,000 DISTRICT ENERGY SYSTEM REFUNDING REVENUE BONDS, 2023/24 SERIES X (FEDERALLY TAXABLE) OF JEA AUTHORIZED THEREIN, FOR THE PURPOSES OF PAYING A PORTION OF THE COST OF REFUNDING A PORTION OF THE OUTSTANDING DISTRICT ENERGY SYSTEM REVENUE BONDS AND PAYING COSTS OF ISSUANCE OF SAID BONDS; PROVIDING FOR THE ISSUANCE IN ONE OR MORE SERIES OF NOT EXCEEDING \$11,000,000 DISTRICT ENERGY SYSTEM REFUNDING REVENUE BONDS, 2023/24 SERIES X OF JEA AUTHORIZED THEREIN, FOR THE PURPOSES OF PAYING A PORTION OF THE COST OF REFUNDING VARIABLE RATE DEBT; FIXING THE DATE AND OTHER DETAILS OF SAID BONDS; DELEGATING THE AUTHORITY TO DETERMINE SERIES DESIGNATION, MATURITIES, INTEREST RATES, SINKING FUND INSTALLMENTS, REDEMPTION PROVISIONS AND CERTAIN OTHER DETAILS FOR EACH SUCH SERIES OF BONDS; APPOINTING A PAYING AGENT FOR SAID BONDS; DESIGNATING SUCH 2023/24 SERIES X BONDS AS AN "ADDITIONALLY SECURED SERIES"; MAKING CERTAIN COVENANTS AND DESIGNATIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; AUTHORIZING THE NEGOTIATED SALE OF SAID BONDS AND APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE BOND PURCHASE AGREEMENTS WITH RESPECT TO NEGOTIATED SALES, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; PROVIDING FOR THE REFUNDING OF CERTAIN OUTSTANDING DISTRICT ENERGY SYSTEM REVENUE BONDS; APPROVING THE FORM OF AND USE OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE PREPARATION AND USE OF AN OFFICIAL STATEMENT FOR EACH SERIES OF SAID BONDS; AUTHORIZING THE AUTHENTICATION AND DELIVERY OF EACH SERIES OF SAID 2023/24 SERIES X BONDS; PROVIDING FOR THE APPOINTMENT OF AN ESCROW AGENT FOR THE BONDS TO BE REFUNDED THROUGH THE ISSUANCE OF EACH SERIES OF SAID 2023/24 SERIES X BONDS AND APPROVING THE FORM OF AND

AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT, IF APPLICABLE, BETWEEN JEA AND SUCH ESCROW AGENT; AUTHORIZING THE REGISTRATION OR QUALIFICATION OF EACH SERIES OF SAID 2023/24 SERIES X BONDS UNDER THE BLUE SKY LAWS OF VARIOUS STATES; AUTHORIZING CERTAIN OFFICIALS OF JEA TO TAKE OTHER ACTION IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF EACH SERIES OF SAID 2023/24 SERIES X BONDS; AGREEING TO PROVIDE CONTINUING DISCLOSURE INFORMATION WITH RESPECT TO SAID BONDS AND PROVIDING FOR THE EXECUTION OF CONTINUING DISCLOSURE AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR THE NECESSARY INSTRUMENTS AND AGREEMENTS RELATING TO SAID 2023/24 SERIES X BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, JEA has heretofore, by a resolution entitled "District Energy System Revenue Bond Resolution" adopted on June 15, 2004 (the "Bond Resolution"), authorized the issuance of District Energy System Revenue Bonds (the "Bonds"); and

WHEREAS, JEA deems it in its best interest that not exceeding \$22,000,000 principal amount of District Energy System Revenue Bonds, 2023/24 Series X (the "2023/24 New Money Bonds") be authorized and sold in one or more Series for the purpose of paying a portion of the cost of additions, extensions and improvements to the District Energy System and paying the costs of issuance of such bonds; and

WHEREAS, JEA deems it in its best interest that not exceeding \$42,000,000 principal amount of District Energy System Revenue Bonds, 2023/24 Series X (Federally Taxable) (the "2023/24 Refunding Bonds," and together with the 2023/24 New Money Bonds, the "2023/24 Series X Bonds") be authorized and sold in one or more Series for the purpose of paying a portion of the cost of refunding the Refunded Bonds (as defined herein); and

WHEREAS, current and anticipated conditions in the market for obligations such as the 2023/24 Series X Bonds and the need for flexibility in timing the issuance of each Series of the 2023/24 Series X Bonds make it necessary and in the best interest of JEA that the 2023/24 Series X Bonds be sold on a negotiated basis, and that the Managing Director/CEO (as defined herein) be delegated the authority to determine certain matters in connection with the sale and issuance of each Series of the 2023/24 Series X Bonds, in the manner provided, and subject to the limitations set forth, herein; and

WHEREAS, in order to fix the date, Paying Agent and Bond Registrar, form and certain other details of each Series of the 2023/24 Series X Bonds, to designate each Series of the 2023/24 Series X Bonds as an "Additionally Secured Series" as such term is defined in the Bond Resolution, and to delegate the authority to determine maturities, principal amounts, interest rates, Sinking Fund Installments, redemption provisions and certain other details of each Series of the 2023/24 Series X Bonds, it is necessary that this resolution be adopted; and

WHEREAS, JEA may desire to enter into an Escrow Deposit Agreement with the Escrow Agent with respect to a particular Series of the 2023/24 Refunding Bonds to ensure that the procedure required for the paying and retiring of the Refunded Bonds will be followed.

NOW, THEREFORE, BE IT RESOLVED BY JEA AS FOLLOWS:

**ARTICLE I
DEFINITIONS AND AUTHORITY**

SECTION 1.01 **Definitions.** All terms used but not defined herein shall have the same meanings as specified in the Bond Resolution and as used in this resolution. In addition, the following terms shall have the meanings set forth below:

"Authorized Officer of JEA" shall mean (a) the Chair, the Vice Chair, the Secretary and any Assistant Secretary of JEA, (b) the Managing Director/CEO, (c) the Chief Operating Officer, (d) the Vice President, Water/Wastewater Systems, the Chief Financial Officer, the Vice President, Financial Services and the Treasurer of JEA (or any officer of JEA hereafter serving in a capacity equivalent to that of any of the foregoing officers) or (e) any other officer or employee of JEA authorized to perform specific acts or duties by resolution duly adopted by JEA.

"Bond Insurance Policy" shall mean, in the event that the Managing Director/CEO determines that the procurement of municipal bond insurance for one or more maturities (or interest rates within maturities) of a particular Series of the 2023/24 Series X Bonds is advantageous to JEA (as set out in the certificate referred to in Section 2.03 hereof relating to the 2023/24 Series X Bonds of such Series) or in the event the successful bidder(s) at a public sale elect to provide municipal bond insurance for one or more maturities (or interest rates within maturities) of a particular Series of the 2023/24 Series X Bonds, the financial guaranty or municipal bond insurance policy or policies to be issued by a Bond Insurer concurrently with the issuance of such Series of the 2023/24 Series X Bonds that will guaranty the scheduled payment of principal of and interest on the Insured 2023/24 Series X Bonds of such Series.

"Bond Insurer" shall mean the financial guaranty insurance company, if any, selected by, in the case of a negotiated sale, the Managing Director/CEO or, in the case of a public sale, the successful bidder(s) to provide the Bond Insurance Policy for the Insured 2023/24 Series X Bonds of a particular Series.

"Bond Purchase Agreement" shall have the meaning assigned to such term in Section 4.01 hereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement to be delivered by JEA in connection with the issuance of the 2023/24 Series X Bonds of a particular Series, a form of which is attached as Appendix C to the Form Preliminary Official Statement.

"Delivery Date" shall mean the Date of Issuance of a particular Series of the 2023/24 Series X Bonds (however such 2023/24 Series X Bonds are identified upon initial issuance and delivery

pursuant to the certificate referred to in Section 2.03 hereof relating to the 2023/24 Series X Bonds of such Series).

"DTC" shall mean The Depository Trust Company.

"Escrow Account" shall mean (i) the account by that name created under the Escrow Deposit Agreement or (ii) the trust account by that name established by the Paying Agent for the purposes of Section 1201 of the Bond Resolution.

"Escrow Agent" shall mean the bank or trust company appointed as escrow agent under an Escrow Deposit Agreement, and its duly appointed successors, such appointment, with respect to a particular Series of the 2023/24 Refunding Bonds, to be made in the certificate referred to in Section 2.03 hereof relating to the 2023/24 Refunding Bonds of such Series.

"Escrow Deposit Agreement" shall mean the escrow deposit agreement between JEA and an Escrow Agent that may be entered into concurrently with the authentication and delivery of the 2023/24 Refunding Bonds of a particular Series.

"Form Preliminary Official Statement" shall have the meaning assigned to such term in Section 4.02 hereof.

"Initial Subaccount" shall mean the Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund established pursuant to the Bond Resolution.

"Insured 2023/24 Series X Bonds" shall mean, as to a particular Series of the 2023/24 Series X Bonds, such maturity or maturities (or interest rates within maturities) of the 2023/24 Series X Bonds as the Managing Director/CEO determines shall be insured by a Bond Insurer, as identified in the certificate referred to in Section 5 hereof relating to the 2023/24 Series X Bonds of such Series.

"Letter of Representations" shall mean the Blanket Issuer Letter of Representations, dated May 6, 2004, from JEA to DTC, providing for the issuance of certain obligations of JEA (including the 2023/24 Series X Bonds) in book-entry form through the facilities of DTC or any successor Blanket Issuer Letter of Representations from JEA to DTC.

"Managing Director/CEO" shall mean the Managing Director and Chief Executive Officer of JEA.

"Refunded Bonds" shall mean, for any particular Series of the 2023/24 Refunding Bonds, the Bonds of the Series and maturities (and, if applicable, interest rates within maturities) and in the respective principal amounts to be refunded thereby, as identified by the Managing Director/CEO in the certificate described in Section 2.03 hereof relating to the 2023/24 Refunding Bonds of such Series.

"Reserve Policy" shall mean, in the event that the Managing Director/CEO determines that the procurement of a debt service reserve insurance policy or surety bond in connection with the issuance of a particular Series of the 2023/24 Series X Bonds is advantageous to JEA (as set out in the certificate referred to in Section 2.03 hereof relating to the 2023/24 Series X Bonds of such

Series), the municipal bond debt service reserve insurance policy or surety bond to be issued by a Surety Provider concurrently with the issuance of such Series of 2023/24 Series X Bonds, which shall constitute a "reserve fund credit instrument" as such term is defined in subsection 3 of Section 509 of the Bond Resolution.

"Rule" means Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Sale Date" with respect to a particular Series of the 2023/24 Series X Bonds shall mean the date on which JEA enters into a Bond Purchase Agreement with respect to such Series of the 2023/24 Series X Bonds.

"Surety Provider" shall mean the financial guaranty insurance company, if any, selected by the Managing Director/CEO to provide a Reserve Policy in connection with the issuance of a particular Series of the 2023/24 Series X Bonds.

"Tax-Exempt 2023/24 Series X Bonds" shall mean the 2023/24 Series X Bonds of a particular Series (or particular maturities or interest rates within maturities of such Series) the interest on which is intended to be excludable from gross income for federal income tax purposes, as designated in the certificate referred to in Section 2.03 hereof relating to the 2023/24 Series X Bonds of such Series.

"2023/24 Project" shall mean the additions, extensions and improvements to the District Energy System to be financed by the 2023/24 New Money Bonds.

"Underwriters" shall mean any or all of the investment banking firms under contract with JEA for the purpose of underwriting negotiated sales of JEA's debt named in the Bond Purchase Agreement.

SECTION 1.02 **Authority for this Resolution.** This resolution is adopted pursuant to the provisions of the Acts and Articles II and X of the Bond Resolution and shall be and constitute a "Supplemental Resolution" within the meaning of the Bond Resolution.

ARTICLE II
AUTHORIZATION OF 2023/24 SERIES X BONDS

SECTION 2.01 **Principal Amount Designation and Series.**

(a) Pursuant to the provisions of the Bond Resolution, one or more Series of 2023/24 New Money Bonds entitled to the benefit, protection and security of the Bond Resolution are hereby authorized in the aggregate principal amount of not to exceed \$22,000,000; *provided*, that such Series of Bonds be sold pursuant to one or more Bond Purchase Agreements entered into no later than September 30, 2024. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "District Energy System Revenue Bonds, Series X"; *provided*, that the Managing Director/CEO may alter the year and letter designation, taxable or tax-exempt status, for any Series as he deems appropriate to reflect the other Bonds then previously

issued by JEA or as he otherwise deems desirable. Such determination shall be set forth in the certificate referred to in Section 2.03 hereof relating to the 2023/24 Series X Bonds of such Series.

(b) Pursuant to the provisions of the Bond Resolution, one or more Series of 2023/24 Refunding Bonds entitled to the benefit, protection and security of the Bond Resolution are hereby authorized in the aggregate principal amount of not to exceed \$42,000,000; *provided*, that not to exceed \$31,000,000 principal amount of the 2023/24 Refunding Bonds may be issued for the purpose of refunding fixed rate Refunded Bonds and not to exceed \$11,000,000 principal amount of the 2023/24 Refunding Bonds may be for the purpose of refunding variable rate Refunded Bonds; and *provided further*, that such Series of Bonds be sold pursuant to one or more Bond Purchase Agreements entered into no later than September 30, 2024. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "District Energy System Refunding Revenue Bonds, Series X"; *provided*, that the Managing Director/CEO may alter the year and letter designation, taxable or tax-exempt status, for any Series as he deems appropriate to reflect the other Bonds then previously issued by JEA or as he otherwise deems desirable. Such determination shall be set forth in the certificate referred to in Section 2.03 hereof relating to the 2023/24 Series X Bonds of such Series.

(c) Notwithstanding any such alteration of the Series designation for the 2023/24 Series X Bonds, references in this resolution to "2023/24 Series X Bonds" shall include all bonds issued pursuant to the authority contained in this Section 2.01. The actual aggregate principal amount of the 2023/24 Series X Bonds of a particular series to be issued shall be determined by the Managing Director/CEO on or prior to the Sale Date therefor as the amount necessary to accomplish the purposes for which the 2023/24 Series X Bonds of such Series are being issued, such determination to be set forth in the certificate referred to in Section 2.03 hereof to be executed with respect to the 2023/24 Series X Bonds of such Series. Notwithstanding any other provision of the Bond Resolution or this resolution, each such particular Series of the 2023/24 Series X Bonds shall be and be deemed to be a separate Series of Bonds for all purposes of the Bond Resolution, including (without limitation) for the purpose of determining satisfaction of the conditions to the issuance of the 2023/24 Series X Bonds of such Series set forth in Article II of the Bond Resolution.

SECTION 2.02 **Purpose.** The 2023/24 New Money Bonds shall be issued to provide moneys necessary to pay a portion of the cost of additions, extensions and improvements to the District Energy System and paying the costs of issuance of the 2023/24 New Money Bonds. The 2023/24 Refunding Bonds shall be issued to provide a portion of the moneys necessary to refund the Refunded Bonds to be refunded thereby and paying the costs of issuance of the 2023/24 Refunding Bonds.

