

**Syracuse Regional Airport Authority
Special Meeting Agenda
Friday, May 31, 2019
11:00 a.m. – 12:00 p.m.
Syracuse Hancock International Airport
Board Room**

1. Roll Call (2 Minutes)
2. Executive Session (15 Min)
3. New Business
 - **Initial project resolution**
4. Adjournment

Bold = materials available

The mission of the Syracuse Regional Airport Authority is to provide safe, secure, efficient and low-cost air transportation service to the 12-county region that Syracuse Hancock International Airport currently serves. The Authority seeks to stimulate air service, economic development, trade and tourism by focusing on the shared goals of its stakeholders: more service to more destinations, lower operating costs and increased non-aeronautical revenue. The Authority recognizes that the Syracuse Hancock International Airport is a gateway to the central New York region and beyond and seeks to optimize customer service and exceed customer expectations with continuous improvements to the terminal building and public-use facilities.

INITIAL PROJECT RESOLUTION
(Syracuse Regional Airport Authority Terminal Improvement Project)

A special meeting of the Syracuse Regional Airport Authority was convened in public session on May 31, 2019 at 11:00 a.m., local time, at 1000 Colonel Eileen Collins Boulevard, Syracuse, New York.

On a motion duly made by _____ and seconded by _____ the following resolution (the "**Resolution**") was placed before the members of the Syracuse Regional Airport Authority:

RESOLUTION OF THE SYRACUSE REGIONAL AIRPORT
AUTHORITY TAKING OFFICIAL ACTION TOWARD THE
ISSUANCE OF TAX-EXEMPT OBLIGATIONS TO FINANCE
OR REFINANCE A CERTAIN TERMINAL IMPROVEMENT
PROJECT AND AUTHORIZING A PUBLIC HEARING

WHEREAS, the **SYRACUSE REGIONAL AIRPORT AUTHORITY** (the "**Issuer**") is authorized and empowered by provisions of the Syracuse Airport Authority Act, Chapter 463 of the 2011 Laws of the State of New York constituting Title 34 of Article 8 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of New York, as amended (the "**Enabling Act**") to: (A) stimulate and promote economic development, trade and tourism; (B) acquire, construct, reconstruct, continue, develop, equip, expand, improve, maintain, finance and operate aviation and other related facilities and services within central New York; (C) promote safe, secure, efficient and economical air transportation by preserving and enhancing airport capacity; (C) form an integral part of a safe and effective nationwide system of airports to meet the present and future needs of civil aeronautics and national defense and to assure inclusion of the authority's facilities in state, national and international programs for air transportation and for airport or airway capital improvement, all in accordance with the provisions of this title; and (E) ensure that aviation facilities authorized pursuant to this title shall provide for the protection and enhancement of the natural resources and the quality of the environment of the state and the central New York area; and

WHEREAS, under the enabling act, the Issuer is authorized to issue bonds, notes, or other obligations to pay the cost of any project or for any other purpose, including the establishment of reserves to secure the bonds, the payment of principal of, premium, if any, and interest on the bonds and the payment of incidental expenses in connection therewith; and

WHEREAS, obligations issued by the Issuer may be general obligations secured by the faith and credit of the Issuer or may be special obligations payable solely out of particular revenues or other moneys as may be designated in the proceedings of the Issuer under which the obligations shall be authorized to be issued, subject as to priority only to any agreements with the holders of outstanding bonds pledging any particular property, revenues or moneys; and

WHEREAS, the Issuer is considering issuing its Grant Anticipation Note (Syracuse Regional Airport Authority Terminal Improvement Project), Series 2019 in the aggregate principal amount not to exceed \$19,000,000 (the "**Series 2019 Note**") to finance a project (the "**Project**") consisting of (A) the refinancing of certain revolving indebtedness to KeyBank National Association (the "**Line of Credit**") incurred to finance (i) the construction of certain capital improvements (the "**Improvements**") in and around the terminal of the airport facility leased by the Issuer from the City of Syracuse (the "**Terminal**"), and (ii) the equipping of the Terminal with certain items of equipment, machinery, fixtures, and other items of tangible personal property (the "**Equipment**" and, together with the Improvements, the "**Project Facility**"; (B) paying certain costs and expenses incidental to the issuance of the Series 2019 Note; and (C) funding any debt service reserve or similar fund, if any; and

