

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (TENNESSEE)**\$300,000,000 GENERAL OBLIGATION COMMERCIAL PAPER NOTES, SERIES A-1****\$200,000,000 GENERAL OBLIGATION COMMERCIAL PAPER NOTES, SERIES A-2**

Purpose	The Commercial Paper will be issued to provide interim financing of various capital projects in the Metropolitan Government and to refinance existing general obligation commercial paper notes. See "Purpose of Program" on page 3.	
Security	Full faith, credit and unlimited taxing power of The Metropolitan Government of Nashville and Davidson County (the "Metropolitan Government"). See "Security for Commercial Paper" on page 9.	
Tax Status	Interest on the Commercial Paper is excludable from gross income for federal income tax purposes to the extent and subject to the conditions, limitations and continuing compliance with tax covenants as described herein. The Commercial Paper and the interest thereon are exempt from Tennessee taxes, subject to certain exceptions. See "Tax Matters" on page 18.	
Interest Payments	Payable at maturity. The Metropolitan Government is solely responsible for the payment of interest on the Commercial Paper.	
Denominations	\$100,000 minimum principal amount and integral multiples thereof.	
Maturities	Not later than 270 days from date of issue.	
Redemption	The Commercial Paper is not subject to redemption prior to maturity.	
Liquidity Facilities	<u>Series A-1 Notes</u>	<u>Series A-2 Notes</u>
	A Standby Note Purchase Agreement for the Series A-1 Commercial Paper (the "Series A-1 Credit Agreement") between Mizuho Bank, Ltd., acting through its New York Branch (the "Series A-1 Initial Bank") and the Metropolitan Government pursuant to which the Series A-1 Initial Bank will provide liquidity solely for the payment of the principal of maturing Series A-1 Commercial Paper. The initial expiration date of the Series A-1 Credit Agreement is July 7, 2017.	A Standby Letter of Credit and Reimbursement Agreement for the Series A-2 Commercial Paper (the "Series A-2 Credit Agreement", and together with the Series A-1 Credit Agreement, collectively referred to herein as the "Credit Agreements", and each individually herein as a "Credit Agreement") between Sumitomo Mitsui Banking Corporation, acting through its New York Branch (the "Series A-2 Initial Bank") and the Metropolitan Government pursuant to which the Series A-2 Initial Bank will provide a Standby Letter of Credit providing liquidity solely for the payment of the principal of maturing Series A-2 Commercial Paper. The initial expiration date of the Series A-2 Credit Agreement is July 7, 2017.
	The obligations of the Series A-1 Initial Bank under the Series A-1 Credit Agreement will be subject to certain conditions, and such obligations may be terminated or suspended without prior notice under certain circumstances upon the occurrence of a Special Event of Default or Suspension Event, each term as defined herein. See "Summary of the Series A-1 Credit Agreement" on page 4.	The obligations of the Series A-2 Initial Bank under the Series A-2 Credit Agreement will be subject to certain conditions, and such obligations may be terminated or suspended without prior notice under certain circumstances upon the occurrence of a Special Event of Default or Suspension Event, each term as defined herein. See "Summary of the Series A-2 Credit Agreement" on page 10.
Dealers	Series A-1 Notes: Goldman, Sachs & Co.	Series A-2 Notes: J.P. Morgan Securities LLC
Issuing and Paying Agent	U.S. Bank National Association.	
Form	DTC Book-Entry-Only.	
Securities Laws	Exempted securities under Section 3(a)(2) of the Securities Act of 1933; Exempt from Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.	
Issuer Contact	Lannie Holland, Metropolitan Treasurer, 700 2nd Avenue South, Suite 205, Nashville, TN 37210, (615)862-6112.	
Bond Counsel	Bass, Berry & Sims PLC.	
Financial Advisor	First Southwest Company.	

This summary is subject in all respects to more complete information contained in this Offering Memorandum and should not be considered to be a complete statement of the facts material to making an investment decision. The offering of the Commercial Paper to potential investors is made only by means of the entire Offering Memorandum.

Goldman, Sachs & Co.