SECTION 2.03 **Maturities and Interest Rates; Certain Determinations with Respect to the 2023/24 Series X Bonds.** The 2023/24 Series X Bonds of each Series shall be issued as fully registered bonds in the denomination of \$5,000 each or integral multiples thereof shall be numbered from 1 upward, shall bear interest from their date (payable semiannually thereafter on April 1 and October 1 in each year, commencing on either of the April 1 or October 1 next following the Delivery Date of such Series of 2023/24 Series X Bonds, as determined by the Managing Director/CEO) at such rates per annum and shall mature on October 1 in such years and amounts, all as shall be determined by the Managing Director/CEO in the manner hereinafter set forth.

On or prior to the Sale Date for a particular Series of the 2023/24 Series X Bonds, as applicable, the Managing Director/CEO shall execute a certificate setting forth the following determinations, as applicable, and the Managing Director/CEO may rely on a certificate from JEA's financial advisor in order to confirm the savings determinations made in clause (g) below:

(a) the aggregate principal amount of the 2023/24 Series X Bonds of such Series; provided, that the aggregate principal amount of all 2023/24 Series X Bonds shall not exceed \$64,000,000, provided, that not to exceed \$22,000,000 principal amount of 2023/24 New Money Bonds may be issued for the purpose of financing the 2023/24 Project, that not to exceed \$31,000,000 principal amount of the 2023/24 Refunding Bonds may be issued for the purpose of refunding fixed rate Refunded Bonds and not to exceed \$11,000,000 principal amount of the 2023/24 Refunding Bonds may be for the purpose of refunding variable rate Refunded Bonds;

(b) the number, if any, and any other designation and the Delivery Date for such Series of 2023/24 Series X Bonds;

(c) for 2023/24 New Money Bonds, a description of the 2023/24 Project;

(d) for 2023/24 Refunding Bonds, the Refunded Bonds to be refunded through the issuance of the 2023/24 Series X Bonds of such Series and the date or dates on which such Refunded Bonds are to be redeemed, which shall be such date or dates as the Managing Director/CEO determines to be the earliest date or dates on which such Refunded Bonds may be redeemed in light of the circumstances then existing; and the identity of the Escrow Agent, if any, for such Refunded Bonds and the Sinking Fund Installments, if any, to which the principal amount of the Refunded Bonds shall be credited;

(e) the principal amounts of the 2023/24 Series X Bonds of such Series coming due on any particular date;

(f) the respective dates on which the 2023/24 Series X Bonds of such Series shall mature and the principal amount of each such maturity; *provided, however*, that the latest maturity date for 2023/24 New Money Bonds shall be no later than October 1, 2059 and that the 2023/24 Refunding Bonds of each Series shall have a weighted average life no greater than the weighted average life of the Refunded Bonds refunded thereby, plus one year;

(g) the respective rate or rates of interest to be borne by the 2023/24 Series X Bonds of such Series maturing on each such date; *provided, however*, that (A) with respect to 2023/24 New Money Bonds, the all-in true interest cost of such 2023/24 New Money Bonds shall not exceed 7.00 percent per annum, (B) for any 2023/24 Refunding Bonds maturing on the October 1 next following the Delivery Date of such Series of 2023/24 Series X Bonds, such refunding shall result in positive net present value savings for such maturity; (C) for any 2023/24 Refunding Bonds maturing on an October 1 occurring at least one year and less than three years after the Delivery Date of such Series of 2023/24 Refunding Bonds, the present value savings shall not be less than 3.00 percent of the aggregate principal amount of such Refunded Bonds; (D) for any 2023/24 Refunding Bonds maturing on an October 1 occurring at least three years and less than nine years after the Delivery Date of such Series of 2023/24 Refunding Bonds, the present value savings shall not be less than 4.00 percent of the aggregate principal amount of such Refunded Bonds; (E) for

any 2023/24 Refunding Bonds maturing after on or after the October 1 occurring at least nine years after the Delivery Date of such Series of 2023/24 Refunding Bonds, the present value savings shall not be less than 5.00 percent of the aggregate principal amount of such Refunded Bonds; or (F) in lieu of complying with the requirements of sub-clauses (A), (B), (C), (D) and (E) above, the present value savings resulting from the issuance of such 2023/24 Refunding Bonds shall not be less than 5.00 percent of the aggregate principal amount of such Refunded Bonds; *provided, further*, compliance with the foregoing requirements of this clause (g) shall be effected by dividing the issue into its constituent purposes (*i.e.*, refunding of the respective maturities described in subclauses (B) through (F) above) and allocating on a ratable basis (based on the respective issue prices for federal income tax purposes) costs of issuance, underwriting discount, any deposit to the Initial Subaccount and any other items to the purposes that gave rise to such expenses; *provided, however*, that if the Managing Director/CEO determines that some other allocation method will result in a more accurate determination of the present value savings attributable to such constituent purposes (which determination shall be confirmed by JEA's financial advisor), then such other allocation method shall be used in lieu of the foregoing method;

(h) the commencement date of interest payments on the 2023/24 Series X Bonds of such Series, which shall be either of the April 1 or October 1 next following the Delivery Date of such Series of 2023/24 Series X Bonds;

(i) if the 2023/24 Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate are to be subject to redemption prior to maturity as provided in Article IV of the Bond Resolution by operation of the Debt Service Fund from mandatory Sinking Fund Installments, the due dates and amounts of such Sinking Fund Installments; *provided, however*, that each Sinking Fund Installment due date shall fall upon an October 1 interest payment date for the 2023/24 Series X Bonds;

(j) if the 2023/24 Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate are to be subject to optional redemption, the terms upon which such 2023/24 Series X Bonds shall be subject to redemption at the election of JEA; *provided, however*, that the highest redemption price at which such 2023/24 Series X Bonds may be so redeemed shall not be greater than 101 percent of the principal amount thereof, plus accrued interest to the date of redemption and the first such optional redemption date shall not be less than four years nor more than 10 years from the date of issuance;

(k) the purchase price for the 2023/24 Series X Bonds of such Series to be paid by the Underwriters pursuant to the Bond Purchase Agreement; *provided, however*, that such purchase price shall result in compliance with the limitations set forth in this Section 2.03;

(l) the identity of the senior managing underwriter and co-senior managing underwriter, if applicable, for such Series of 2023/24 Series X Bonds from any of the Underwriters;

(m) whether the procurement of municipal bond insurance for any 2023/24 Series X Bonds of such Series is advantageous to JEA;

(n) the maturity or maturities (or interest rates within maturities) which shall constitute the Insured 2023/24 Series X Bonds of such Series (if any);

(o) the identity of the Bond Insurer for any Insured 2023/24 Series X Bonds of such Series, which Bond Insurer is hereby designated as the Credit Enhancer for such Insured 2023/24 Series X Bonds within the meaning of the Bond Resolution, and any additional insurance provisions required by such Bond Insurer, which provisions (i) shall not be contrary to or inconsistent with the Bond Resolution as in effect on the date of adoption of this Supplemental Resolution, (ii) shall have been determined by JEA's financial advisor to be (X) necessary or advisable in order to cause such Bond Insurer to issue its Bond Insurance Policy and (Y) commercially reasonable in form and content, (iii) shall have been approved as to form by the Office of General Counsel and (iv) shall be deemed incorporated in this Supplemental Resolution for purposes of the Insured 2023/24 Series X Bonds of such Series;

(p) whether the procurement of a Reserve Policy in connection with the issuance of such Series of the 2023/24 Series X Bonds is advantageous to JEA and, if so, the identity of the Surety Provider and the form of financial guaranty agreement or reimbursement agreement, if any, to be executed in connection with the issuance of such Reserve Policy, such form to contain provisions that (i) shall not be contrary to or inconsistent with the Bond Resolution as in effect on the date of adoption of this Supplemental Resolution, (ii) shall have been determined by JEA's financial advisor to be (X) necessary or advisable in order to cause such Surety Provider to issue its Reserve Policy and (Y) commercially reasonable in form and content and (iii) shall have been approved as to form by the Office of General Counsel; and

(q) the amount, if any, of the proceeds of the 2023/24 Series X Bonds of such Series to be deposited in the Initial Subaccount, if any.

In the event that one or more Series of 2023/24 Series X Bonds are issued on the same day as part of a common plan of finance for the same Bond financing, JEA may demonstrate compliance with the savings requirements set forth in clause (g) above by calculating such savings either on an aggregate basis (e.g., each Series of 2023/24 Series X Bonds issued on the same day as part of the same Bond financing are combined into one Series and compliance with the savings criteria is measured using the combined Series) or on a Series by Series basis (e.g., each individual Series that is issued as part of the same Bond financing must satisfy the savings criteria independently of any other Series issued on the same day).

ARTICLE III

ADDITIONAL PROVISIONS RELATING TO 2023/24 SERIES X BONDS

SECTION 3.01 Minimum Denomination, Dates, Numbers and Letters. The 2023/24 Series X Bonds of each Series shall be issued in fully registered form in the denominations of \$5,000 or any integral multiple of \$5,000. Each 2023/24 Series X Bond shall be dated the date of its authentication, except that all 2023/24 Series X Bonds issued prior to the first interest payment date shall be dated the applicable Delivery Date thereof. Unless an Authorized Officer of JEA shall otherwise direct, the 2023/24 Series X Bonds of each Series shall be numbered, from one upward, preceded by the letter "R" prefixed to the number.

SECTION 3.02 Place of Payment; Appointment of Paying Agent and Bond Registrar. Except as provided in subsection 5 of Section 309 of the Bond Resolution and

subsection (3) of Section 3.04 hereof, the principal and Redemption Price of the 2023/24 Series X Bonds shall be payable at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (or such other city as may be designated by such bank), and such institution is hereby appointed Paying Agent for the 2023/24 Series X Bonds. The principal and Redemption Price of the 2023/24 Series X Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by the Bond Resolution. Except as provided in subsection (3) of Section 3.04 of this resolution, the interest on the 2023/24 Series X Bonds shall be payable by check or draft of U.S. Bank Trust Company, National Association, as Paying Agent, mailed to the persons entitled thereto at the addresses of such persons shown on the registration books of JEA kept for that purpose at the office of U.S. Bank Trust Company, National Association, and such institution is hereby appointed Bond Registrar for the 2023/24 Series X Bonds.

SECTION 3.03 Designation of 2023/24 Series X Bonds as an Additionally Secured Series. In accordance with the provisions of subsection 1 of Section 509 of the Bond Resolution, the 2023/24 Series X Bonds shall be additionally secured by amounts on deposit in the Initial Subaccount and, as such, shall be Initial Subaccount Additionally Secured Bonds.

SECTION 3.04 Designation of the 2023/24 Series X Bonds as Book Entry Bonds; Appointment of Securities Depository for the 2023/24 Series X Bonds. (1) Except as provided in subsection (4) below, the 2023/24 Series X Bonds are hereby authorized to be and shall be issued as Book Entry Bonds within the meaning of and subject to Section 309 of the Bond Resolution.

(2) DTC is hereby appointed as the initial Securities Depository for the 2023/24 Series X Bonds.

(3) The 2023/24 Series X Bonds of each Series shall be issued initially in the form of a separate single, fully registered Bond in the amount of each separate stated maturity (and, if applicable, each interest rate within a maturity) of such Series. So long as DTC serves as Securities Depository for a particular Series of the 2023/24 Series X Bonds, the registered holder of all 2023/24 Series X Bonds of such Series shall be, and each of the 2023/24 Series X Bonds of such Series shall be registered in the name of Cede & Co. ("Cede"), as nominee of DTC. Upon delivery by DTC to JEA or the Bond Registrar for the 2023/24 Series X Bonds of such Series of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of the Bond Resolution, the word "Cede" in this resolution shall refer to such new nominee of DTC. Notwithstanding any other provisions of the Bond Resolution or this resolution to the contrary, so long as any 2023/24 Series X Bond of a particular series is registered in the name of Cede, as nominee of DTC in its capacity as Securities Depository for the 2023/24 Series X Bonds of such Series, all payments with respect to the principal or Redemption Price of, and interest on, such 2023/24 Series X Bond of such Series and all notices with respect to such 2023/24 Series X Bond of such Series shall be made or given, as the case may be, to DTC as provided in DTC's Operational Arrangements (as defined in the Letter of Representations); *provided, however*, that if a substitute securities depository shall be appointed, all payments with respect to the principal or Redemption Price of, and interest on, the 2023/24 Series X Bonds of such Series and all notices with respect to the 2023/24 Series X Bonds of such Series shall be made

and given, respectively, to such substitute securities depository (or any nominee thereof) as provided in the procedures of such substitute securities depository.

(4) (a) DTC may determine to discontinue providing its services as Securities Depository for a particular Series of the 2023/24 Series X Bonds at any time by giving reasonable notice thereof to JEA or the Paying Agent and the Bond Registrar for the 2023/24 Series X Bonds of such Series. Upon the discontinuance of the services of DTC as Securities Depository for the 2023/24 Series X Bonds of such Series pursuant to the preceding sentence, JEA may within 90 days thereafter appoint a substitute securities depository which, in the opinion of JEA, is willing and able to undertake the functions of Securities Depository under the Bond Resolution upon reasonable and customary terms. In such event, and subject to the transfer provisions of the Bond Resolution, the word "DTC" in this resolution shall refer to such substitute securities depository and the word "Cede" in this resolution shall refer to the nominee, if any, of such substitute securities depository (or, if there shall be no such nominee, then the word "Cede" in this resolution shall refer to such substitute securities depository). If no such successor can be found within such period, the 2023/24 Series X Bonds of such Series no longer shall be restricted to being registered in the registration books kept by the Bond Registrar for the 2023/24 Series X Bonds of such Series in the name of a Securities Depository.

(b) In the event that the 2023/24 Series X Bonds of a Series no longer shall be restricted to being registered in the registration books kept by the Bond Registrar for the 2023/24 Series X Bonds of such Series in the name of a Securities Depository as provided in paragraph (a) of this subsection (4), (i) JEA shall execute and such Bond Registrar for the 2023/24 Series X Bonds of such Series shall authenticate and deliver, upon presentation and surrender of the 2023/24 Series X Bonds of such Series bond certificates as requested by the Securities Depository therefor of like Series, aggregate principal amount, maturity and interest rate, in authorized denominations, to the identifiable beneficial owners in replacement of such beneficial owners' beneficial ownership interests in the 2023/24 Series X Bonds of such Series, and (ii) such Bond Registrar shall notify the Paying Agents for the 2023/24 Series X Bonds of such Series that the 2023/24 Series X Bonds of such Series no longer are restricted to being registered in the registration books kept by such Bond Registrar in the name of a Securities Depository.

SECTION 3.05 Redemption Prices and Terms. (1) If the Managing Director/CEO determines that the 2023/24 Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate shall be subject to redemption prior to maturity as provided in Article IV of the Bond Resolution by operation of the Debt Service Fund to satisfy the Sinking Fund Installments, and such determination is set forth in the certificate referred to in Section 2.03 hereof relating to such Series of the 2023/24 Series X Bonds, then the 2023/24 Series X Bonds of such Series maturing on such date and bearing interest at such rate shall be subject to redemption prior to maturity as provided in Article IV of the Bond Resolution, on the respective dates and in the respective amounts set forth in such certificate, in each such case, at a Redemption Price equal to 100 percent of the principal amount thereof, together with accrued interest to the redemption date.