WHEREAS, the Series 2019 Note is anticipated to be a general obligation of the Issuer, however the Issuer anticipates that it will receive Federal Aviation Administration Airport Improvement Program Entitlement Grants and New York State Grant Matching Funds, which will be pledged to repay the principal of the Note, as indicated below, to the extent permitted by applicable law:

Repayment Date	Principal Repayment
December 1, 2019	\$4,418,000
December 1, 2020	---
December 1, 2021	\$4,221,000
December 1, 2022	\$3,964,000
December 1, 2023	---
December 1, 2024	\$1,583,000
December 1, 2025	\$1,583,000
December 1, 2026	\$1,720,000

; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "**Code**"), interest on the Series 2019 Note will not be excludable from gross income for federal income tax purposes unless (i) the Issuer duly provides notice for and conducts a public hearing relating to the Project Facility and the issuance of the Series 2019 Note (the "**Public Hearing**"); and (ii) the issuance of the Series 2019 Note is approved by the "applicable elected representative" of the City after the Public Hearing is conducted; and

WHEREAS, the Issuer anticipates that it will sell the Series 2019 Note to a private purchaser through a negotiated sale, and is required to first obtain the approval of the comptroller of the City of Syracuse and Office of the State Comptroller of New York; and

WHEREAS, the Issuer desires to (i) describe the Project and Project Facility, along with the proposed forms of action contemplated by the Issuer; (ii) take "official action" with respect to the issuance of the Series 2019 Note in accordance with applicable provisions of the Code and Treasury Regulations; (iv) authorize the scheduling, notice and conduct of the Public Hearing in

accordance with the Code; and (v) authorize certain other preliminary matters relating to the proposed issuance of the Series 2019 Note.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE SYRACUSE REGIONAL AIRPORT AUTHORITY AS FOLLOWS:

Section 1. Based on the foregoing, the Issuer makes the following findings and determinations:

(a) The issuance of the Series 2019 Note to finance the Project supports the purposes of the Issuer to, among other things, promote safe, secure, efficient and economical air transportation by preserving and enhancing airport capacity.

(b) It is desirable and in the public interest for the Issuer to issue its Series 2019 in a principal amount not to exceed \$19,000,000 to finance the costs of the Project.

(c) The Issuer has the authority to undertake the actions contemplated by this Resolution.

Section 2. Subject to the scheduling and conduct of the Public Hearing, the prospective adoption of a formal note resolution by the Issuer (the "**Note Resolution**"), and the Issuer's receipt of approval by the "applicable elected representative" of the City of Syracuse after the Public Hearing, it is contemplated that the Issuer will (i) issue the Series 2019 Note in such principal amount and with such maturities, interest rate or rates, redemption terms and other terms and provisions to be determined by a further resolution of the Issuer; and (ii) secure the Series 2019 Note with the anticipated proceeds of the Grants, or in such other manner as the Issuer and the purchaser(s) of the Series 2019 Note mutually deem appropriate.

Section 3. The Issuer authorizes the publication of Notice of the Public Hearing in substantially the form attached hereto as Exhibit A and the holding of the Public Hearing with respect to the Project and the proposed issuance of the Series 2019 Note, as required by the Issuer's Enabling Act, by-laws and the Code. Minutes of the public hearing will be prepared in substantially the form attached as Exhibit B hereto.

Section 4. The issuance of the Series 2019 Note, as contemplated by this Resolution, shall be subject to:

(a) approval by the Mayor of the City of Syracuse in accordance with the provisions of Section 147(f) of the Code;

(b) approval of the Comptroller of the City of Syracuse and the Office of the Comptroller of the State of New York of the negotiated private sale of the Series 2019 Note; and

(c) agreement by the Issuer and the purchaser of the Series 2019 Note on mutually acceptable terms for the Series 2019 Note and for the sale and delivery

thereof and mutually acceptable terms and conditions for the security for the payment thereof.

Section 5. To the extent the Issuer has paid or incurred or will pay or incur preliminary expenditures or hard costs in connection with the Project with current funds, the Issuer reasonably expects to reimburse itself with proceeds from the Series 2019 Note.

Section 6. With respect to the issuance of the Series 2019 Note, the law firm of Hancock Estabrook, LLP, Syracuse, New York, is hereby appointed Bond Counsel to the Issuer.

Section 7. Counsel to the Issuer and Bond Counsel are hereby authorized to work with counsel to the purchaser of the Series 2019 Note and others to prepare for submission to the Issuer, all documents necessary to effect the authorization, issuance and sale of the Series 2019 Note, and reimbursement of the cost of all such work prior to the date hereof is hereby authorized to the extent permitted by the Code.