J.P. Morgan

Dealers for the Series A-1 and Series A-2 Commercial Paper Notes, Respectively

Dated: July 1, 2014

This Offering Memorandum contains certain information for quick reference only and is not a summary of the terms of the Commercial Paper. Information essential to the making of an informed decision with respect to the Commercial Paper may be obtained in the manner described herein under the section heading "FINANCIAL INFORMATION".

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations with respect to the Commercial Paper other than as contained in this Offering Memorandum and, if given or made, such other information or representations must not be relied upon. This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Commercial Paper, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein has been provided by the Metropolitan Government and other sources believed to be reliable, but the accuracy or completeness of the information is not guaranteed by and is not to be construed as a representation by the Metropolitan Government.

All references to documents and other materials not purporting to be quoted in full are qualified in their entirety by reference to the complete provisions of the documents and other materials referenced.

The information and expressions of opinion set forth herein are subject to change without notice, and neither the delivery of this Offering Memorandum nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the matters described herein since the date hereof.

The Dealers have provided the following sentence for inclusion in this Offering Memorandum. The Dealers have reviewed the information in the Offering Memorandum in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Dealers do not guarantee the accuracy or completeness of such information.

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THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (TENNESSEE)

\$300,000,000 GENERAL OBLIGATION COMMERCIAL PAPER NOTES, SERIES A-1

\$200,000,000 GENERAL OBLIGATION COMMERCIAL PAPER NOTES, SERIES A-2

INTRODUCTION

This Offering Memorandum, including the cover page and the Appendices, is provided to furnish information in connection with the issuance from time to time by The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) of its General Obligation Commercial Paper Notes, Series A-1 (the “Series A-1 Commercial Paper”) and its General Obligation Commercial Paper Notes, Series A-2 (the “Series A-2 Commercial Paper” and, together with the Series A-1 Commercial Paper, the “Commercial Paper”).

The Commercial Paper will be issued under and subject to the terms and conditions contained in a resolution adopted by the Metropolitan County Council of the Metropolitan Government (the “Metropolitan Council”) on May 6, 2014 (as it may be supplemented and amended, the “Commercial Paper Resolution”). The Metropolitan Government has entered into the following agreements in connection with the Commercial Paper:

Issuing and Paying Agency Agreement with respect to each series of Commercial Paper (each, as it may be supplemented and amended, and together with any successor agreement, an “Issuing and Paying Agency Agreement”) between the Metropolitan Government and U.S. Bank National Association (together with any successor, the “Issuing and Paying Agent”).

Commercial Paper Dealer Agreement with respect to each series of Commercial Paper (each, as it may be supplemented and amended, and together with any successor agreement, a “Dealer Agreement”) between the Metropolitan Government and Goldman, Sachs & Co., New York, New York with respect to the Series A-1 Commercial Paper and between the Metropolitan Government and J.P. Morgan Securities LLC, Chicago, Illinois with respect to the Series A-2 Commercial Paper (together with any successor, the “Dealer”).

Standby Note Purchase Agreement for Series A-1 Commercial Paper (as it may be supplemented and amended, and together with any successor agreement, the “Series A-1 Credit Agreement”) between the Metropolitan Government and Mizuho Bank, Ltd., acting through its New York Branch (the “Series A-1 Initial Bank”).

Standby Letter of Credit and Reimbursement Agreement for Series A-2 Commercial Paper (as it may be supplemented and amended, and together with any successor agreement, the “Series A-2 Credit Agreement” and, together with the Series A-1 Credit Agreement, the “Credit Agreements”) between the Metropolitan Government and Sumitomo Mitsui Banking Corporation, acting through its New York Branch (the “Series A-2 Initial Bank” and, together with the Series A-1 Initial Bank, the “Initial Banks”) pursuant to which the Series A-2 Initial Bank will provide its Standby Letter of Credit.

Descriptions herein do not purport to be comprehensive or definitive, and all references to the Commercial Paper, the Commercial Paper Resolution, and various other documents and instruments mentioned herein, are qualified in their entirety by reference to the respective document or instrument, copies of which are available from the Metropolitan Government and the Dealers. Capitalized terms not otherwise defined herein shall have the meanings ascribed by the Commercial Paper Resolution.