(2) If the Managing Director/CEO determines that the 2023/24 Series X Bonds of a Series maturing on a particular date and bearing interest at a particular rate shall be subject to optional redemption, such 2023/24 Series X Bonds shall be subject to redemption prior to maturity at the election of JEA, as a whole or in part, at any time on and after the initial date on which such

2023/24 Series X Bonds may be so redeemed set forth in the certificate referred to in Section 2.03 hereof relating to such Series of the 2023/24 Series X Bonds, in either such case, at the respective Redemption Prices set forth in such certificate, in each case, together with accrued interest to the redemption date.

SECTION 3.06 Application of Proceeds of 2023/24 Series X Bonds.

(a) In accordance with Article II of the Bond Resolution, the proceeds of the 2023/24 New Money Bonds of such Series shall be applied simultaneously with the delivery of such Series of the 2023/24 New Money Bonds as follows:

(i) There shall be deposited in the Initial Subaccount an amount equal to the difference, if any, between (i) the Debt Service Reserve Requirement for the Initial Subaccount calculated immediately after the authentication and delivery of the 2023/24 New Money Bonds of such Series and (ii) the sum of the amounts then on deposit in the Initial Subaccount, valued as provided in Section 604 of the Bond Resolution; and

(ii) The remaining balance of the proceeds shall be deposited in the Construction Fund or a separate subaccount thereof in order to pay (i) the costs of the additions, extensions and improvements to the District Energy System which costs may include capitalized interest on the 2023/24 Series X Bonds of such Series for a period not to exceed two years, and (ii) the costs and expenses of issuing the 2023/24 New Money Bonds of such Series.

(b) In accordance with Article II of the Bond Resolution, the proceeds of the 2023/24 Refunding Bonds of such Series shall be applied simultaneously with the delivery of such Series of the 2023/24 Refunding Bonds as follows:

(i) There shall be delivered to the Escrow Agent or the Paying Agent, as applicable, simultaneously with the delivery of the 2023/24 Refunding Bonds of each Series, for deposit in the Escrow Account, an amount determined by an Authorized Officer of JEA as being equal to the amount necessary, when combined with the moneys, if any, transferred to the Escrow Account as provided in Section 3.07 hereof, to purchase such securities as are permitted by Section 1201 of the Bond Resolution, the principal of and interest to be received on which, together with any initial cash balance, will provide moneys which will be, or if such amount is to be held uninvested, the amount which will be sufficient to pay when due the principal or Redemption Price, as applicable, of the Refunded Bonds being refunded thereby on the respective maturity dates of such Refunded Bonds or the respective dates such Refunded Bonds are to be called for redemption, as applicable, and the interest to become due on such Refunded Bonds on and prior to such respective maturity or redemption dates, as the case may be;

(ii) There shall be deposited in the Initial Subaccount an amount equal to the difference, if any, between (i) the Debt Service Reserve Requirement for the Initial Subaccount calculated immediately after the authentication and delivery of the 2023/24 Series X Bonds of such Series and (ii) the sum of the amounts then on deposit in the Initial Subaccount, valued as provided in Section 604 of the Bond Resolution; and

(c) The remaining balance of the proceeds shall be deposited in the Construction Fund or a separate subaccount thereof in order to pay (i) the costs and expenses of issuing the 2023/24 Series X Bonds of such Series and (ii) if the 2023/24 Refunding Bonds of such Series are being issued to refund any Refunded Bonds that are not being defeased within the meaning of Section 1201 of the Bond Resolution, the principal of or Redemption Price, as applicable, of such Refunded Bonds when due.

SECTION 3.07 Transfer of Certain Amounts. (a) Subject to the provisions of subsection 5 of Section 507 of the Bond Resolution, simultaneously with the delivery of each Series of the 2023/24 Refunding Bonds, there shall be transferred from the Debt Service Account in the Debt Service Fund to the Escrow Agent or Paying Agent, as applicable, for deposit in the Escrow Account, moneys in an amount determined by an Authorized Officer of JEA as not being greater than the Debt Service accrued on the Refunded Bonds being refunded thereby to the date of delivery of such 2023/24 Refunding Bonds. Such withdrawal shall, however, not be made if and to the extent that the effect thereof would cause the amount remaining on deposit in the Debt Service Account to be less than the Accrued Aggregate Debt Service calculated immediately after the issuance of such 2023/24 Refunding Bonds.

(b) Subject to the provisions of subsection 5 of Section 508 of the Bond Resolution, simultaneously with the delivery of each Series of the 2023/24 Refunding Bonds, there shall be withdrawn from the Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund for transfer to the Escrow Agent or Paying Agent, as applicable, for deposit in the Escrow Account, moneys in an amount determined by an Authorized Officer of JEA. Such withdrawal shall, however, not be made if and to the extent that the effect thereof would cause the amount remaining on deposit in Initial Subaccount in the Debt Service Reserve Account in the Debt Service Fund to be less than the Debt Service Reserve Requirement calculated immediately after the issuance of such 2023/24 Refunding Bonds.

SECTION 3.08 Authorization of 2023/24 Project and Refunding. The 2023/24 Project as well as the refunding of the Refunded Bonds in the manner provided herein is hereby authorized.

SECTION 3.09 Redemption of Refunded Bonds. (1) In the case of any Refunded Bonds to be refunded by a Series of the 2023/24 Refunding Bonds that are to be redeemed prior to maturity, such Refunded Bonds are hereby designated for redemption and the Escrow Agent (if any) or the respective Paying Agents therefor, as applicable, are hereby directed to redeem such Refunded Bonds on the respective dates determined by the Managing Director/CEO pursuant to clause (b) of the second paragraph of Section 2.03 hereof at a Redemption Price equal to the principal amount of the Refunded Bonds to be redeemed plus the redemption premium(s) for the applicable redemption date(s) (in each case, together with accrued interest thereon to the date fixed for redemption).

(2) The designation for redemption set forth in the foregoing subsection (1), and the direction to the Escrow Agent (if any) or the respective Paying Agents for the Refunded Bonds, as applicable, set forth therein, shall be, and hereby are declared to be, irrevocable upon the original issuance of the applicable Series of the 2023/24 Refunding Bonds.

(3) In order to effectuate such designation, on or prior to the applicable Delivery Date, an Authorized Officer of JEA shall give the Escrow Agent or the Bond Registrar, as applicable, for any Refunded Bonds to be redeemed prior to maturity instructions to mail, postage prepaid, not less than 30 days (or such lesser number of days as is permitted pursuant to the applicable supplemental resolution(s) for the Refunded Bonds) prior to the redemption date therefor, to all registered owners of such Refunded Bonds at their last addresses appearing on the registry books of JEA kept by the Bond Registrar therefor, a notice of redemption in substantially the following form:

[REVOCABLE]¹ NOTICE OF [FULL] [PARTIAL] REDEMPTION

JEA

**DISTRICT ENERGY SYSTEM REVENUE BONDS
DESCRIBED BELOW**

Notice is hereby given to the holders of the outstanding JEA District Energy System Revenue Bonds described below (the "Bonds") that the Bonds have been called for redemption prior to maturity on _____, 20__ in accordance with their terms at a redemption price of _____ percent of the principal amount thereof [, together with accrued interest thereon to _____, 20__]. **[The source of funds to be used for such redemption is certain moneys heretofore deposited with [_____, as Escrow Agent.][_____, as Paying Agent.]**

<u>Series</u>	<u>Maturity Date</u> <u>(October 1)</u>	<u>Interest Rate</u> _____%	<u>Principal Amount</u> \$ ____	<u>CUSIP</u>
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[THIS CALL FOR, REDEMPTION IS REVOCABLE AND IS CONDITIONED UPON THE ISSUANCE BY JEA OF ITS REFUNDING BONDS ON OR PRIOR TO _____, 20__. In the event that JEA's refunding bonds are not issued on or prior to _____, 20__, this notice shall be of no further force or effect and the Bonds shall continue to bear interest until paid at the same rates they would have borne had this notice not been given. If JEA's refunding bonds are not issued on or prior to _____, 20__, the undersigned, on behalf of JEA, shall give notice forthwith of such fact to the holders of the Bonds, and this notice shall thereupon be revoked and shall be of no further force and effect.]

[Subject to the foregoing, t] [T]he redemption price of [and accrued interest on] the Bonds shall become due and payable on _____, 20__ and from and after _____, 20__ interest on the Bonds shall cease to accrue and be payable. [Interest will be paid in the usual manner.]

Holders of the Bonds will receive payment of the redemption price [and accrued interest] to which they are entitled upon presentation and surrender thereof at the principal corporate trust offices of [specify names of current Paying Agents].

¹ To be included in any redemption notice given prior to the Delivery Date of the 2023/24 Refunding Bonds of the Series issued to refund such Refunded Bonds.

Dated this ___ day of _____, 20___.

JEA

By: _____
as [Escrow Agent/ Bond Registrar]

SECTION 3.10 Representations and Covenants Regarding the Pledge of the Bond Resolution. JEA represents that, pursuant to the Acts, the Bond Resolution creates a valid, binding and irrevocable pledge of (a) the proceeds of the sale of the 2023/24 Series X Bonds of each particular Series, (b) the Revenues and (c) all Funds and Accounts established by the Bond Resolution (other than the Debt Service Reserve Account in the Debt Service Fund and the Renewal and Replacement Fund), including the investments and investment income, if any, thereof (collectively, the "Trust Estate"), in each such case, prior to all other liens or encumbrances on the Trust Estate, subject only to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution, for the benefit of the Holders of the Bonds, including the 2023/24 Series X Bonds, as security for the payment of the Bonds, including the 2023/24 Series X Bonds, to the extent set forth therein, enforceable in accordance with the terms thereof.

JEA has not heretofore made or granted a pledge or assignment of, lien on or security interest in the Trust Estate that ranks on a parity with or prior to the pledge made or granted in the Bond Resolution. JEA shall not hereafter make or grant a pledge or assignment of, lien on or security interest in the Trust Estate that ranks prior to or on a parity with the pledge made or granted in the Bond Resolution, except as expressly permitted thereby.

SECTION 3.11 Form of Bonds. The form of the 2023/24 Series X Bonds and the Bond Registrar's Certificate of Authentication thereon shall be substantially as set forth as Exhibit A hereto, with such variations, omissions and insertions, not inconsistent with the provisions of the Bond Resolution, as shall be approved by the Managing Director/CEO, such approval to be conclusively evidenced by his execution of the instruments necessary to issue the 2023/24 Series X Bonds.

ARTICLE IV
SALE OF THE 2023/24 SERIES X BONDS; OFFICIAL STATEMENT;
ESCROW DEPOSIT AGREEMENT; CONTINUING DISCLOSURE

SECTION 4.01 Negotiated Sale. For the reasons stated in the recitals to this resolution, it is necessary and in the best interests of JEA to sell the 2023/24 Series X Bonds of each Series on a negotiated basis. The terms and conditions of the bond purchase agreement between JEA and the Underwriters, providing for the negotiated sale and purchase of the 2023/24 Series X Bonds of a particular Series, in substantially the form attached hereto as Exhibit B (the "Bond Purchase Agreement"), are hereby approved. At such time or times as the Managing Director/CEO shall determine is (or are) advantageous to JEA, such officer shall execute and deliver the Bond Purchase Agreement (with such changes as are necessary to reflect, among other

things, the terms of the 2023/24 Series X Bonds of the particular Series) as provided in Section 5.01 hereof, such determination to be evidenced by the execution and delivery thereof; *provided, however*, that at or prior to the time of the execution and delivery of the Bond Purchase Agreement, JEA shall have received from the senior managing underwriter(s) the disclosure statement required pursuant to Section 218.385(6), Florida Statutes. The purchase price of the 2023/24 Series X Bonds to be paid by the Underwriters pursuant to the applicable Bond Purchase Agreement shall be determined as provided in Section 2.03 of this resolution, subject to the limitations set forth therein.

SECTION 4.02 Preliminary Official Statement and Official Statement. The form and use of a preliminary official statement for the 2023/24 Series X Bonds, in substantially the form of the Preliminary Official Statement relating to the District Energy System Refunding Revenue Bonds, 2013 Series A (Federally Taxable) with such modifications as recommended by Bond or Disclosure Counsel or any other Preliminary Official Statement more recently executed and delivered by JEA in connection with the sale of bonds with such changes, omissions, insertions and revisions as an Authorized Officer of JEA shall deem necessary or appropriate (collectively, the "Form Preliminary Official Statement"), is hereby authorized and approved in connection with the offering and sale of the 2023/24 Series X Bonds of each Series.

In the event that the Managing Director/CEO shall determine that it is desirable to issue and sell the 2023/24 Series X Bonds of one or more Series as provided in Section 4.01 or Section 4.02 hereof, the Managing Director/CEO is hereby authorized and directed to cause to be prepared a Preliminary Official Statement with respect to such bonds substantially in the form of the Form Preliminary Official Statement and with such changes thereto as are necessary (a) to reflect, among other things, the terms of such 2023/24 Series X Bonds and the security and sources of payment therefor and (b) so that such Preliminary Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, and, in such case, to cause such Preliminary Official Statement to be used in connection with the offering and sale of such 2023/24 Series X Bonds and, if applicable, the Treasurer of JEA, the Chief Financial Officer, the Vice President, Financial Services or the Managing Director/CEO is hereby authorized to deem said Preliminary Official Statement final for purposes of the Rule. In the event that the Managing Director/CEO shall cause to be prepared a Preliminary Official Statement for such 2023/24 Series X Bonds as aforesaid, an Official Statement relating to such 2023/24 Series X Bonds, in substantially the form of said Preliminary Official Statement, with such changes as are necessary (a) to reflect, among other things, the terms of such 2023/24 Series X Bonds and the security and sources of payment therefor and (b) so that such Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, is hereby authorized and approved for use in connection with the offering and sale of such 2023/24 Series X Bonds.

SECTION 4.03 Appointment of the Escrow Agent and Authorization and Approval of the Escrow Deposit Agreement; Authorization to Purchase SLGS and Other Investments. The Managing Director/CEO is hereby authorized to appoint U.S. Bank Trust Company, National Association, The Bank of New York Mellon Trust Company, N.A. or any other bank or trust company selected pursuant to JEA's procurement code to act as Escrow Agent

with respect to a particular Series of the 2023/24 Refunding Bonds. An Escrow Deposit Agreement is hereby approved in substantially the form attached hereto as Exhibit C, with such changes thereto as are necessary to reflect, among other things, the terms of the relevant transaction. Pursuant to the Escrow Deposit Agreement, the Escrow Agent shall be directed to invest the funds held thereunder in the manner provided therein.

In connection with the refunding of the Refunded Bonds as provided herein, each Authorized Officer of JEA is hereby authorized, if deemed desirable, to cause proceeds of the 2023/24 Refunding Bonds and other available amounts, and earnings thereon, to be invested in United States Treasury Securities - State and Local Government Series ("SLGS") or other obligations permitted to be used to accomplish the defeasance of such Refunded Bonds in such amounts, at such times, maturing at such times and having such rate or rates of interest as any Authorized Officer of JEA shall determine is necessary or desirable; and each such Authorized Officer of JEA and, upon receipt of instructions from an Authorized Officer of JEA, any authorized officer of the Escrow Agent is hereby authorized in the name and on behalf of JEA to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations.