Section 8. Each of the officers and members of the Issuer is hereby designated and authorized to preside over and conduct, on behalf of the Issuer, the Public Hearing referred to in Section 3 of this Resolution.

Section 9. The Issuer hereby declares that this resolution shall represent its declaration of "official intention" in accordance with final Treasury Regulation Section 1.150-2. The Issuer reasonably expects to reimburse itself for its expenditures incurred in connection with the Project with the proceeds of the Series 2019 Note.

Section 10. A copy of this resolution shall be available for public inspection at the customary location of records of the Issuer that are available to the general public.

Section 11. The Chairman (or Vice Chairman) or Secretary of the Issuer is hereby authorized and directed to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 12. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to vote on roll call, which resulted as follows:

Ms. Latoya Allen	_____	_____	_____
	Present	Yes	No
Dr. Shiu-Kai Chin	_____	_____	_____
	Present	Yes	No
Dr. Donna De Siato	_____	_____	_____
	Present	Yes	No

Mr. William P. Fisher	<u> </u> Present	<u> </u> Yes	<u> </u> No
Ms. Jo Anne C. Gagliano	<u> </u> Present	<u> </u> Yes	<u> </u> No
Mr. John B. Johnson, Jr.	<u> </u> Present	<u> </u> Yes	<u> </u> No
Mr. Kenneth J. Kinsey	<u> </u> Present	<u> </u> Yes	<u> </u> No
Mr. Michael J. Lazar	<u> </u> Present	<u> </u> Yes	<u> </u> No
Hon. Michael Quill	<u> </u> Present	<u> </u> Yes	<u> </u> No
Mr. Robert Simpson	<u> </u> Present	<u> </u> Yes	<u> </u> No
Hon. Damian M. Ulatowski	<u> </u> Present	<u> </u> Yes	<u> </u> No

The Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
 : SS.:
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the Syracuse Regional Airport Authority, DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Board of the Syracuse Regional Airport Authority (the "Issuer") with the original thereof on file in the office of the Issuer, and the same is a true and correct copy of such resolution and of the proceedings of the Issuer in connection with such matter.

Such resolution was passed at a meeting of the Board of the Issuer duly convened in public session on May 31, 2019 at 11 a.m. local time, at 1000 Colonel Eileen Collins Boulevard, Syracuse, New York at which the following members were:

I FURTHER CERTIFY that (i) all members of the Issuer had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 31st day of May, 2019.

EXHIBIT A

SYRACUSE REGIONAL AIRPORT AUTHORITY
NOTICE OF PUBLIC HEARING
ON PROPOSED ISSUANCE OF TAX-EXEMPT OBLIGATIONS

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") will be held by the Syracuse Regional Airport Authority the "Issuer") on June 13, 2019 at _____.m. local time, at the offices of the Issuer located at 1000 Colonel Eileen Collins Boulevard, Syracuse, New York in connection with the following matters:

The Issuer is considering issuing its Grant Anticipation Note (Syracuse Regional Airport Authority Terminal Improvement Project), Series 2019 in the aggregate principal amount not to exceed \$19,000,000 (the "Series 2019 Note") to finance a project (the "Project") consisting of (A) the refinancing of certain revolving indebtedness to KeyBank National Association (the "Line of Credit") incurred to finance (i) the construction of certain capital improvements (the "Improvements") in and around the terminal of the airport facility leased by the Issuer from the City of Syracuse (the "Terminal"), and (ii) the equipping of the Terminal with certain items of equipment, machinery, fixtures, and other items of tangible personal property (the "Equipment" and, together with the Improvements, the "Project Facility"; (B) paying certain costs and expenses incidental to the issuance of the Series 2019 Note; and (C) funding any debt service reserve or similar fund, if any.

The Issuer expects that the Series 2019 Note will be a general obligation of the Issuer, secured by a pledge of certain grant moneys, which the Issuer anticipates to receive. **THE SERIES 2019 NOTE SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, THE CITY OF SYRACUSE AND ONONDAGA COUNTY AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING, WITHOUT LIMITATION, THE CITY OF SYRACUSE AND ONONDAGA COUNTY, SHALL BE LIABLE THEREON.**

A representative of the Issuer will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the issuance of the Series 2019 Note, the location of the Project Facility or the nature of the Project.

