**EXHIBIT F**
**FLOW OF PIC REVENUE AND PRIORITY OF PAYMENTS**

Unless the Parties agree otherwise in writing, the following shall govern the flow of PIC Revenue pursuant to the Agreement. Unless otherwise indicated, all capitalized terms shall have the same meaning as defined in the Agreement.

The PIC Covenant, PIC Operating Agreement and the various District and Authority Bond Documents are intended by the Parties to be drafted, to the extent possible in conformance with this Exhibit F. A reasonable amount for PIC administrative costs shall be deducted first from the PIC Revenue collected by the PIC. The revenue derived from the revenue pledges made in accordance with this Agreement and distribution of funds required to comply with this Agreement and the PIC Operating Agreement are expected to change over time in accord with the project phases as outlined below.

Pursuant to the Act, the County Treasurer will deliver the District Debt Service Revenue to the Authority as part of the TIF Revenue, but the Parties may agree to have the Treasurer deliver the District Debt Service Revenue directly to the District (or to a Bond Trustee on behalf of the District) to pay District Bonds or Developer Advances. The Parties will cooperate with the PIC, which will be responsible for calculation, collection, documentation, allocation and distribution of payments of Eligible Costs, including Bond Requirements. The Parties understand that TIF Revenue and PIF Revenue may be used to pay any Eligible Costs, but District Debt Service Revenue may only be used to pay for District Eligible Costs plus associated Bond Requirements.

It is important to distinguish between pledges of PIC Revenue that include coverage requirements and distribution of PIC Revenue that will include only the funds actually necessary to fund debt service and other actual revenue obligations.

**Phase 1 – Procedure Prior to the Issuance of any Bonds by Either the District or the Authority:**

1.1 The Authority will deliver the TIF Revenue (including any District Debt Service Revenue) to the PIC and the PIC will collect the PIF Revenue in accordance with the PIF Covenant.

1.2 The PIC will allocate and transfer sufficient PIC Revenue to or on behalf of the Authority and the Authority shall reimburse the Developer (a) first for interest of eight percent (8%) per annum on the accumulated balance of any Authority Administrative Fee revenue previously advanced to the Authority by the Developer, then (b) for payment of the outstanding principal amount of any such Authority Administrative Fee revenue previously advanced by the Developer.

1.3 After payment of the obligations in Section 1.2, the PIC will forward any remaining PIC Revenue to the District to pay accrued and unpaid interest and principal due on Developer Advances for certified District Eligible Costs.

**Phase 2 – Procedure Upon the Issuance of Bonds by the District:**

The Parties agree to accelerate the reimbursement of Developer Advances in order to minimize the District and Authority interest costs (i.e. in advance of the required funding of the Authority's Reimbursement Obligation) so long as the ultimate repayment of all such reimbursements and debt service for both the District Bonds and the Authority Bonds occur simultaneously.

2.1 The PIC will pledge all PIC Revenue to the District until the District is able to pay directly or issue District Bonds sufficient to achieve full funding of its reimbursement obligation to the Developer for Developer Advances of District Eligible Costs.

2.2 The PIC will distribute PIC Revenue (including District Debt Service Revenue) to the District or Bond Trustee to pay current Bond Requirements (including funding any supplemental debt service requirements) of the District Bonds.

2.3 After payment under Section 2.2, any surplus funds will be allocated to the Authority (or to the Developer, on behalf of the Authority) to be pay any outstanding accrued and unpaid interest and the principal balance of Developer Advances.

**Phase 3 – Procedure Upon the Issuance of Bonds by the Authority:**

Once the District Bonds are issued to fund the District Eligible Costs (including Bond Requirements) and to pay outstanding Developer Advances related to District Eligible Costs, the PIC will reallocate and apply its revenue pledges as follows.

3.1 First, to achieve the Minimum Debt Service Requirement of all outstanding District Bonds.

3.2 Then to the Authority to enable the Authority to issue Authority Bonds to pay for all remaining Eligible Costs and any remaining unpaid principal and interest on Developer Advances. It is anticipated that these revenue reallocations may occur several times as the Private Improvements are completed and PIC Revenue increases. It is the intent of this strategy to reallocate pledges to the Authority in order to pay Developer Advances as quickly as possible.

3.3 During this phase, PIC Revenue will be distributed by the PIC as follows:

3.3.1 To the District and Authority sufficient to fund current Bond Requirements (including funding any supplemental debt service reserve requirements) for their respective outstanding District Bonds and Authority Bonds.

3.3.2 Then to the Authority to fully pay any outstanding Developer Advances, including accrued and unpaid interest.

3.3.3 Then to an early redemption fund held by a Bond Trustee that will be utilized as soon as possible to simultaneously defease on a pro rata basis all outstanding Bond Requirements of both the District and the Authority.

**Phase 4 – Procedure Once all Developer Advances Have Been Fully Paid, any Supplemental Debt Service Reserve Funds are filled and the District and Authority are Servicing their Bonds:**

During this phase, PIC Revenue will be distributed by the PIC as follows.

4.1 To the District and Authority sufficient to fund current debt service for all outstanding District Bonds and Authority Bonds.

4.2 Then to an early redemption fund held by a Bond Trustee that will be utilized as soon as possible to simultaneously defease on a pro rata basis all outstanding District Bonds and Authority Bonds so that such Bond Requirements paid off at the same time.