SECTION 4.04 Continuing Disclosure. For the benefit of the holders and beneficial owners from time to time of the 2023/24 Series X Bonds of a particular Series, JEA agrees, as an obligated person with respect to the 2023/24 Series X Bonds of such Series under the Rule, to provide or cause to be provided such financial information and operating data, audited financial statements and notices, in such manner as may be required for purposes of paragraph (b)(5) of the Rule. In order to describe and specify certain terms of JEA's continuing disclosure agreement for that purpose, and thereby to implement that agreement, including provisions for enforcement, amendment and termination, the Authorized Officers of JEA are, and each of them hereby is, authorized and directed to sign and deliver, in the name and on behalf of JEA, a Continuing Disclosure Agreement with respect to the 2023/24 Series X Bonds of such Series substantially in the form of Appendix C to the Form Preliminary Official Statement, with any changes or amendments that: (i) are not inconsistent with this resolution and (ii) are not substantially adverse to JEA or (iii) may be required by Rule 15c2-12, and that are approved by the officer of JEA executing the same on behalf of JEA, all of which shall be conclusively evidenced by the signing of that agreement or amendments to it. The agreement formed, collectively, by this paragraph and that agreement, shall be JEA's continuing disclosure agreement with respect to the 2023/24 Series X Bonds of such Series for purposes of the Rule, and its performance shall be subject to the annual appropriation of any funds that may be necessary to perform it.

The Authorized Officers of JEA are, and each of them hereby is, further authorized and directed to take such actions as shall be necessary to comply with each such continuing disclosure agreement, including timely provision of information and notices. Prior to making any filing in accordance with any such agreement or providing notice of the occurrence of any other events, an Authorized Officer of JEA shall consult with and obtain legal advice from, as appropriate, the General Counsel and bond or other qualified independent special counsel selected by JEA. Any Authorized Officer of JEA, acting in the name and on behalf of JEA, shall be entitled to rely upon any such legal advice in determining whether a filing should be made.

**ARTICLE V
OTHER PROVISIONS**

SECTION 5.01. TAX COVENANTS.

(a) JEA covenants that it shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Tax-Exempt 2023/24 Series X Bonds under Section 103 of the Code and the applicable Treasury Regulations promulgated thereunder. Without limiting the generality of the foregoing, JEA covenants that it will comply with the instructions and requirements of the Tax Certificate to be executed and delivered on the date of issuance of each Series of the Tax-Exempt 2023/24 Series X Bonds concerning certain matters pertaining to the use of proceeds of the Tax-Exempt 2023/24 Series X Bonds of such Series, including any and all exhibits attached thereto (the "Tax Certificate"). This covenant shall survive payment in full or defeasance of the Tax-Exempt 2023/24 Series X Bonds.

(b) Notwithstanding any provisions of this Section, if JEA shall obtain an opinion of nationally recognized municipal bond attorneys to the effect that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on the applicable Series of the 2023/24 New Money Bonds, JEA may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

(c) Notwithstanding any other provision of the Bond Resolution to the contrary, (i) upon JEA's failure to observe or refusal to comply with the above covenants with respect to the Tax-Exempt 2023/24 Series X Bonds of a Series, the holders of the Tax-Exempt 2023/24 Series X Bonds of such Series shall be entitled to the rights and remedies provided to Bondholders under the Bond Resolution, other than the right (which is hereby abrogated solely in regard to JEA's failure to observe or refusal to comply with the covenants of this Section) to declare the principal of all Bonds then outstanding, and the interest accrued thereon, to be due and payable and (ii) the holders of any Bonds other than the Tax-Exempt 2023/24 Series X Bonds of such Series shall not be entitled to exercise any right or remedy provided to Bondholders under the Bond Resolution based upon JEA's failure to observe, or refusal to comply with, the above covenants with respect to the Tax-Exempt 2023/24 Series X Bonds of such Series.

SECTION 5.02. Authorization of the Execution and Delivery of Any Series of 2023/24 Series X Bonds and Related Documents; Authorization of Authentication. The Authorized Officers of JEA are hereby authorized to execute the 2023/24 Series X Bonds of any Series, the Bond Purchase Agreements, the Escrow Deposit Agreements, if any, the Continuing Disclosure Agreements, and the Official Statements on behalf of JEA, each subject to completion thereof, and with such changes therein as they may approve as necessary and desirable and in the best interest of JEA, such approval to be evidenced by the execution and delivery thereof; *provided, however*, that the 2023/24 Series X Bonds of each Series shall be executed and delivered pursuant to the Bond Resolution and applicable law. The Secretary or an Assistant Secretary of JEA is hereby authorized (but not required) to cause the seal of JEA to be affixed to the 2023/24

Series X Bonds of each Series and the foregoing documents and to attest the same. Such Authorized Officers of JEA are each hereby authorized to deliver such Bonds and documents on behalf of JEA.

In the event that the Managing Director/CEO shall determine that it is desirable to sell and issue the 2023/24 Series X Bonds of a particular Series as provided in this resolution, U.S. Bank Trust Company, National Association, as Bond Registrar for the 2023/24 Series X Bonds, is hereby requested and authorized to authenticate and deliver the 2023/24 Series X Bonds of such Series in the aggregate principal amount for such Series determined as provided in this resolution, to or upon the order of the Underwriters, upon payment to JEA of the sum to be specified in the Bond Purchase Agreement with respect to such 2023/24 Series X Bonds and pursuant to the terms of the Bond Resolution and such Bond Purchase Agreement.

SECTION 5.03. Further Actions. Each Authorized Officer of JEA is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all administrative acts and things as may be necessary or desirable in connection with the adoption of this resolution and the approval, execution and delivery of the Bond Purchase Agreements, the Escrow Deposit Agreements, if any, and the Continuing Disclosure Agreements, the carrying out of the terms of the Bond Resolution and this resolution; the issuance, sale, execution and delivery of the 2023/24 Series X Bonds of each Series; and the use of the Preliminary Official Statements and the Official Statements. Without limiting the generality of the foregoing, the Managing Director/CEO is hereby authorized to execute the certificates referred to in Section 2.03 of this resolution, in order to evidence the determinations referred to in Sections 2.01, 4.01 and 4.02 hereof. In the absence of the Managing Director/CEO of JEA for any reason, the authority granted to him in this resolution is hereby delegated to the Vice President, Water/Wastewater Systems of JEA, the Chair of JEA's governing board and the Chair of the Finance and Audit Committee of JEA's governing board, in that order.

SECTION 5.04. Approval with Respect to Registration or Qualification of the 2023/24 Series X Bonds Under the Blue Sky or Securities Laws of Various States. The Authorized Officers of JEA shall be, and hereby are, authorized in the name and on behalf of JEA, to take any and all action which they deem necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of the 2023/24 Series X Bonds of a Series for issue, offer, sale or trade under the Blue Sky or securities laws of any of the states of the United States of America and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorneys to receive service of process and other papers and instruments which may be required under such laws, and to take any and all further action which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law or by the Underwriters.

SECTION 5.06. Severability. If any one or more provisions of this resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way affect the validity or enforceability of such remaining provisions.

ARTICLE VI
REMAINING AUTHORIZATION UNDER RESOLUTION
NO. 2023-06 SUPERSEDED

SECTION 6.01 **Remaining Authorization under Resolution No. 2023-06 SUPERSEDED.** Any remaining authorization to issue additional debt under Resolution No. 2023-06 adopted by JEA on January 24, 2023 and the authorization of the issuance of District Energy System Revenue Bonds, Series X thereunder are hereby superseded by this Resolution and repealed. The foregoing shall not affect in any manner the authorization of debt previously issued pursuant to Resolution No. 2023-06.

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**ARTICLE VII
EFFECTIVE DATE**

SECTION 7.01 **Effective Date.** This resolution shall take effect immediately upon its adoption.

ADOPTED THIS 26TH DAY OF SEPTEMBER, 2023.



JEA

By: _____
Name:
Title:

ATTEST:

By: _____
Secretary

Approved as to Form:

By: _____
Office of General Counsel

EXHIBIT A

FORM OF BONDS

AS PROVIDED IN THE RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE RESOLUTION TO THE CONTRARY, (A) THIS BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO A NOMINEE OF DTC, OR BY A NOMINEE OF DTC TO DTC OR A NOMINEE OF DTC, OR BY DTC OR A NOMINEE OF DTC TO ANY SUCCESSOR SECURITIES DEPOSITORY OR ANY NOMINEE THEREOF AND (B) A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE RESOLUTION.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT FOR PAYMENT OF PRINCIPAL OR REDEMPTION PRICE, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC OR ITS NOMINEE OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, CEDE & CO., AS NOMINEE OF DTC, HAS AN INTEREST HEREIN.

No. R- _____

\$ _____

UNITED STATES OF AMERICA
STATE OF FLORIDA
JEA
DISTRICT ENERGY SYSTEM REVENUE BONDS
SERIES X

<u>RATE OF INTEREST</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
_____ %	October 1, 20____	_____, 20____	46615M_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that JEA, a body politic and corporate and an independent agency of the City of Jacksonville, Florida (the "City"), acknowledges itself indebted to, and for value received hereby promises to pay to the Registered Owner or registered assigns set forth above on the Maturity Date set forth above, but solely from the funds pledged therefor, upon presentation and surrender of this bond at the principal corporate trust office of U.S. Bank Trust Company, National Association in Jacksonville, Florida (such bank and any successors thereto being herein called the "Paying Agent"), the Principal Sum set forth above in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay to the Registered Owner hereof interest on such Principal Sum in like coin or currency, from the date hereof until JEA's obligation with respect to the payment of such Principal Sum shall be discharged, at the rate of interest per annum set forth above, payable on the first days of April and October in each year, commencing [April 1] [October 1], 20___. Interest payments shall be made by check or draft of the Paying Agent, mailed to the person in whose name this bond is registered at such person's address as it appears on the registration books maintained by U.S. Bank Trust Company, National Association (the "Bond Registrar") on behalf of JEA at the close of business on the 15th day of the month (whether or not a business day) next preceding the applicable interest payment date (the "Record Date"), irrespective of any transfer or exchange of this bond subsequent to such Record Date and prior to such interest payment date, unless JEA shall default in the payment of interest due on such interest payment date. In the event of any such default in the payment of interest, such defaulted interest shall be payable to the person in whose name this bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Bond Registrar on behalf of JEA to the registered owner (as of the fifth calendar day preceding such mailing) of this bond not less than 15 calendar days preceding such special record date. However, so long as this bond and the issue of which it is one are held in book entry form pursuant to the Resolution (hereinafter referred to), the provisions of the Resolution governing such book entry form shall govern repayment of the principal or redemption price of, and interest on, such bonds.

This bond is one of a duly authorized issue of bonds of JEA designated "District Energy System Revenue Bonds" (hereinafter called the "Bonds"), and is part of the Series of such Bonds in the principal amount of \$ _____ designated as "Series X" (the "2023/24 Series X Bonds"). This bond

is issued under and in full compliance with the Constitution and laws of the State of Florida, and particularly Chapter 80-513, Laws of Florida, and Article 21 of the Charter of the City, as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended in accordance with the terms thereof (the "Acts"), and under and pursuant to a resolution of JEA adopted by the Governing Body of JEA on June 15, 2004, entitled "District Energy System Revenue Bond Resolution" and approved by Ordinance 2003-844-E of the Council of the City enacted on August 26, 2003 and Ordinance No. 2004-819-E of the Council of the City enacted on September 28, 2004 and Resolution No. 2023-___ of JEA adopted on September 26, 2023, supplemental to the Resolution, authorizing the 2023/24 Series X Bonds ("Resolution No. 2023-___") (said Resolution as supplemented and amended being herein collectively called the "Resolution").

The 2023/24 Series X Bonds are being issued (a) to provide a portion of the moneys necessary to [finance the cost of certain additions, extensions and improvements to the District Energy System] [refund \$ ___ aggregate principal amount of certain of JEA's District Energy System Refunding Revenue Bonds, 2013 Series A (Federally Taxable) (the "Refunded Bonds")] and (b) to pay the costs of issuance of the Bonds.

As provided in the Resolution, the 2023/24 Series X Bonds and all other bonds issued under the Resolution on a parity with the Bonds (herein collectively called the "bonds") are direct and special obligations of JEA payable solely from and secured as to payment of the principal and redemption price thereof, and interest thereon, in accordance with their terms and the provisions of the Resolution solely by (a) the proceeds of the sale of the bonds, (b) the Revenues (as defined in the Resolution), and (c) all funds and accounts established by the Resolution (other than the Debt Service Reserve Account in the Debt Service Fund and the Renewal and Replacement Fund (as defined in the Resolution)) including the investments and investment income, if any, thereof, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution. Copies of the Resolution are on file at the office of JEA and at the above-mentioned office of the Bond Registrar, and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the Acts is made for a description of the security interest, pledge and covenants securing the bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the holders of the bonds with respect thereto, the terms and conditions upon which the bonds are issued and may be issued thereunder, the terms and provisions upon which this bond shall cease to be entitled to any lien, benefit or security under the Resolution and all covenants, agreements and obligations of JEA under the Resolution may be discharged and satisfied at or prior to the maturity or redemption of this bond if moneys or certain specified securities shall have been deposited with the Bond Registrar, and for the other terms and provisions thereof.

The 2023/24 Series X Bonds maturing on or prior to October 1, 20___ are not subject to redemption. The 2023/24 Series X Bonds maturing on October 1, 20___ will be redeemable at the election of JEA on and after October 1, 20___, at any time, as a whole or in part, at the redemption price of 100 percent of the principal amount of the 2023/24 Series X Bonds so to be redeemed, together with accrued interest to the redemption date. The 2023/24 Series X Bonds maturing on October 1, 20___ at an interest rate of ___% will be redeemable at the election of JEA on and after October 1, 20___, at any time, as a whole or in part, at the redemption price of 100 percent of the

principal amount of the 2023/24 Series X Bonds so to be redeemed, together with accrued interest to the redemption date.

The 2023/24 Series X Bonds maturing on October 1, 20___, as set forth in the table below, are subject to mandatory redemption by lot prior to maturity on October 1 in the years and amounts shown below at par (plus accrued interest to the redemption date) from Sinking Fund Installments required to be paid in such years and amounts:

2023/24 Series X Bonds	
Maturing on October 1, 20___	
<u>Year</u>	<u>Principal Amount</u>
	\$
	*

* Final Maturity.

Such Sinking Fund Installments shall be applied to the redemption of the applicable 2023/24 Series X Bonds on October 1 of each of the applicable years set forth above, and may also be so applied on the immediately preceding April 1.

The Resolution requires JEA to mail a notice of any redemption of the 2023/24 Series X Bonds by first class mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date to the Holders of any 2023/24 Series X Bonds or portions thereof which are to be redeemed, at their last address, if any, appearing upon the registry books but failure to do will not affect the validity of the proceedings for the redemption of any other Bonds. The notice will provide that it can be revoked in accordance with its terms.

As provided in the Resolution, bonds may be issued from time to time pursuant to supplemental resolutions in one or more issues, and in one or more Series of an issue, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as in the Resolution provided. The aggregate principal amount of bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Resolution, or any resolution amendatory thereof or supplemental thereto, may be modified or amended by JEA, with the written consent of the holders of not less than a majority in principal amount of the bonds affected by such modification or amendment then outstanding; *provided, however*, that if such modification or amendment will, by its terms, not take effect so long as any bonds of any specified like Series and maturity remain outstanding, the consent of the holders of such bonds shall not be required and such bonds shall not be deemed to be outstanding for the purpose of any calculation of outstanding bonds pursuant to the Resolution. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding bond or of any installment of interest thereon or a reduction in the principal amount or the redemption price thereof or in the rate of interest thereon without the consent of the holder of such bond, or shall reduce the percentages or otherwise affect the classes of bonds the consent of the holders of which is required

to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Bond Registrar or of any Paying Agent without its written assent thereto.