Minutes of the hearing will be made available to the Mayor of the City of Syracuse. Approval of the issuance of the Series 2019 Note by the City of Syracuse through the Mayor is necessary in order for the interest on the Series 2019 Note to be excluded from gross income for federal income tax purposes.

Resolution No. ____

2019

**SYRACUSE REGIONAL AIRPORT
AUTHORITY**

Dated: May ____, 2019

By: _____
Name: _____
Title: _____

EXHIBIT B

MINUTES OF PUBLIC HEARING
ON JUNE 13, 2019

Syracuse Regional Airport Authority
Grant Anticipation Note
(Syracuse Regional Airport Authority Terminal Improvement Project)

1. _____, the _____ of the Syracuse Regional Airport Authority, (the "Issuer"), called the hearing to order.
2. The _____ then appointed _____, the [Secretary] of the Issuer, to record the minutes of the hearing.
3. The _____ then described the proposed issuance of the Series 2019 Note and the location and nature of the Project Facility to be financed as follows:

The Issuer is considering issuing its Grant Anticipation Note (Syracuse Regional Airport Authority Terminal Improvement Project), Series 2019 in the aggregate principal amount not to exceed \$19,000,000 (the "Series 2019 Note") to finance a project (the "Project") consisting of (A) the refinancing of certain revolving indebtedness to KeyBank National Association (the "Line of Credit") incurred to finance (i) the construction of certain capital improvements (the "Improvements") in and around the terminal of the airport facility leased by the Issuer from the City of Syracuse (the "Terminal"), and (ii) the equipping of the Terminal with certain items of equipment, machinery, fixtures, and other items of tangible personal property (the "Equipment" and, together with the Improvements, the "Project Facility"; (B) paying certain costs and expenses incidental to the issuance of the Series 2019 Note; and (C) funding any debt service reserve or similar fund, if any.

4. The [_____] then opened up the hearing for comments from the floor for or against the proposed issuance of the Series 2019 Note and the location of the Project Facility and nature of the Project. The following is a listing of the persons heard and a summary of their views:
5. The [_____] then asked if there were any further comments, and, there being none, the hearing was closed at _____.

[Secretary]

STATE OF NEW YORK)
 : SS.:
COUNTY OF ONONDAGA)

I, the undersigned [Secretary] of the Syracuse Regional Airport Authority, DO HEREBY CERTIFY:

That I have compared the foregoing copy of the minutes of a public hearing held by the Syracuse Regional Airport Authority (the "Issuer") on June 13, 2019 at _____.m., local time, at _____, with the original thereof on file in the office of the Issuer, and that the same is a true and correct copy of the minutes in connection with such matter.

I FURTHER CERTIFY that (i) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended, said hearing was open to the general public, and public notice of the time and place of said hearing was duly given in accordance with such Section 147(f), (ii) the hearing in all respects was duly held, and (iii) members of the public had an opportunity to be heard.

IN WITNESS WHEREOF, I have hereunto set my hand as of June ____, 2019.

[Secretary]



Syracuse Regional Airport Authority

2019 Tax-Exempt Loan Summary of Terms and Conditions May 24, 2019

This Financing proposal is provided for discussion purposes only and does not represent a commitment from Key Government Finance, Inc. (“KGF”). This proposal and its terms are submitted on a confidential basis and shall not be disclosed to third parties (other than the Borrower’s officers, directors, employees and advisors charged with reviewing and/or implementing the transactions contemplated hereby) without KGF’s consent. This proposal is intended as an outline of certain material terms of the Facility and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions which would be contained in definitive documentation for the Facility contemplated hereby.

Key Government Finance, Inc., (“Lender”) is pleased to provide the following term sheet for a direct placement to the Syracuse Regional Airport Authority.

- Lender:** Key Government Finance, Inc. (“Lender”).
- Borrower:** Syracuse Regional Airport Authority (“Authority” or the “Borrower”).
- Issue:** 2019 Tax-Exempt Loan (“2019 Loan”).
- Facility:** Direct Purchase of the 2019 Loan by the Lender.
- Amount:** ~\$17,219,000
- Use of Proceeds:** The proceeds of the 2019 Loan will be used to (1) refinance the outstanding line of credit, and (2) pay the costs of issuance of the 2019 Loan.
- Final Maturity:** December 1, 2026.
- Repayment:** Interest will be due quarterly on the first business day of each applicable March, June, September, and December. Principal will be due on December 1, commencing on December 1, 2019 and afterwards as described below:

Repayment Date	Principal Repayment
December 1, 2019	\$4,418,000
December 1, 2020	--
December 1, 2021	\$4,221,000
December 1, 2022	\$3,964,000
December 1, 2023	--
December 1, 2024	\$1,583,000
December 1, 2025	\$1,583,000
December 1, 2026	\$1,720,000

- Facility Term:** The Lender will purchase the 2019 Loan through Final Maturity.
- Drawdown:** All funds will be drawn at closing.

