"Applicable Spread" means, (a) during the Initial Period, a rate per annum associated with the Level corresponding to the applicable long term unenhanced debt rating assigned by any of Moody's[, Fitch] or S&P to any Parity Securities (each, a "Rating"), as specified below.

LEVEL	MOODY'S RATING	S&P RATING	[FITCH RATING]	APPLICABLE SPREAD
Level 1	***Aa2 or above***	***AA or above***		***0.490%***
Level [1]***2***	Aa3 [or above]	AA- [or above]	[AA- or above]	0.***590***[425]%
Level [2]***3***	A1	A+	[A+]	0.***690***[575]%
Level [3]***4***	A2	A	[A]	0.***840***[725]%
Level [4]***5***	A3	A-	[A-]	0.***990***[875]%
Level [5]***6***	Baa1	BBB+	[BBB+]	1.***140***[025]%
Level [6]***7***	Baa2	BBB	[BBB]	1.***290***[175]%

In the case of a split Rating or differing Ratings as between and among the Rating Agencies, the Rating corresponding to the highest numbered Level set forth above and corresponding to the lowest Rating shall apply for all purposes of determining the Applicable Spread. Any change in the Applicable Spread resulting from a change in a Rating shall apply to the LIBOR Index Reset Date or the SIFMA Index Reset Date, as applicable, next succeeding the date on which the change occurs. References to Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system, the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system that most closely approximates the applicable rating category as currently in effect. The City acknowledges that as of the Closing Date the Applicable Spread is that specified above for Level 1. ***The City acknowledges that as of the Amended Closing Date the Applicable Spread is that specified above for Level 1.***

(b) During any Index Interest Rate Period other than the Initial Period, the Applicable Spread shall be the number of basis points determined by the Market Agent on or before the first day of such Index Interest Rate Period and designated by the City in accordance with Section 2.02(a)(i)(E)(9) of this Ordinance (which shall include a schedule for the Applicable Spread based upon the ratings assigned to the long term, unenhanced Parity Securities as described in subparagraph (a) in this definition) that, when added to the SIFMA Index or the product of the LIBOR Index multiplied by the Applicable Factor, as applicable, would equal the minimum interest rate per annum that would enable the Series 2013 Bonds to be sold on such date at a price equal to the principal amount thereof (without regard to accrued interest, if any, thereon).

Submitted At Meeting

Date 6/13/16 **Item** #7

by staff