This bond is transferable, as provided in the Resolution, only upon the books of JEA kept for that purpose at the above-mentioned office of the Bond Registrar by the registered owner hereof in person, or by his duly authorized attorney, upon surrender of this bond together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney, and thereupon a new bond or bonds, of the same issue, Series and maturity, and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. JEA, the Bond Registrar and any Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

The 2023/24 Series X Bonds are issuable in the form of fully registered bonds without coupons. Subject to the conditions and upon the payment of the charges provided in the Resolution, the registered owner of any bond or bonds may surrender the same (together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of bonds of the same issue, Series and maturity of any other authorized denominations.

The principal or redemption price of, and interest on, the 2023/24 Series X Bonds are payable solely from the Revenues (as defined in the Resolution) and other funds pledged therefor under the Resolution and neither the State of Florida nor any political subdivision thereof, other than JEA, is obligated to pay the principal or redemption price of, or interest on, this bond and the issue of which it is one and neither the faith and credit nor the taxing power of the State of Florida or any political subdivision thereof is pledged to the payment of the principal or redemption price of, or interest on, this bond or the issue of which it is one.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of JEA, complies in all respects with the applicable laws of the State of Florida.

This bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Bond Registrar of the Bond Registrar's Certificate of Authentication hereon.

IN WITNESS WHEREOF, JEA has caused this bond to be executed in its name and on its behalf by the manual or facsimile signature of its Chair, and its corporate seal or a facsimile thereof to be impressed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Secretary, and this bond to be dated _____, 20__.

JEA



By:___

Chair or Vice-Chair

ATTEST:

By:___

Secretary

[FORM OF
BOND REGISTRAR'S
CERTIFICATE OF AUTHENTICATION]

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds delivered pursuant to the within mentioned Resolution.

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,**

a

s Bond Registrar

By: __

Authorized Signatory

Date of Authentication: _____, 20__

[Insert Statement of Insurance, if applicable.]

The following abbreviations, when used in the inscription on the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

The following abbreviations, when used in the inscription on the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	as tenants in common	UNIF GIF MIN ACT _____ (Cust.)
-		
TEN ENT	as tenants by the entireties	Custodian for _____ (Minor)
-		
JT TEN	as joint tenants with right of survivorship and not as tenants in common	Under Uniform Gifts to Minors Act of _____ (State)

Additional abbreviations may also be used although not listed above.

ASSIGNMENT

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

[PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE]

the within bond and does hereby irrevocably constitute and appoint the Registrar as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guaranty program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program (MSP), a member firm of

NOTICE: No transfer will be registered and no new Bond will be issued in the name or names of the Transferee(s), unless the signature(s) to this assignment correspond(s) with the name or names as it/they appear(s) upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal

the New York Stock Exchange or a commercial bank or a trust company. Employer Identification. Numbers of the Transferee(s) is/are supplied.

EXHIBIT B

FORM OF BOND PURCHASE AGREEMENT

EXHIBIT C

FORM OF ESCROW DEPOSIT AGREEMENT

BOND PURCHASE AGREEMENT

_____, 20__

JEA
225 N Pearl Street
Jacksonville, Florida 32202

Re: \$000,000,000 JEA District Energy System Revenue Bonds, Series X

Ladies and Gentlemen:

The Underwriters (as defined below) jointly and severally hereby propose to purchase all (but not less than all) of the Bonds (as defined below) from JEA, a public body corporate and politic organized and existing under the laws of the State of Florida, and to make a public offering of the Bonds subject to the acceptance of this proposal by JEA on or before 5:00 p.m. local time then prevailing in Jacksonville, Florida, on _____, 20__, and subject to the following provisions:

Section 1. Definitions. The following terms shall have the following meanings in this Agreement unless another meaning is plainly intended:

"Accountants" means _____, independent certified public accountants.

"Agreed Upon Procedures Letter" means the letter from the Accountants to the governing body of JEA and the Representative in a form acceptable to JEA and the Representative and with the procedures described therein to be applied at least through _____, 20__, the date of the last meeting of the Board of JEA prior to the Closing.

"Agreement" means this Bond Purchase Agreement between the Representative, acting on behalf of the Underwriters, and JEA.

"Bond Counsel" means _____, _____, _____.

"Bond Registrar" means _____ or its corporate successor, in its capacity as Bond Registrar and Paying Agent for the Bonds under the Resolution.

"Bonds" means the Series X Bonds.

"City" means the City of Jacksonville, Florida.

"Closing" refers to the transaction at which the Bonds are delivered by JEA to or on behalf of the Underwriters, and paid for by the Underwriters, pursuant to this Agreement.

"Closing Date" means the date specified in Section 7 hereof, or such other date as is mutually agreeable to the Representative and JEA pursuant to Section 7 hereto.

"Closing Documents" means the documents described in Section 8 hereof and required to be delivered to the Underwriters at the Closing.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"Continuing Disclosure Agreement" means the agreement of JEA to be dated the Closing Date in substantially the form set forth in Appendix C to the Preliminary Official Statement, which JEA hereby agrees to provide to assist the Underwriters in complying with Rule 15c2-12.

"District Energy System Resolution" means the resolution of JEA adopted on June 15, 2004, as supplemented, amended and restated authorizing the issuance of bonds to finance improvements to the District Energy System (as defined in the Preliminary Official Statement), particularly as supplemented by Resolution No. 2023-___ adopted on September 26, 2023.

"DTC" means The Depository Trust Company.

"Escrow Agent" means _____.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement, to be delivered in connection with the issuance of the Bonds, between JEA and the Escrow Agent relating to the refunding of the Refunded Bonds.

"Final Official Statement" means the final Official Statement of JEA relating to the Bonds, substantially in the form of the Preliminary Official Statement, with such changes as may be approved by the Representative, to be delivered pursuant to Section 6 hereof.

"JEA's Counsel" means the Office of the General Counsel of the City.

"Letter of Representations" means the Blanket Issuer Letter of Representations dated _____ from JEA to DTC.

"MSRB" means the Municipal Securities Rulemaking Board.

"Official Statements" means the Preliminary Official Statement and the Final Official Statement.

"Preliminary Official Statement" means the Preliminary Official Statement of JEA relating to the Bonds, dated _____, 20__, including the cover page and appendices thereto and the information included by reference therein.

"Refunded Bonds" means JEA's outstanding District Energy System Revenue Bonds, Series ___ all as described as Annex G hereto.

"Representative" means _____, as representative of the Underwriters.

"Resolution" means the resolution of JEA adopted on June 15, 2004, as amended and supplemented, authorizing the issuance of the Bonds, particularly as supplemented by Resolution No. 2023-___ of JEA adopted September 26, 2023.

"SEC" means the Securities and Exchange Commission.

"Series X Bonds" means JEA's District Energy System Revenue Bonds, Series X in the aggregate principal amount of \$000,000,000, with maturities, amounts, interest rates and yields set out in Annex A hereto and as further described in the Final Official Statement.

"Underwriters" means _____, acting for and on behalf of themselves and such other securities dealers, if any, as may from time to time be designated by JEA or the Underwriters.

"Underwriters' Counsel" means _____, _____, _____.

["Verification Agent" means _____.]

["Verification Report" means the report dated the date of Closing of the Verification Agent to the effect that such Verification Agent has verified the accuracy of (a) the adequacy of the maturing principal of and interest on certain federal securities to be held under the Escrow Deposit Agreement, together with other moneys held under the Escrow Deposit Agreement, to pay when due or upon earlier redemption, the principal or redemption price of and interest on the Refunded Bonds, and (b) certain mathematical computations supporting the conclusion that the Bonds are not "arbitrage bonds" under the Code.]

Section 2. Purchase Price. Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriters shall purchase and JEA shall sell all, but not less than all, of the Bonds at an aggregate purchase price of \$_____ (representing the aggregate principal amount of the Bonds of \$000,000,000, less Underwriters' discount of \$_____ [plus/minus net] original issue [premium/discount] of \$_____).

JEA acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between JEA and the Underwriters, (ii) in connection with such transaction, each Underwriter is acting solely as a principal and not as an agent or a fiduciary of JEA, (iii) the Underwriters have not assumed a fiduciary responsibility in favor of JEA with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriters have advised or are currently advising JEA on other matters) or any other obligation to JEA except the obligations expressly set forth in this Agreement, (iv) the Underwriters have financial interests that differ from those of JEA and are not acting as municipal advisors (as defined in Section 15B of the Securities Exchange Act of 1934, as amended) and (v) JEA has consulted with its own legal and financial advisors to the extent it deemed it appropriate in connection with the offering of the Bonds.

Section 3. Establishing Issue Price. The Representative, on behalf of the Underwriters, agrees to assist JEA in establishing the issue price of the Bonds and shall execute and deliver to JEA at Closing, a Certificate of Underwriter Regarding Issue Price, or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Annex B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, JEA and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

Except as provided in Schedule A to Annex B and below, JEA will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Agreement, the Representative shall report to JEA the price or prices at which the Underwriters have sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Representative agrees to promptly report to JEA the prices at which Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue (but only with respect to any maturity to which the hold-the-offering-price rule described below does not apply), whether or not the Closing Date has occurred, until either (i) all Securities of that maturity have been sold or (ii) the 10% test has been satisfied as to the Securities of that maturity, provided that, the Underwriters' reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, JEA or bond counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Annex B attached hereto, except as otherwise set forth therein. Schedule A to Annex B also sets forth, as of the date of this Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which JEA and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow JEA to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth business day after the sale date; or
- (ii) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative confirms that:

- (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language

obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Bonds of that maturity; *provided*, that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(B) to promptly notify the Representative of any series of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriter or selling group agreement relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (a) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter or dealer that the 10 percent test has been satisfied as to the Securities of that maturity, provided, that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or the Underwriter or the dealer and as set forth in the related pricing wires.

JEA acknowledges that, in making the representation set forth in this subsection, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or a dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements

for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. JEA further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date of execution of this Agreement by all parties.]

In connection with the public offering of the Bonds, the Underwriters have delivered to JEA a letter containing the information required by Section 218.385, Florida Statutes in the form attached as Annex F.

Section 4. Good Faith Deposit. [If by wire transfer: There has been delivered to JEA herewith a wire transfer in the amount of \$ _____ (the "Good Faith Deposit") as security

for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Closing Date in accordance with the provisions hereof. In the event of the Underwriters' compliance with their obligations hereunder, the Good Faith Deposit shall be netted from the purchase price of the Bonds payable by the Underwriters to JEA pursuant to Section 2 hereof. In the event JEA does not accept this offer the Good Faith Deposit shall be immediately returned by JEA to the Representative by wire transfer. Upon the failure of JEA to deliver the Bonds on the Closing Date, or if JEA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if such obligations shall be terminated for any reasons permitted by this Agreement except for the reasons set forth in Section 10 hereof, the Good Faith Deposit shall immediately be repaid by JEA to the Representative by wire transfer. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by JEA on the Closing Date as herein provided, the Good Faith Deposit shall be retained by JEA as and for full and agreed upon liquidated damages, and not as a penalty, to JEA for such failure, and the retention of the Good Faith Deposit shall constitute a full release and discharge of all claims and damages for such failure and of any and all defaults hereunder on the part of the Underwriters.]

[If by check: Delivered to JEA herewith is a check payable to the order of JEA in the amount of \$ _____ (the "Good Faith Deposit") as security for the performance by the Underwriters of their obligation to accept and pay for the Bonds on the Closing Date in accordance with the provisions hereof. JEA shall hold such check uncashed until the Closing Date. In the event of the Underwriters' compliance with their obligations hereunder, the Good Faith Deposit shall be returned to the Representative on the Closing Date upon payment to JEA as provided in Section 7 hereof of the purchase price of the Bonds. In the event JEA does not accept this offer, or upon the failure of JEA to deliver the Bonds on the Closing Date, or if JEA shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if such obligations of the Underwriters shall be terminated for any reason permitted by this Agreement except for the reasons set forth in Section 10 hereof, the Good Faith Deposit shall immediately be returned to the Representative. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by JEA on the Closing Date as herein provided, the Good Faith Deposit shall be retained by JEA as and for full and agreed upon liquidated damages, and not as a penalty, to JEA for such failure, and the retention of the Good Faith Deposit shall constitute a full release and discharge of all claims and damages for such failure and of any and all defaults hereunder on the part of the Underwriters.

Section 5. Representations of JEA. JEA represents to the Underwriters that: (a) the Preliminary Official Statement has been "deemed final" by JEA as of its date for the purpose of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"); (b) as of their respective dates and on the date hereof the statements and information contained in the Official Statements are, and on the Closing Date the statements and information contained in the Final Official Statement will be, true and complete in all material respects, and the Preliminary Official Statement, as of its date, did not and the Final Official Statement, as of its date, does not on the date hereof, and will not on the Closing Date, contain any untrue statement of a material fact or omit any statement or information which is required to be stated therein or necessary to make the statements and information therein, in light of the circumstances under which they are made, not misleading; (c) the Preliminary Official Statement, as of its date, did not and does not on the date hereof, and the Final Official Statement, as of its date did not and does not on the date hereof, and

will not on the Closing Date, omit any information with respect to JEA or its business, properties and affairs which might in a material respect adversely or unfavorably affect the transactions contemplated by the Preliminary Official Statement or the Final Official Statement; (d) JEA has full title to the District Energy System (as defined in the Official Statement) and the power and authority to operate the same and collect the Revenues (as defined in the District Energy System Resolution) therefrom; (e) the resolution or resolutions of, or other appropriate actions taken by, JEA establishing the rates and charges for services of the District Energy System described in the Official Statement have been duly adopted or taken and are in full force and effect; (f) JEA's obligation to make payments from the District Energy System with respect to the System, including debt service on the Bonds is a "Contract Debt" payable as a "Cost of Operation and Maintenance" of the District Energy System; (g) the District Energy Resolution and the Resolution have been duly adopted and are in full force and effect and JEA is not in default in the performance of its obligations thereunder; (h) when delivered to and paid for by the Underwriters at the Closing in accordance with the provisions of this Agreement, the Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of JEA of the character referred to in the Final Official Statement, in conformity with, and entitled to the benefit and security of, the Resolution; (i) JEA is empowered and has been duly authorized to enter into this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Letter of Representations and to adopt the Resolution; (j) the execution and delivery of this Agreement, the Continuing Disclosure Agreement, the Letter of Representations[, the Escrow Deposit Agreement] and the Bonds and compliance with the provisions thereof, under the circumstances contemplated herein and therein, will not in any material respect conflict with or constitute on the part of JEA a breach of or default under any agreement or other instrument to which JEA is a party, or any existing law, administrative regulation, court order or consent decree to which JEA is subject; (k) no litigation or proceeding (to which JEA is a party) is pending or to the best of JEA's knowledge is threatened against or affecting JEA to restrain or enjoin the issuance or delivery of the Bonds or other indebtedness of JEA relating to its district energy utility functions or in any way contesting or affecting the authority for the issuance of the Bonds or other indebtedness of JEA relating to its district energy utility functions or the validity of the Bonds or other indebtedness of JEA, the District Energy System Resolution, the Resolution, this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] or the Letter of Representations or in any way contesting the corporate existence or the powers of JEA; (l) except as may be disclosed in the Official Statements, no litigation or proceeding (to which JEA is a party) is pending or, to the best of its knowledge, is threatened against or affecting JEA or involving any of the business, property or affairs of JEA which involves the possibility of any judgment or liability which may result in any material adverse change in the property, business or assets or in the condition, financial or otherwise, of JEA relating to its district energy utility functions; (m) JEA has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon; (n) subsequent to the date of the last audited financial statements included in the Official Statements there have been no material adverse changes in the assets, liabilities or condition of JEA related to its district energy utility functions, financial or otherwise, except as disclosed in or contemplated by the Official Statements, and neither the business, the properties, nor the affairs of JEA related to its district energy utility functions have been adversely affected in any substantial way as the result of any fire, explosion, accident, strike, riot, flood, windstorm, earthquake, embargo, war or act of God or of the public enemy; (o) all permits or licenses which JEA is required to maintain in order

to operate the District Energy System (as such term is defined in the Official Statement) are in full force and effect; (p) the proceeds of the Bonds will be used by JEA to redeem all of the Refunded Bonds within 90 days of the Closing; (q) other than as disclosed in the Preliminary Official Statement, JEA has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under the Rule; and (r) JEA has not been in default any time after December 31, 1975 as to principal or interest with respect to any of its debt obligations.