The forms of opinions of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, with respect to certain legal matters relating to the Commercial Paper are attached hereto as Appendix A.

PURPOSE OF PROGRAM

The Commercial Paper will be issued to provide interim financing of various capital projects in the Metropolitan Government and to refinance existing outstanding commercial paper.

PROGRAM DESCRIPTION

Commercial Paper may be issued under the Commercial Paper Resolution in an aggregate principal amount outstanding at any one time not to exceed \$500,000,000. Series A-1 Commercial Paper may be issued in an aggregate principal amount outstanding at any one time not to exceed \$300,000,000. Series A-2 Commercial Paper may be issued in an aggregate principal amount outstanding at any one time not to exceed \$200,000,000.

The Commercial Paper will be sold at par and will have varying maturities of not more than 270 days from the respective dates of issuance; provided that each maturity date will be a Business Day and such maturity date will not exceed the expiration date of the applicable Credit Agreement.

The Commercial Paper is issuable as interest-bearing obligations in minimum denominations of \$100,000 and integral multiples thereof. Commercial Paper will bear interest from their date at a rate not in excess of the maximum rate permitted by applicable law, payable at maturity with principal, computed on the basis of actual days elapsed, including the issue date and excluding the maturity date, and a 360-day year.

Redemption

The Commercial Paper is not subject to redemption prior to maturity.

Book-Entry-Form

All Commercial Paper initially shall be issued in book-entry-only form through The Depository Trust Company, New York, New York. For a description of the book-entry-only system, see Appendix B.

Authority for Issuance

The Metropolitan Government is authorized to issue bond anticipation notes, including the Commercial Paper, to finance public works projects pursuant to Title 9, Chapter 21, Part 5 of the Tennessee Code Annotated, as amended (the "T.C.A.") and to secure such bond anticipation notes by a pledge of the unlimited taxing power of the Metropolitan Government.

Pursuant to Section 9-21-505 of the T.C.A. and upon the approval of the Tennessee Director of State and Local Finance ("Director of State and Local Finance"), the Metropolitan Government may issue bond anticipation notes for a period not to exceed two (2) years from the issue date; provided that, with the approval of the Director of State and Local Finance, the bond anticipation notes may be extended or renewed for not more than two (2) additional periods of two (2) years each. The Director of State and Local Finance approved the issuance of the Commercial Paper on May 8, 2014, including the approval of two (2) extensions of two (2) years each for an initial permitted issuance period of six (6) years.

The Metropolitan Government has authorized and anticipates issuing its general obligation bonds for budgeted capital projects in an aggregate principal amount of between \$500 million and \$1 billion over the next several years. The Metropolitan Government will issue the Commercial Paper in anticipation of the issuance of such general obligation bonds and other general obligation bonds that may be authorized in the future.

SUMMARY OF THE SERIES A-1 CREDIT AGREEMENT

The following is a summary of certain provisions of the Series A-1 Credit Agreement. This summary does not purport to be comprehensive or definitive, and is subject to all of the terms and provisions of the Series A-1 Credit Agreement, to which reference is hereby made. The Series A-1 Credit Agreement relates only to the Series A-1 Commercial Paper.

General

The Series A-1 Credit Agreement contains various provisions, covenants and conditions, certain of which are summarized below. The Series A-1 Credit Agreement supporting the Series A-1 Commercial Paper is available solely to pay the principal due on the maturity date of the Series A-1 Commercial Paper and the Issuing and Paying Agent may only draw on the Series A-1 Credit Agreement for the payment of the principal due on the maturity date of the Series A-1 Commercial Paper Notes. In addition, the Series A-1 Credit Agreement (a) does not guarantee the payment of principal due on the Series A-1 Commercial Paper in the event that certain events permitting the

termination or suspension of the Series A-1 Initial Bank's obligations occur thereunder as described under the caption "Events of Default and Remedies under the Series A-1 Credit Agreement" set forth below (b) is not available to pay the principal due at maturity in connection with the Series A-2 Commercial Paper Notes and (c) is not available to pay the interest due at maturity in connection with the Series A-1 Commercial Paper.