Interest Rate Lock Options:

30 Day Rate Lock Option:

At the Borrower’s request, the Lender can provide an interest rate lock option (“Interest Rate Lock”) good through a June 28, 2019 closing date. The Interest Rate Lock will require a two-party e-mail confirmation between Lender and Borrower to confirm the terms of the Interest Rate Lock as provided by Lender. If the Interest Rate Lock confirmation is not received by Lender within the specified time, or the Facility closes after the agreed upon lock period, the final interest rate will be subject to index between the proposal date and the closing date based on the change in the KeyCorp Cost of Funds index.

Based on market conditions as of May 22, 2019, the Interest Rate Lock option is quoted below. Any revision to the amortization that increases the average life of the financing may result in a re-pricing of the Interest Rate Lock provided.

This Interest Rate Lock needs to be accepted by the Borrower no later than May 29, 2019 and would be valid for closing on or before June 28, 2019.

Interest Rate Lock Option		
	WAL (Months)	Tax-Exempt Rate
Option 1	40	2.402%
Option 2	40	2.443%

Interest Day Count: 30/360

Up-Front & Structuring Fee:

	Upfront Fee	Structuring Fee
Option 1	\$50,000	\$50,000
Option 2	\$25,000	\$25,000

Costs of Issuance:

Lender plans to use Phillips Lytle LLP as outside legal counsel. Lender will cover Lender’s Counsel fees. Attorney contact information is provided below:

Michael Overmyer
Partner
28 East Main Street, Suite 1400
Rochester, NY 14614-1935
Phone: (585)-238-2079

Milan Tyler
Partner
340 Madison Avenue, 17th Floor
New York, NY 10173-1922
Phone: (212)-508-0439
mt Tyler@phillipslytle.com

340 Madison Avenue, 17th Floor
New York, NY 10173-1922
Phone: (212)-508-0482
MOvermyer@phillipslytle.com

Prepayment:

The Facility may be prepaid in whole or in part on any date, subject to a prepayment premium calculated on the outstanding principal balance at the time of the termination as follows:

	Year 1	Year 2	Year 3	Year 4	Thereafter
2019 Loan	1.75%	1.00%	1.00%	1.00%	0.00%

Security:

The 2019 Loan will not be a general obligation of the Borrower but will be secured as follows:

1. Principal payments will be secured by a pledge on future FAA AIP Entitlement Grants and State Matching Grants that match the payment table found in the Repayment section of the term sheet. Borrower pledges not to use these funds for any other purpose.
2. Interest payments will be serviced by funds on hand with an obligation of the Borrower to adjust rates and charges to cover such payments, if necessary.

Financial Reporting:	<p>Borrower shall provide directly to the Lender:</p> <ol style="list-style-type: none"> 1. Annual Audited financial statements within one hundred eighty (180) days of fiscal yearend presented on both a consolidated and consolidating basis; Annual Interim financial statements within ninety (90) days of fiscal yearend presented on both a consolidated and consolidating basis; Quarterly interim financial statements within sixty (60) days of the quarter end presented on both a consolidated and consolidating basis; 2. Annual budgets, annual enplanements by airline, and pro-formas as requested. 3. Covenant compliance certificate on an annual basis, concurrent with the corresponding financial statement. 4. Other information as the Bank may from time to time, reasonably request.
Financial Covenants:	<p>The covenants of the 2019 Loan will include but not be limited to the following:</p> <ol style="list-style-type: none"> 1. <u>Debt Service Coverage Ratio</u>: Borrower must maintain an annual debt service coverage ratio of 1.00:1.00 defined as Annual Operating Cash Flow to Contractually Obligated Debt Service. To be tested annually as of fiscal year end. 2. <u>Minimum Liquidity</u>: Borrower must maintain a minimum of \$12.8 million in unrestricted cash and liquid investments tested annually as of fiscal year end. This requirement will include step-downs commencing on the December 1, 2021 principal payment and as the 2019 Loan amortizes. 3. <u>Limitations of Additional Indebtedness</u>: Borrower will not incur more than \$20 million in Additional Indebtedness without permission from Lender, not to be unreasonably withheld. This requirement will step-up equal to the principal payments made throughout the 2019 Loan. In addition, this limitation will not include CFC secured debt.
Default Rate:	<p>3% above the current interest rate for any outstanding payments in default, upon the occurrence of a payment default longer than 90 days, the default interest rate shall apply to all outstanding principal, until the payment default has been cured.</p>
Event of Taxability and Gross-Up Rate:	<p>Usual and customary language for transactions of this nature. The Taxable Rate will be defined during documentation. Lender is not requiring increased cost provisions associated with regulatory change and change in tax rate.</p>
Documents:	<p>All documents shall be attorney prepared and, in a form, and substance acceptable to the Lender and its legal counsel, including legal opinions customary for transactions of this nature. Bond counsel will provide a Validity Opinion regarding the legality, validity, and enforceability of the Facility and a Tax Opinion regarding the tax-exempt nature of the interest earnings on the financing.</p>
Credit Approval:	<p>Lender has received a positive pre-screen for this transaction. The estimated amount of time required to obtain final credit approval is 10 business days after receipt of formal award assuming timely receipt of requested financial information, if any.</p>