Section 6. Final Official Statement; Public Offering. JEA shall prepare, and shall deliver to the Underwriters as promptly as practicable but, in any event, not later than seven business days after the acceptance by JEA of this Agreement and in sufficient time to allow the Underwriters to deliver copies thereof to purchasers of the Bonds at least two business days prior to the Closing, copies of the Final Official Statement in sufficient quantity to comply with the Rule and the rules of the Municipal Securities Rulemaking Board and in form and substance satisfactory to the Representative and JEA, executed on behalf of JEA by its Managing Director and Chief Executive Officer. JEA agrees that the Preliminary Official Statement, the Final Official Statement, audited financial statements, if any, and copies of the Resolution, the District Energy System Resolution, audited financial statements, if any, prepared by or on behalf of JEA may be used by the Underwriters in the public offering of the Bonds and that it will cooperate with the Underwriters if the Underwriters decide to qualify the Bonds under the securities laws of any state; provided, however, JEA shall not be required to register as a dealer or broker in any such state or to qualify to do business in connection with any such qualification of the Bonds for sale in any state. To the extent required by MSRB Rules, JEA confirms that it does not object to the distribution of the Official Statements in electronic form. The Final Official Statement shall be provided in a "designated electronic format" (as defined in MSRB Rule G-32). The term "designated electronic format" is defined in MSRB Rule G-32 to mean portable document format, with files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. For files submitted to the Electronic Municipal Market Access system operated by the MSRB on or after January 1, 2010, documents in designated electronic format must be word searchable (without regard to diagrams, images and other non-textual elements).

JEA further agrees to provide the Underwriters with copies of the Escrow Deposit Agreement and any other advance refunding documents (as defined in MSRB Rule G-32) in a word-searchable pdf format as described in the MSRB's Rule G-32 and shall provide such electronic copy of the word-searchable pdf format of such advance refunding documents to the Underwriters no later than four business days after the Closing Date to enable the Underwriters to comply with MSRB Rule G-32.

JEA authorizes the Representative to file, to the extent required by applicable SEC or MSRB rule, and the Representative agrees to file or cause to be filed, the Official Statement with (i) the MSRB or its designee (including submission to the MSRB's Electronic Municipal Market Access System ("EMMA")) or (ii) other repositories approved from time to time by the SEC (either in addition to or in lieu of the filings referred to above). If a supplement to the Final Official Statement is prepared in accordance with Section 11 hereof during the "primary offering disclosure period," and if required by applicable SEC or MSRB rule, the Representative shall also make the required submission of the supplement to the Final Official Statement to EMMA. The "primary

offering disclosure period" is used as defined in MSRB Rule G-32 and shall end on the 25th day after the Closing.

Section 7. Closing, Delivery and Payment. The Bonds shall be printed or reproduced in definitive form as fully registered Bonds and shall be registered initially in the name of Cede & Co., as nominee of DTC, shall be in the denominations of the aggregate par amount of the Bonds of each series and maturity of each series (and, if applicable, each interest rate within a maturity) and shall be made available to, or on behalf of, DTC, 55 Water Street, New York, New York, which shall act as securities depository for the Bonds not less than one business day prior to the closing. The Representative may inspect the Bonds prior to the Closing.

The Closing shall be held beginning at 9:00 a.m. on _____, 20__ (the "Closing Date") at the offices of JEA, 225 N. Pearl Street, Jacksonville, Florida, or at such other time and other place as is mutually agreeable to the Representative and JEA. At the Closing and subject to the conditions contained herein, the Representative shall accept the delivery of the Bonds from JEA and shall make payment therefor as provided herein in federal funds or other immediately available funds upon (i) tender by JEA of the definitive Bonds to or on behalf of DTC on behalf of the Underwriters; and (ii) the delivery by JEA to the Underwriters of all the Closing Documents.

Section 8. Closing Documents. The Closing Documents shall consist of the following, each properly executed, certified or otherwise verified, dated as of the Closing Date except as otherwise provided below, and in such form as may be satisfactory to Bond Counsel, the Representative and Underwriters' Counsel, including, but not limited to, the matters hereinafter set forth:

- (a) Certified copies of the Resolution;
- (b) JEA's closing certificate confirming (i) the representations made by JEA herein; (ii) the application of the proceeds of the sale of the Bonds and certain other amounts as described in the Final Official Statement; (iii) the adoption and present effectiveness of all resolutions considered necessary, in the opinion of Bond Counsel, in connection with the transactions contemplated hereby, together with copies of said resolutions; (iv) that the District Energy System Resolution and the Resolution have not been amended since the date of this Agreement, except as may have been consented to in writing by the Representative; and (v) that, except as described in the Official Statements, no material adverse change has occurred with respect to the District Energy System (as defined therein), including, without limitation, the financial condition thereof, for the period from September 30, 20__ through the Closing Date;
- (c) The approving opinion of Bond Counsel, dated the Closing Date, in substantially the form attached to the Preliminary Official Statement as Appendix D;
- (d) The supplemental opinion of Bond Counsel, dated the Closing Date, addressed to the Underwriters in substantially the form set forth as Annex C hereto;
- (e) An opinion of JEA's Counsel to the effect that (i) JEA is a public body corporate and politic and an independent agency of the City, duly organized and validly

existing under the laws of the State of Florida and has all the necessary power and authority to issue the Bonds and enter into this Agreement and the Continuing Disclosure Agreement; (ii) the District Energy System Resolution and the Resolution have been duly adopted by JEA and this Agreement, the Letter of Representations, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Bonds have been duly authorized, executed and delivered by JEA and such documents and the District Energy System Resolution and the Resolution constitute legal, valid and binding obligations of JEA enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally, and no opinion need be expressed as to the availability of any discretionary equitable remedy; (iii) JEA has approved the distribution of the Preliminary Official Statement and the Final Official Statement and the execution and delivery of the Final Official Statement to the purchasers of the Bonds; (iv) the ordinances of the city council of the City approving the issuance of the Bonds were duly enacted by the City; (v) the execution and delivery of the Bonds, this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] and the Letter of Representations, the adoption of the District Energy System Resolution and the Resolution and the issuance of the Bonds pursuant to the Resolution and compliance with the provisions of the District Energy System Resolution and the Resolution under the circumstances contemplated thereby and hereby, do not and will not in any material respect conflict with or constitute on the part of JEA a breach of or default under any existing law, regulation, court order or consent decree to which JEA is subject; (vi) nothing has come to such counsel's attention which would lead such counsel to believe that the Final Official Statement (with the exception of the tax treatment of interest on the Bonds, Blue Sky or other securities registration matters, and financial and statistical information, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact required or necessary to be stated therein to make the statements therein, in light of the circumstances under which they were made, not misleading; (vii) no litigation or proceeding (to which JEA or the City is a party) is pending or to the best of such counsel's knowledge is threatened against or affecting JEA or the City to restrain or enjoin the issuance or delivery of the Bonds or the refunding of the Refunded Bonds or in any way contesting or affecting the authority for the issuance of the Bonds, or the validity of the Bonds or this Agreement, the Continuing Disclosure Agreement[, the Escrow Deposit Agreement] or the Letter of Representations, the District Energy System Resolution and the Resolution or in any way contesting the corporate existence or the powers of JEA; (viii) except as may be disclosed in the Preliminary Official Statement and the Final Official Statement, no litigation or proceeding (to which JEA or the City is a party) is pending or to the best of such counsel's knowledge is threatened against or affecting JEA or involving any of the business, property or affairs of JEA which involves the possibility of any judgment or liability which may result in any material adverse change in the financial condition of JEA relating to its district energy utility functions; and (ix) JEA has obtained the consents, approvals, authorizations or other orders of all municipal, state or regulatory authorities required for the consummation of the transaction contemplated hereby;

(f) The opinion of Disclosure Counsel, dated the Closing Date, in substantially the form attached hereto as Annex D;

(g) The opinion of Underwriters' Counsel, dated the Closing Date, in substantially the form attached hereto as Annex E;

(h) An executed copy of the Agreed Upon Procedures Letter, dated no later than one business day prior to the Closing Date;

(i) A consent, manually signed by the Accountants, to the use of their report in the Official Statements and to the references to their firm therein, dated the business day prior to the Closing Date;

(j) [Appropriate arbitration certifications and tax covenants with respect to the Bonds by JEA in form and substance satisfactory to Bond Counsel and Underwriters' Counsel;]

(k) Appropriate evidence that the Bonds have been assigned ratings of "___" by Fitch Ratings ("Fitch"), "___" by Moody's Investors Service, Inc. ("Moody's") and "___" by S&P Global Ratings ("S&P");

(l) A certificate of the Bond Registrar and Paying Agent as to the incumbency of its officers and its power to serve as Bond Registrar and Paying Agent in form and substance acceptable to Bond Counsel and Underwriters' Counsel;

(m) A certificate of the Escrow Agent, dated the Closing Date as to (i) the incumbency of its officers, (ii) that the Escrow Agent is a banking corporation, duly organized and validly existing under the laws of the United States of America or the state of its incorporation and authorized to do business in the State, (iii) that the Escrow Agent has duly accepted its duties under the Escrow Deposit Agreement, and (iv) that the Escrow Agent has taken all necessary corporate action required to act as escrow agent under the Escrow Deposit Agreement and to perform its duties thereunder;

(n) A certified copy of the Letter of Representations;

(o) An executed counterpart of the Continuing Disclosure Agreement;

(p) An executed counterpart of the Escrow Deposit Agreement;

(q) [The Verification Report;] and

(r) Such additional legal opinions, certificates, instruments and other documents and such multiple copies of the above listed documents as the Representative, Underwriters' Counsel or Bond Counsel may reasonably request to evidence compliance by JEA with legal requirements; the truth and accuracy, as of the Closing Date, of the respective representations contained herein and in the Final Official Statement; and the due performance or satisfaction by JEA of all agreements to be performed by it and all conditions to be satisfied by it at or prior to the Closing.

Section 9. Termination by Underwriters. This Agreement may be terminated in writing prior to the Closing by the Representative acting on behalf of the Underwriters if any of

the following shall occur subsequent to the execution hereof: (i) this Agreement shall not have been accepted by JEA within the time herein provided; (ii) the copies of the Final Official Statement shall not have been provided within the time required by this Agreement; (iii) the Bonds and all of the Closing Documents shall not have been delivered to the Underwriters as of 2:00 p.m. on the Closing Date; (iv)(a) legislation shall have been enacted by the Congress, or introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or (b) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (c) an order, ruling, regulation or communication (including a press release) shall have been issued by the Treasury Department of the United States, the Internal Revenue Service or the Securities and Exchange Commission, or (d) any action shall be taken or statement made by or on behalf of the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, which indicates or implies that interest on the Bonds may not be excludable from gross income for federal income tax purposes or that legislation will be introduced in the next scheduled session of the United States Congress, in each case referred to in clauses (a), (b), (c) and (d), with the purpose or effect, directly or indirectly, of (y) imposing federal income taxation upon interest to be received by any holders of the Bonds or (z) requiring the offer or sale of the Bonds to be registered under the Securities Act of 1933 or the Resolution to be qualified as an indenture under the Trust Indenture Act of 1939; (v) there shall exist any event or circumstance which, in the opinion of the Representative, either makes untrue or incorrect in a material respect any statement or information contained in the Final Official Statement, or any event or circumstance is not reflected in the Final Official Statement but should be reflected therein in order to make the statements and information contained therein, in light of the circumstances under which they were made, not misleading in a material respect; (vi) there shall have occurred any outbreak of hostilities (or the escalation of any hostilities existing on the date hereof) or other national or international calamity or crisis, the effect of such outbreak or escalation, calamity or crisis on the financial markets of the United States of America being such as, in the opinion of the Representative, would make it impracticable for the Underwriters to sell the Bonds, including an effect generally on the market which affects the marketability of the Bonds; (vii) there shall be in force a general suspension of trading on the New York Stock Exchange, or any other major United States stock exchange, or minimum or maximum prices for trading shall have been fixed and be in force; (viii) in the judgment of the Representative, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, might be adversely affected because: (a) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, or (b) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters; (ix) a general banking moratorium shall have been declared by either federal, New York or Florida authorities having jurisdiction, and shall be in force, or there shall occur any other material disruption in commercial banking or securities settlement or clearance services in the United

States; or (x) the rating on the Bonds shall have been suspended, withdrawn or downgraded by any of the three rating agencies referred to in paragraph (j) of Section 8 hereof.

Section 10. Termination by JEA. In the absence of a termination of this Agreement by the Representative as permitted by Section 9 hereof, this Agreement may be terminated in writing by JEA in the event that the Underwriters shall fail to accept delivery and pay the purchase price of the Bonds at the Closing upon (i) tender thereof to or on behalf of the Underwriters by JEA and (ii) delivery to the Underwriters of all of the Closing Documents, all as provided in Section 8 hereof, and in such event JEA shall retain the Good Faith Deposit as provided in Section 4 hereof.

Section 11. Changes Affecting the Final Official Statement After the Closing. If during the period from the date of this Agreement and a date 25 days after the End of the Underwriting Period (as defined herein), any event relating to or affecting JEA shall occur the result of which shall make it necessary, in the reasonable opinion of (i) JEA and (ii) the Representative or Underwriters' Counsel, to amend or supplement the Final Official Statement in order to make it not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made not misleading, JEA shall forthwith prepare and furnish to the Underwriters, at JEA's expense, a reasonable number of copies of an amendment of or supplement to the Final Official Statement in form and substance satisfactory to the Representative, so that it then will not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances existing at that time, not misleading; provided, however, JEA will not adopt any amendment or supplement to the Final Official Statement except with the written consent of the Representative, which consent shall not be unreasonably withheld. The "End of the Underwriting Period" shall mean the Closing Date unless the Representative shall in writing advise JEA that the Underwriting Period must be extended, in which case the End of the Underwriting Period shall be the date set forth in such writing, but in no event later than 90 days after the Closing Date.