Terms not otherwise defined in this "Summary of the Series A-1 Credit Agreement" and this Offering Memorandum will have the meanings ascribed thereto in the Series A-1 Credit Agreement.

The Series A-1 Credit Agreement permits, and the Issuing and Paying Agency Agreement requires, the Issuing and Paying Agent, on behalf of the Metropolitan Government, to make requests for purchases of Bank Notes under the Series A-1 Credit Agreement to provide the funds to pay principal of the Series A-1 Commercial Paper as and when due, to the extent funds are not otherwise available to the Issuing and Paying Agent. The Series A-1 Credit Agreement will expire on July 7, 2017, unless extended pursuant to its terms or otherwise terminated prior to such date.

Conditions Precedent to Each Advance

The obligation of the Series A-1 Initial Bank to honor a Notice of Bank Purchase or to purchase a Bank Note on any date is subject to the conditions precedent that, on the date of such Notice of Bank Purchase or purchase of Bank Note: (a) the Series A-1 Initial Bank shall have timely received a properly presented and conforming Notice of Bank Purchase from the Issuing and Paying Agent (on behalf of Metropolitan Government) and delivered on or prior to the time specified therefor in the Series A-1 Credit Agreement; and (b) no Special Event of Default shall have occurred and no Suspension Event shall have occurred and be continuing. The issuance of each Bank Note to be purchased by the Series A-1 Initial Bank shall constitute a representation and warranty by Metropolitan Government on such Purchase Date that the condition described in clause (b) above is true and correct on such Purchase Date. Each issuance of Series A-1 Commercial Paper shall be deemed a representation and warranty by Metropolitan Government that (a) that all representations and warranties of the Metropolitan Government in the Series A-1 Credit Agreement (and incorporated therein) and each other Related Document (as defined in the Series A-1 Credit Agreement) and each certificate or other writing delivered to the Bank pursuant thereto on or prior to the date of such issuance shall be correct on and as of such date as though made on and as of such date, except to the extent a representation or warranty relates specifically to an earlier date (in which case such representation or warranty shall be true and correct as of such date), and no Event of Default or Default shall have occurred and be continuing on such date or would result from such issuance, (b) all conditions precedent for the issuance of the Series A-1 Commercial Paper under the Series A-1 Credit Agreement, the Resolution (as defined in the Series A-1 Credit Agreement) and the related Issuing and Paying Agency Agreement shall have been satisfied, (c) the Resolution shall be in full force and effect, (d) no registration, notice, qualification or other filing is required to be made with any Governmental Authority (as defined in the Series A-1 Credit Agreement) in connection with the issuance of the Series A-1 Commercial Paper or, if required to be made, has been or will be made prior to the date of such issuance, and (e) after the issuance of the Series A-1 Commercial Paper, the aggregate principal amount of all related Bank Notes and Series A-1 Commercial Paper that will be outstanding immediately after such issuance will not exceed the amount of the Available Commitment (as defined in the Series A-1 Credit Agreement).

In addition, the Series A-1 Initial Bank shall have no obligation to purchase a Bank Note the proceeds of which would be used to pay the principal of maturing Series A-1 Commercial Paper that were issued by the Metropolitan Government after receipt by the Issuing and Paying Agent and the Metropolitan Government of a Stop Order.

Events of Default and Remedies under the Series A-1 Credit Agreement

If one or more of the following events shall have occurred and be continuing, each such event shall be an "Event of Default" under the Series A-1 Credit Agreement:

(a) the Metropolitan Government shall fail to pay (i) any principal of or interest on any Bank Notes (as defined in the Series A-1 Credit Agreement) when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) (other than payments on Bank Notes due solely as a result of acceleration caused by the Series A-1 Initial Bank pursuant to the Series A-1 Credit Agreement), or (ii) any Facility Fee (as defined in the Series A-1 Credit Agreement) or any other amount payable under the Series A-1 Credit Agreement or under the Fee Letter (as defined in the Series A-1 Credit Agreement) and, in the case of such Facility