Conditions Precedent to Closing:	<p>Borrower's obligation will be subject to such terms and conditions that Lender may require with respect to this transaction, or as are customarily required with respect to similar credits and as set forth in the facility documents. Without limitation, such terms and conditions shall include:</p> <ol style="list-style-type: none">1. Absence of Default.2. Accuracy of Representations and Warranties.3. Negotiation and Execution of satisfactory closing documents.4. Absence of material adverse change in financial condition of Borrower during the period from the date hereof to the Closing Date.5. Formal credit approval by the Lender.
Firm Experience:	<p>The Lender is a subsidiary of KeyBank, N.A. KGF's portfolio consists of over \$4.5 billion of tax-exempt leases, loans, and bonds for municipalities, not-for-profits, and manufacturers across the United States.</p>
Ancillary Business:	<p>This Term Sheet is contingent upon the Borrower maintaining their existing depository relationship with KeyBank.</p>
Other:	<p>The Lender will make a loan by purchasing the 2019 Loan under the following additional conditions: (i) the 2019 Loan is not being registered under the Securities Act of 1933 and is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state; (ii) the Lender will hold the 2019 Loan as one single debt instrument; (iii) no CUSIP numbers will be obtained for the 2019 Loan (iv) no final official Statement has been prepared in connection with the private placement of the 2019 Loan; (v) the 2019 Loan will not close through the DTC or any similar repository and will not be in book entry form; and (vi) the 2019 Loan is not listed on any stock or other securities exchange.</p>
Expiration Date:	<p>May 29, 2019</p>

Proposal Acceptance/Expiration

This proposal is issued in reliance upon the accuracy of all information presented by you to us and is contingent upon the absence of any material adverse change in your condition, financial or otherwise, from the condition as it was represented to us at the time of this proposal. This proposal is subject to our formal approval and the execution of documentation acceptable to each of us. **IT IS NOT A COMMITMENT BY US TO ENGAGE IN THIS TRANSACTION.**

(a) Key Government Finance (“KGF”) is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication; (b) KGF is acting for its own interests; and (c) you should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

KGF (i) is an entity directly or indirectly controlled by a bank or under common control with a bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, and (ii) the present intent of KGF, is to hold the municipal securities to maturity or earlier redemption or mandatory tender. Any placement agent, broker or financial advisor may rely upon the representations and warranties contained in this paragraph.

Lender notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, as amended and supplemented) (the “Patriot Act”), that Lender is required to obtain, verify and record all information that identifies Borrower, which information includes the name and address of Borrower and other information that will assist Lender to identify Borrower in accordance with the Patriot Act.”

If the outlined foregoing proposal is satisfactory, reflects an arrangement that suits the need of your organization and you would like Key to commence its due diligence process, please sign and return this proposal. The terms described in this proposal will expire on May 29, 2019 if we have not received an authorized signed copy on or before such date.

Thank you for allowing us the opportunity to present this Proposal. If you have any questions, please call me at 315-470-5180.

Sincerely,

Key Government Finance, Inc.

By: 

David Zapata
VP & East Region Manager
201 South Warren Street, 2nd Floor
Syracuse, NY 13202
David_Zapata@keybank.com

APPROVED THIS _____ DAY OF _____, 20_____

Syracuse Regional Airport Authority

By: _____

Print Name: _____

Title: _____