Section 12. Expenses. The Underwriters shall pay their own out-of-pocket expenses, the fees and expenses of Underwriters' Counsel, and the fees and expenses in connection with the preparation of the Blue Sky memorandum and the registration of the Bonds for "Blue Sky" purposes. JEA acknowledges that the expense component of the Underwriters' discount includes the fees and expenses incurred by the Underwriters as described in the preceding sentence and includes an amount intended to reimburse the Underwriters for incidental expenses (including, but not limited to, transportation, lodging and meals of JEA and Underwriters personnel) incurred by the Underwriters in connection with the transaction contemplated by this Agreement.

JEA acknowledges that it has had an opportunity to consult with its financial advisor in order to evaluate and consider the fees and expenses being incurred as a part of the issuance of the Bonds. JEA shall pay all of the other costs and expenses in connection with the financing contemplated by this Agreement, including, but not limited to: (i) the fees and expenses of Bond Counsel and JEA's Counsel and the expenses of JEA, if any; (ii) any fees and expenses incurred for filing fees; (iii) the fees and expenses of any experts or consultants; (iv) the fees and expenses of the Bond Registrar and Paying Agent, the Escrow Agent and the Verification Report; (v) the cost of preparation and printing of the Bonds; (vi) the cost of printing and duplication for the

Official Statements and any amendments or supplements thereto; (vii) the fees and expenses of the Accountants; and (viii) bond rating agency fees. JEA acknowledges that a portion of the Underwriters' expenses are intended to reimburse the Underwriters for incidental expenses (including, but not limited to, transportation, lodging and meals of JEA and Underwriters personnel) incurred by the Underwriters (on their own behalf or on behalf of JEA personnel), as applicable, in connection with the transaction contemplated by this Agreement.

Section 13. Notices. Any notice or other communication to be given to JEA under this Agreement may be given by delivering the same in writing to the address set forth above; and any such notice or other communication to be given to the Underwriters may be given by delivering the same in writing to the Underwriters in care of _____, _____, _____, _____, Attention: _____.

Section 14. Authority of Representative. The Representative has been duly authorized to execute this Agreement and, pursuant to an agreement among the Underwriters, has been duly authorized to act hereunder by and on behalf of the Underwriters.

Section 15. Parties and Interests; Survival of Representations. This Agreement is made solely for the benefit of JEA and the Underwriters, including the successors and assigns of the Underwriters, and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements by JEA in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the Underwriters, and shall survive the delivery of and payment for the Bonds.

Section 16. Truth-In-Bonding Statement. For purposes of subsections (2) and (3) of Section 218.385, Florida Statutes, as amended, the following Truth in Bonding Statement is made with respect to the Bonds:

JEA is proposing to issue \$ _____ of the Bonds. The Bonds are to be issued for the purposes of refunding the Refunded Bonds and paying cost of issuance of the Bonds. The Bonds are expected to be repaid over a period of approximately ____ years. At the interest rates set out in Annex A hereto (being a true interest cost of _____%), total interest paid over the life of the Bonds will be \$ _____.

The source of repayment or security for the Bonds is primarily the revenues derived from the revenues of JEA's District Energy System. Issuing the Bonds finances the items described in the preceding paragraph. Authorizing this debt will result in an average annual debt service payment of approximately \$ _____ from JEA District Energy System revenues, which will not otherwise be available to finance the other services or expenditures of JEA each year for approximately ____ years.

Section 17. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original but all of which taken together shall constitute one instrument.

Section 18. Entire Agreement Clause. This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties regarding the transaction contemplated by this Agreement and the process leading thereto. This Bond Purchase Agreement shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]

Very truly yours,

as Representative of the Underwriters

By: _____
Name:
Title:

Accepted by JEA on _____, 20__

By: _____
Name:
Title:

FORM APPROVED:

Office of General Counsel

[Signature Page to Bond Purchase Agreement dated _____, 20__]

ANNEX A

MATURITIES, AMOUNTS, INTEREST RATES AND YIELDS

\$000,000,000 District Energy System Revenue Bonds, Series X

<u>Maturity</u> <u>October 1,</u>	<u>Amount</u> \$	<u>Interest Rate</u> %	<u>Yield</u> %
--------------------------------------	---------------------	---------------------------	-------------------

\$ _____ % Term Bond Due October 1, 20__ - Yield _____%

Redemption Provisions

[to come]

ANNEX B

CERTIFICATE OF UNDERWRITER REGARDING ISSUE PRICE

\$000,000,000 District Energy System Revenue Bonds, Series X

The undersigned, on behalf of _____ (the "Representative"), on behalf of itself and _____ (collectively, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

Hold-the-Offering-Price Maturities

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price set forth in Schedule A attached hereto.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriting Group offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule B (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule C.

(b) As set forth in the Bond Purchase Agreement for the Bonds, the members of the Underwriting Group have agreed in writing that, (i) for each of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for each Maturity during the Holding Period for such Maturity (the "hold-the-offering-price-rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any of the Hold-the-Offering-Price-Maturities at a price higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) ***General Rule Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) ***Hold-the-Offering-Price Maturities*** means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) ***Holding Period*** means, with respect to a Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 20__), or (ii) the date on which the Underwriting Group has sold at least 10% of such Maturity to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(d) ***Issuer*** means JEA.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [_____, 20__].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Greenberg Traurig, P.A. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

_____, as representative of the Underwriters

By: _____
Name:

Dated:

]

ANNEX C

[Form of Supplemental Opinion of Bond Counsel]

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida

[Underwriters]

c/o _____

Re: 00,000,000 JEA District Energy System Revenue Bonds, Series X (the "Series X Bonds")

Ladies and Gentlemen:

We have served as Bond Counsel to JEA in connection with the issuance of the above-captioned Series X Bonds (the "Bonds"). This letter is addressed to the underwriters addressed above (the "Underwriters"), pursuant to Section 8(d) of the Bond Purchase Agreement, dated _____, 20__ (the "Bond Purchase Agreement"), between _____, as Representative of the Underwriters, and JEA, providing for the purchase of the Bonds. The Bonds are issued pursuant to the Constitution and laws of the State of Florida, including, in particular, Article 21 of the Charter of the City of Jacksonville, Florida (the "City"), as amended and readopted by Chapter 80-515, Laws of Florida, Special Acts of 1980, as subsequently amended by Chapter 92-341, Laws of Florida, Special Acts of 1992 and as thereafter amended in accordance with the terms thereof prior to the date hereof, and other applicable provisions of law and, under and pursuant to a resolution of JEA adopted on June 15, 2004, as supplemented and amended (the "Resolution"), including as supplemented by Resolution No. 2023-__ of JEA adopted on September 26, 2023. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution, or, if not defined in the Resolution, in the Bond Purchase Agreement.

On the date hereof, we have delivered our approving opinions (the "Bond Counsel Opinion") concerning the validity of the Bonds and certain other matters to JEA. The opinions and conclusions expressed herein are subject to the same qualifications, limitations and reliances as stated in the Bond Counsel Opinion. The Underwriters may rely on the Bond Counsel Opinion as though such opinions were addressed to them.

In connection with our role as Bond Counsel, we have reviewed the Bond Purchase Agreement; a certified copy of the Resolution; a certified copy of Ordinance 2003-844-E enacted by the Council of the City August 26, 2003 and Ordinance No. 2004-819-E enacted by the Council of the City September 28, 2004 approving, among other things, the issuance and sale by JEA of the Bonds, the Continuing Disclosure Agreement; the Official Statement of JEA, dated

_____, 20__, relating to the Bonds, including those portions of the Annual Disclosure Report (as defined therein) which are included by reference therein (the "Official Statement"); the Tax Certificate executed and delivered by JEA on the date hereof in connection with the issuance of the Bonds (the "Tax Certificate"); an opinion of the Office of General Counsel of the City, attorney for JEA; certificates of JEA and others; and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein.

The opinions and conclusions expressed herein are based upon an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than JEA. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the third paragraph hereof (except that we have not relied on any such legal conclusions that are to the same effect as the opinions or conclusions set forth herein). We have further assumed compliance with all covenants and agreements contained in such documents. In addition, we call attention to the fact that the rights and obligations under the Bonds, the District Energy System Resolution, the Tax Certificate, the Continuing Disclosure Agreement and the Bond Purchase Agreement and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against bodies politic and corporate of the State of Florida. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, or waiver provisions contained in the foregoing documents.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions or conclusions:

1. JEA is a public body corporate and politic and an independent agency of the City, duly created and existing under the Constitution and laws of the State of Florida.
2. The Bonds have been duly authorized by JEA and all conditions precedent to the issuance of the Bonds have been fulfilled, including, without limitation, all necessary approvals of the City.
3. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the District Energy System Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

4. The statements contained in the Official Statement under the captions "REFUNDING PLAN," "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES X BONDS," "DESCRIPTION OF THE SERIES X BONDS," and "TAX MATTERS" and the statements contained in [List appendices covered] insofar as such statements expressly summarize certain provisions of the District Energy System Resolution and our Bond Opinion concerning certain federal tax matters relating to the Bonds, are accurate in all material respects.

5. We are not passing upon and do not assume any responsibility for the accuracy (except as explicitly stated in paragraph 4 above), completeness or fairness of any of the statements contained in the Official Statement, and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. In our capacity as Bond Counsel in connection with the issuance of the Bonds, we participated in conferences with your representatives, your counsel, representatives of JEA, representatives of PFM Financial Advisors LLC, JEA's Financial Advisor, representatives of Ernst & Young LLP, independent certified public accountants, JEA's auditors, and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-referenced conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon and on the records, documents, certificates, opinions and matters herein mentioned (as set forth above), subject to the limitations on our role as Bond Counsel, we advise you as a matter of fact and not opinion that no facts came to the attention of the attorneys in our firm rendering legal services in connection with such issuance which caused us to believe that the Official Statement as of its date and as of the date hereof (except for any CUSIP numbers, financial, statistical, economic or engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion (other than our opinions relating to the Bonds), any information about book-entry or DTC and the information contained in Appendices A, B and C to the Official Statement, which we expressly exclude from the scope of this paragraph and as to which we express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

6. The Continuing Disclosure Agreement has been duly executed and delivered by JEA and is a valid and binding agreement of JEA, enforceable in accordance with its terms. No opinion regarding the adequacy of the Continuing Disclosure Agreement for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1934, as amended, may be inferred from this opinion.

This letter is furnished by us as Bond Counsel to JEA. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. This letter is delivered to you as Underwriters of the Bonds, is solely for your benefit as such Underwriters and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not specifically addressed.

Respectfully submitted,

ANNEX D

[Form of Disclosure Counsel Opinion]

_____, 20__

JEA
Jacksonville, Florida

Re: \$000,000,000 JEA District Energy System Revenue Bonds, Series X

Ladies and Gentlemen:

We have acted as Disclosure Counsel to JEA in connection with the issuance of the above-captioned obligations (the "Bonds") which are today being delivered _____, as senior managing underwriter on behalf of itself and _____ (the "Underwriters"). In such capacity, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

Because the primary purpose of our professional engagement as your counsel was not to establish factual matters and because of the wholly or partially nonlegal character of many of the determinations involved in the preparation of the Preliminary Official Statement dated _____, 20__ and the Official Statement dated _____, 20__ related to the Bonds (collectively, the "Official Statements"), we are not passing on and do not assume any responsibility for, except as set forth below, the accuracy, completeness or fairness of the statements contained in the Official Statement (including any appendices, schedules and exhibits thereto) and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements. Our engagement has necessarily involved a review of certain demographic, financial, statistical and operating data or information, however we express no opinion regarding the accuracy and completeness of any such information.

We have generally reviewed information furnished to us by, and have participated in telephone conferences and meetings with, representatives of JEA, JEA's Counsel, PFM Financial Advisors LLC, the financial advisor to JEA, the Underwriters and others, in which such contents of the Official Statements and related matters were discussed. We have reviewed information concerning JEA's audited financial statements and meeting minutes and other materials we deemed relevant. With your permission, we have relied upon certificates of officials of JEA and others, and upon certain other opinions, certificates and/or letters delivered in connection with the issuance of the Bonds, including, without limitation, those received from JEA's Counsel. In addition, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

Based on the foregoing assumptions and reliances, and subject to the qualifications stated herein, we are of the opinion that:

1. Based solely upon our review and discussions noted above, and in reliance upon the accuracy of the information contained in the aforementioned certificates, letters and opinions, but without having undertaken any independent investigation or verification of such information, nothing has come to the attention of the attorneys in our firm rendering legal services in accordance with this representation which leads us to believe that the Official Statements contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that we express no opinion regarding historical or projected financial information, demographic, statistical or operating data or information included in the Official Statements, including but not limited to appendices, schedules and exhibits thereto, or any information about The Depository Trust Company and its book entry system of registration.

2. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Bond Resolution and the Subordinated Bond Resolution (as both terms are defined in the Official Statements) are exempt from qualification under the Trust Indenture Act of 1939, as amended.

The opinions expressed herein are predicated upon present law, facts and circumstances; and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof or of any subsequent events or developments which might affect the opinions expressed herein. The opinions expressed herein represent professional judgment, and are not a guarantee of result.

The opinions expressed herein are limited to the laws of the State of Florida and the United States of America.

This opinion letter may be relied upon by you only and only in connection with the transaction to which reference is made above and may not be used or relied upon by any other person for any purposes whatsoever without our prior written consent. This opinion letter is not rendered to, and may not be relied upon by, holders or owners of the Bonds. The opinions expressed herein are limited to the matters set forth herein, and to the documents referred to herein and do not extend to any other agreements, documents or instruments executed by the Issuer, and no other opinion should be inferred beyond the matters expressly stated herein.

Respectfully submitted,

ANNEX E

[Form of Underwriters' Counsel Opinion]

_____, 20__

[Underwriters]

c/o

Re: \$000,000,000 JEA District Energy System Revenue Bonds, Series X

Ladies and Gentlemen:

We have acted as counsel to you (the "Underwriters") in connection with the purchase by the Underwriters from JEA of the captioned obligations designated (the "Bonds"). As such counsel, we have examined the Official Statement, dated _____, 20__, relating to the Bonds (the "Official Statement"), the Bond Purchase Agreement, dated _____, 20__, by and between _____, as Representative of the Underwriters named therein and JEA, with respect to the Bonds (the "Bond Purchase Agreement"), the Resolution (as defined in the Bond Purchase Agreement), the Continuing Disclosure Agreement (as defined in the Bond Purchase Agreement), and such other matters as we have deemed necessary; and we have participated in discussions and conferences with members of JEA and its staff, bond counsel, JEA's financial advisor, and the independent certified public accountants with respect to matters contained and included by reference in the Official Statement.

From such examination, we are of the opinion that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

We are not passing upon, do not assume responsibility for, and have not independently verified the accuracy, completeness, or fairness of the statements contained or included by reference in the Official Statement. In addition, we are not experts in evaluating the business, operations, or financial condition of public power authorities in general or JEA in particular. As your counsel we have participated in the preparation of the Official Statement and in the discussions referred to above with respect to the Official Statement. In the course of such preparation, discussions and review nothing has come to our attention which leads us to believe that the Official Statement (except for the appendices thereto and references to such appendices and the graphic, engineering, financial and statistical information, any information about book-entry or DTC (as such term is defined in the Official Statement), as to which we express no view) contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

We are further of the opinion that the Continuing Disclosure Agreement satisfies the requirements contained in Securities and Exchange Commission Rule 15c2-12(b)(5) for an undertaking for the benefit of the holders of the Bonds to provide the information at the times and in the manner required by said Rule.

We are furnishing this letter to you pursuant to Section 8(f) of the Bond Purchase Agreement solely for your benefit as Underwriters. Our engagement with respect to this matter has terminated as of the date hereof, and we disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of the Bonds or by any other party to whom it is not specifically addressed.

Respectfully submitted,

ANNEX F

_____, 20__

JEA
225 N. Pearl Street
Jacksonville, Florida 32202

Re: \$000,000,000 JEA District Energy System Revenue Bonds, Series X

Ladies and Gentlemen:

In connection with the proposed issuance by JEA (the "Issuer") of \$000,000,000 in aggregate principal amount of District Energy System Revenue Bonds, Series X (the "Bonds"), [Underwriters] (collectively, the "Underwriters") are preparing to underwrite a public offering of the Bonds. Arrangements for underwriting the Bonds will be pursuant to a Bond Purchase Agreement between the Issuer and the Underwriters.

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385(6), Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the underwriting of the Bonds as follows:

(a) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the purchase and reoffering of the Bonds are set forth in Schedule I attached hereto.

(b) Based upon representations of the Underwriters, there are no "finders," as defined in Section 218.386, Florida Statutes, as amended, connected with the issuance of the Bonds.

(c) The underwriting spread (*i.e.*, the difference between the price at which the Bonds will be initially offered to the public by the Underwriters and the price to be paid to the Issuer for the Bonds) will be \$_____ per \$1,000 bond or \$_____.

(d) The Underwriters will charge no management fee.

(e) There is no other fee, bonus or other compensation to be paid by the Underwriters in connection with the issuance of the Bonds to any person not regularly employed or retained by the Underwriters, except as specifically enumerated as expenses referred to in paragraph (a) above to be incurred by the Underwriters as set forth in Schedule I attached hereto.

(f) The names and addresses of the Underwriters are:

We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385(6), Florida Statutes, as amended.

Very truly yours,

[Underwriters]

By: _____
Name:
Title:

SCHEDULE I

ESTIMATED UNDERWRITERS' FEE AND EXPENSES

<u>Underwriters' Fee</u>	<u>Dollar Amount</u>	<u>Per \$1,000 Bond</u>
Average Takedown	\$ _____	\$ _____
Expenses:		
Underwriters' Counsel	_____	_____
Dalcomp	_____	_____
Dalnet	_____	_____
CUSIP	_____	_____
DTC	_____	_____
Total Fees and Expenses	_____ \$ _____	_____ \$ _____

ANNEX G

REFUNDED BONDS

[Insert name(s) of Series]

ESCROW DEPOSIT AGREEMENT

relating to

**JEA
DISTRICT ENERGY SYSTEM
REVENUE BONDS,
2023/24 SERIES X (FEDERALLY TAXABLE)**

THIS ESCROW DEPOSIT AGREEMENT, dated as of _____, 20__, by and between JEA, a public body corporate and politic organized under the laws of the State of Florida and _____, as Escrow Agent;

WITNESSETH:

WHEREAS, JEA has previously authorized and issued obligations of JEA as hereinafter set forth and defined as the "Refunded Obligations," as to which the Aggregate Debt Service (as hereinafter defined) is set forth on Schedule A attached hereto; and

WHEREAS, JEA has determined to provide for refunding of the Aggregate Debt Service of the Refunded Obligations by depositing with the Escrow Agent cash and Defeasance Securities, which will be sufficient to pay the Aggregate Debt Service on the Refunded Obligations; and

WHEREAS, in order to obtain a portion of the funds needed for such purpose JEA has authorized and is, concurrently with the delivery of this Agreement, issuing its District Energy System Revenue Bonds, 2023/24 Series X (Federally Taxable); and

WHEREAS, JEA has determined that the amount to be on deposit, from time to time, in the Escrow Account, as defined herein, will be sufficient to pay the Aggregate Debt Service;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, JEA and the Escrow Agent agree as follows:

SECTION 1. Definitions. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution (as defined below). As used herein, the following terms shall have the following meanings:

(a) "Aggregate Debt Service" means the sum of all present and future Annual Debt Service payments then remaining unpaid with respect to the Refunded Obligations through the final Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(b) "Agreement" means this Escrow Deposit Agreement.

(c) "Annual Debt Service" means, in any year, the redemption price or principal of, and interest on, the Refunded Obligations coming due or being redeemed on the respective Redemption Date or maturity date, as set forth on Schedule A attached hereto.

(d) "Defeasance Securities" means securities permitted by Section 101 of the Resolution.

(e) "Escrow Account" means the Escrow Account identified in Section 2 herein and established and held by the Escrow Agent pursuant to this Agreement in which a portion of the proceeds from the sale of the Bonds and certain other funds will be held for payment of the Refunded Obligations.

(f) "Escrow Agent" means _____ with the power to accept trusts in the State of Florida.

(g) "Escrow Deposit Requirement" means, as of any date of calculation, the principal amount of cash and any Defeasance Securities in the Escrow Account which, together with the interest due on the Defeasance Securities, will be sufficient to pay, as the installments thereof become due, the Aggregate Debt Service.

(h) "Paying Agent" means _____ in its capacity as the paying agent for the Refunded Obligations.

(i) "Redemption Date" means the redemption date or dates for the Refunded Obligations, as set forth in Schedule B hereto.

(j) "Refunded Obligations" means the District Energy System Revenue Bonds listed in Schedule B hereto.

(k) "Resolution" means the resolution entitled the "District Energy System Revenue Bond Resolution" duly adopted by JEA on June 15, 2004, as amended and supplemented, and particularly as supplemented by resolutions adopted by JEA authorizing the issuance of the Refunded Obligations.

(l) "2023/24 Series X Bonds" means JEA's District Energy System Revenue Bonds, 2023/24 Series X (Federally Taxable).

SECTION 2. Deposit of Funds. With respect to the Refunded Obligations, JEA hereby deposits \$ _____ with the Escrow Agent in immediately available funds (the "Escrow Deposit Amount"), to be held in irrevocable escrow by the Escrow Agent in a separate escrow trust fund (the "Escrow Account") and applied solely as provided in this Agreement. JEA represents that (i) \$ _____ of such funds are derived by JEA from a portion of the proceeds of the 2023/24 Series X Bonds and (ii) \$ _____ of such funds are derived by JEA from amounts on deposit in the Debt Service Fund established pursuant to the Resolution.

JEA represents, that such funds, when applied pursuant to Section 3 below, will at least equal the Escrow Deposit Requirement as of the date hereof.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees:

(a) Concurrently with the receipt of the proceeds and other moneys as described in Section 2, the Escrow Agent will apply \$ _____ of such amount to the purchase of \$ _____ aggregate principal or par amount of Defeasance Securities specifically described in Schedule D, and the remaining \$ _____ will be held as cash for the benefit of the holders of the Refunded Obligations. Defeasance Securities held by the Escrow Agent are to mature in such principal amounts and pay interest in such amounts and at such times so that sufficient moneys are available to pay when due the principal of and interest on all outstanding Refunded Obligations as further set forth in Schedule B;

(b) there will be no investment of funds except as set forth in this Section 3 and in Section 5;

(c) to hold the proceeds of all investments in the Escrow Account in such Account in trust (separate from all other funds of the Escrow Agent) for the benefit of the owners of the Refunded Obligations from the date of receipt thereof to the date on which such proceeds are scheduled to be paid out of the Escrow Account and applied only for the purposes thereof, as set forth on Schedule A attached hereto; and

(d) to hold the funds and securities in the Escrow Account in irrevocable escrow during the term of this Agreement.

SECTION 4. Payment of Refunded Obligations.

(a) ***Payment of Refunded Obligations.*** The Escrow Agent shall pay to the Paying Agent for the Refunded Obligations, from the cash on hand in the Escrow Account, a sum sufficient to pay the Annual Debt Service coming due on such date with respect to the Refunded Obligations, as shown on Schedule A attached hereto.

(b) ***Surplus.*** On the Redemption Date, after making the payment from the Escrow Account described in Subsection 4(a), the Escrow Agent shall pay to JEA the remaining cash, if any, in the Escrow Account. JEA shall apply the payment made to it hereunder to the payment of the principal of and interest on the 2023/24 Series X Bonds or for other uses permitted under the Resolution, but the Escrow Agent shall have no duty or responsibility to ensure that JEA does so.

(c) ***Payments Due on Saturdays, Sundays and Holidays.*** If any payment date shall be a legal holiday or a day on which banking institutions in the city in which is located the designated office of the Paying Agent are authorized by law to remain closed, then the Escrow Agent may make the payments required by Subsections 4(a) and 4(b) to the Paying Agent or JEA, as the case may be, on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and this Section, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Defeasance Securities held hereunder.

(b) At the written request of JEA and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the Defeasance Securities acquired hereunder and shall substitute other Defeasance Securities and reinvest any excess receipts in Defeasance Securities. JEA will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation. Such substitutions and reinvestments may be effected only if (i) an independent certified public accountant selected by JEA shall certify or opine in writing to JEA and the Escrow Agent that the cash and principal amount of Defeasance Securities remaining on hand after the transactions are completed will be not less than the Escrow Deposit Requirement, and (ii) the Escrow Agent shall receive an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to JEA to the effect that the transactions, in and by themselves, will not cause interest on the Refunded Obligations to be included in the gross income of the registered owners thereof for purposes of federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(b) above notwithstanding, cash in excess of the Escrow Deposit Requirement caused by substitution of Defeasance Securities shall, as soon as practicable, be paid to JEA.

SECTION 6. Redemption of Refunded Obligations. JEA has exercised its option to redeem the Refunded Obligations prior to the maturity thereof on the Redemption Date as shown on Schedule B attached hereto.

SECTION 7. Redemption Notice. JEA has previously directed the Bond Registrar for the Refunded Obligations to give notice of redemption of such Refunded Obligations. JEA hereby directs _____ as Bond Registrar to provide notice of defeasance in the form provided in Schedule E attached hereto for the Refunded Obligations. Redemption notices and defeasance notices distributed by the Bond Registrar will be sent to bondholders pursuant to the Resolution, as supplemented, and will be distributed to the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system.

SECTION 8. Indemnity. To the extent permitted by applicable law, including but not limited to Section 768.28, Florida Statutes, JEA hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and attorneys' disbursements and expenses) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Agent (whether or not also indemnified against the same by JEA or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds and securities deposited therein, the purchase of the Defeasance Securities, the retention of the Defeasance Securities or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; *provided, however*, that JEA shall not be required to indemnify the Escrow Agent, its successors, assigns, agents and servants against the negligence or willful misconduct of the Escrow Agent or its successors, assigns, agents and servants. In no event

shall JEA or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section shall survive the termination of this Agreement. Nothing in this Section contained shall give rise to any liability on the part of JEA in favor or any person other than the Escrow Agent.

SECTION 9. Responsibilities of Escrow Agent; Fees. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the retention of the Defeasance Securities or the proceeds thereof or any investment, payment, transfer, or other application of money or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties or non-willful misconduct. The Escrow Agent shall, however, be liable to JEA for its negligent acts, omissions or errors or willful misconduct which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of JEA. The fees of the Escrow Agent shall be paid by JEA at the time this Agreement is executed and delivered, such fees to be as set forth on Schedule C attached hereto. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in the Escrow Account for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement.

SECTION 10. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Obligations have been paid and discharged in accordance with the proceedings authorizing the Refunded Obligations.

SECTION 11. Amendments. This Agreement is made for the benefit of JEA and the holders from time to time of the Refunded Obligations and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and JEA; *provided, however,* that JEA and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Obligations, any additional rights, remedies, power or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject additional funds, securities or properties to this Agreement.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized attorneys on the subject of municipal bonds with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or

elimination affects the rights of the holders of the Refunded Obligations, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of JEA or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be one and the same instrument.

SECTION 14. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Deposit Agreement to be executed by their duly authorized officers and JEA's official seal to be hereunto affixed and attested as of the date first above written.



JEA

ATTEST:

By: _____
Title: _____

By: _____
Secretary

Form Approved:

Office of General Counsel

_____,
as Escrow Agent

By: _____
Its: _____

*[Signature page to Escrow Deposit Agreement relating to
JEA District Energy System Revenue Bonds, Series*

**SCHEDULE A
REFUNDED OBLIGATIONS**

The Aggregate Debt Service for the Refunded Obligations is shown in the following table:

Date	Interest	Principal Redeemed	Redemption Premium	Total
	\$	\$		\$

**SCHEDULE B
LIST OF REFUNDED OBLIGATIONS**

The Refunded Bonds will consist of the District Energy System Revenue Bonds listed in the following table.

<u>Series</u>	<u>Maturity Date (October 1)</u>	<u>Amount to be Refunded</u> \$	<u>Redemption Date</u>	<u>Redemption Price (expressed as a percentage of principal amount)</u> %	<u>CUSIP*</u>
Total					

* The CUSIP numbers listed here are provided for the convenience of readers. JEA is not responsible for the accuracy or completeness of such numbers.

**SCHEDULE C
FEES OF ESCROW AGENT**

The fee of the Escrow Agent for its services hereunder shall be \$____; provided, JEA agrees to reimburse the Escrow Agent for its reasonable out-of-pocket expenses at cost.

SCHEDULE D

ESCROW DESCRIPTIONS DETAIL

<u>Type of Security</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Cost</u>	<u>Accrued Interest</u>	<u>Total Cost</u>
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SCHEDULE E

**NOTICE OF DEFEASANCE AND DESIGNATION
OF CERTAIN BONDS FOR PRIOR REDEMPTION**

JEA

DISTRICT ENERGY SYSTEM REVENUE BONDS

described in Exhibit A hereto *

NOTICE IS HEREBY GIVEN to the holders of JEA's District Energy System Revenue Bonds described above and in Exhibit A attached hereto (the "Refunded Bonds") that JEA has (i) deposited on _____ with _____, the Escrow Agent for the Refunded Bonds, cash and Defeasance Securities which will provide monies sufficient to pay when due the interest on the Refunded Bonds through the redemption date or maturity date, as applicable, and the principal together with any applicable redemption premium thereon, free and clear of any trust, lien or pledge securing said Refunded Bonds or otherwise existing under the Resolution (as defined below) and (ii) irrevocably designated the Refunded Bonds which are subject to redemption prior to maturity for redemption as aforesaid. As a result of such deposit, said Refunded Bonds are deemed to have been paid and to be no longer Outstanding in accordance with the resolution authorizing the issuance of District Energy System Revenue Bonds, adopted by JEA on June 15, 2004, as amended (the "Resolution"). Any such redemption does not apply to any bonds issued under the Resolution other than the Refunded Bonds. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Resolution.

JEA

By: _____,
as Escrow Agent

Dated:

* No representation is made as to the accuracy of the CUSIP number either as printed on the Refunded Bonds or as set forth in this Notice.

EXHIBIT A
REFUNDED BONDS

<u>Refunded Bonds</u>	<u>Par Amount to be Refunded</u>	<u>Outstanding Par Amount Prior to Refunding</u>	<u>Maturity (October 1)</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>Original CUSIP*</u>	<u>Refunded CUSIP*</u>	<u>Unrefunded CUSIP*</u>
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