Fee or other amount, such failure shall continue for a period of three (3) Business Days (as defined in the Series A-1 Credit Agreement) from the date such obligation was due or (iii) interest on any Series A-1 Commercial Paper when due;

(b) any representation, warranty, certification, or statement made by the Metropolitan Government in the Series A-1 Credit Agreement, any other Related Document or in any certificate, financial statement, or other document delivered pursuant to the Series A-1 Credit Agreement or any Related Documents shall have been incorrect or untrue in any material respect when made or deemed to have been made;

(c) the Metropolitan Government shall default in the due performance or observance of certain covenants set forth in the Series A-1 Credit Agreement;

(d) the Metropolitan Government shall fail to perform or observe any other covenant, agreement, or condition contained in the Series A-1 Credit Agreement, the Bank Notes or any other Related Document (other than as addressed by any other Event of Default under this caption "**Events of Default and Remedies under the Series A-1 Credit Agreement**" above (as defined in the Series A-1 Credit Agreement)) and such failure, if capable of being remedied, shall remain unremedied for thirty (30) days after the earlier to occur of (i) the date on which the Metropolitan Government has actual knowledge thereof or (ii) written notice thereof shall have been given to the Metropolitan Government by the Series A-1 Initial Bank; provided, however, such breach shall not constitute an Event of Default (as defined in the Series A-1 Credit Agreement) after such thirty (30) day period for such period of time as, in the judgment of the Series A-1 Initial Bank, the Metropolitan Government is diligently pursuing a cure or correction of such failure and has provided the Series A-1 Initial Bank with a written plan for curing or correcting such failure, but in no event shall such period extend more than ninety (90) days after the occurrence of such default;

(e) one or more final unappealable judgments or orders, issued or rendered by a Government Authority (as defined in the Series A-1 Credit Agreement) of competent jurisdiction, for the payment of money in excess of \$10,000,000, individually or in the aggregate, shall be issued or rendered against the Metropolitan Government, and such judgment or order shall continue unsatisfied, unbonded, undismissed and unstayed for a period of sixty (60) days;

(f) the Metropolitan Government shall fail to pay when due and payable (i)(A) any principal of or interest on any Special General Obligation Debt (as defined in the Series A-1 Credit Agreement) (including, in each case, without limitation, any principal or sinking fund installments but excluding a failure to pay any amount described in clause (vii) of the definition of "Debt" in the Series A-1 Credit Agreement which has been accelerated pursuant to the terms of a letter of credit, credit agreement, standby bond purchase agreement or other similar instrument), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning the Special General Obligation Debt; or any failure to pay the principal of or interest on any Special General Obligation Debt under any indenture, contract or instrument providing for the creation of or concerning such Special General Obligation Debt shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay the principal of or interest on any Special General Obligation Debt is to accelerate, or to permit the acceleration of, the maturity of such Special General Obligation Debt or (B) the Metropolitan Government shall fail to pay, when due and payable, any interest on any commercial paper notes issued by or on behalf of the Metropolitan Government which constitute General Obligation Debt (as defined in the Series A-1 Credit Agreement) or (ii) any principal of or interest on any other Debt (as defined in the Series A-1 Credit Agreement) (other than as referred to in clause (i) of this paragraph (f)) of the Metropolitan Government having a principal amount in excess of \$1,000,000 and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof or any other default under any indenture, contract or instrument providing for the creation of or concerning such other Debt, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such other Debt;

(g) (i) the Metropolitan Government shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to

adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the Metropolitan Government shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Metropolitan Government any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismitted, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against the Metropolitan Government, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) the Metropolitan Government shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) of this paragraph (g); or (v) the Metropolitan Government shall admit in writing its inability to pay its debts generally as they become due, or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) (i) any provision of the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement (as defined in the Series A-1 Credit Agreement), the Enabling Act (as defined in the Series A-1 Credit Agreement) or the Resolution related to the payment of principal or interest on the Series A-1 Commercial Paper or the Bank Notes or the pledge of the full faith and credit and taxing power (including, without limitation, the Metropolitan Government's ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes) of the Metropolitan Government shall at any time for any reason cease to be valid and binding or fully enforceable on the Metropolitan Government as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(a) the validity or enforceability of any provision of the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution related to the payment of principal or interest on the Series A-1 Commercial Paper or the Bank Notes or the pledge of the full faith and credit and taxing power (including, without limitation, the Metropolitan Government's ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes) of the Metropolitan Government shall be contested by the Metropolitan Government or (b) any Governmental Authority having appropriate jurisdiction over the Metropolitan Government shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any provision of the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution related to the payment of principal or interest on the Series A-1 Commercial Paper or the Bank Notes or the pledge of the full faith and credit and taxing power (including, without limitation, the Metropolitan Government's ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes) of the Metropolitan Government, or (c) the Metropolitan Government shall deny that it has any or further liability or obligation under the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution or (iii) any material provision of the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution other than a provision described in clause (i) and (ii) of this paragraph (h) shall at any time for any reason cease to be valid and binding on the Metropolitan Government, or shall be declared in a final nonappealable judgment by any court having jurisdiction over the Metropolitan Government to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be publicly contested by the Metropolitan Government;

(i) (i) the Metropolitan Government shall declare a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on any General Obligation Debt of the Metropolitan Government or (ii) any Governmental Authority having appropriate jurisdiction over the Metropolitan Government shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Series A-1 Commercial Paper or the Bank Notes or on all General Obligation Debt;

(j) (i) the long term unenhanced rating assigned by Moody's, Fitch or S&P (each as defined in the Series A-1 Credit Agreement) on any General Obligation Debt of the Metropolitan Government is reduced below "Baa1" (or its equivalent), "BBB+" (or its equivalent) or "BBB+" (or its equivalent), respectively or (ii) the long term unenhanced rating assigned by Moody's, Fitch and S&P on any General Obligation Debt of the Metropolitan Government shall be withdrawn or suspended (for credit related reasons) or reduced below "Baa3" (or its equivalent), "BBB-" (or its equivalent) and "BBB" (or its equivalent), respectively;

(k) an "event of default" as defined in any Related Document (other than the Series A-1 Credit Agreement, the Bank Notes or the Fee Letter) shall occur and be continuing or the Metropolitan Government shall default in the due performance or observance of any material term, covenant or agreement contained in the Resolution, the Issuing and Paying Agency Agreement or any other Related Document (other than the Series A-1 Credit Agreement, the Bank Notes or the Fee Letter) and the same shall not have been cured within any applicable cure period;

(l) a ruling, assessment, notice of deficiency or technical advice by the Internal Revenue Service shall be rendered to the effect that interest on the Series A-1 Commercial Paper is includable in the gross income of the holder(s) or owner(s) of such Notes and either (i) the Metropolitan Government, after it has been notified by the Internal Revenue Service, shall not challenge such ruling, assessment, notice or advice in a court of law during the period within which such challenge is permitted or (ii) the Metropolitan Government shall challenge such ruling, assessment, notice or advice and a court of law make a determination, not subject to appeal or review by another court of law, that such ruling, assessment, notice or advice is correctly rendered;

(m) the Metropolitan Government shall cease to exist, dissolve or terminate; or

(n) (i) any provision of the Fee Letter shall at any time for any reason cease to be valid and binding or fully enforceable against the Metropolitan Government or shall be declared to be null and void as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(a) the validity or enforceability of any provision of the Fee Letter shall be contested by the Metropolitan Government or the Metropolitan Government shall deny that it has any or further liability or obligation under the Fee Letter or (b) any Governmental Authority having appropriate jurisdiction over the Metropolitan Government shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any provision of the Fee Letter.

then, and in any such event, other than an Event of Default specified in paragraph (g) under the caption "Events of Default and Remedies under the Series A-1 Credit Agreement" above, the Series A-1 Initial Bank may declare the Bank Notes, all accrued interest thereon, and all other amounts payable under the Series A-1 Credit Agreement to be forthwith due and payable, whereupon the Bank Notes and such interest and all such amounts shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are expressly waived by the Metropolitan Government under the Series A-1 Credit Agreement. If any Event of Default specified in paragraph (g) under the caption "Events of Default and Remedies under the Series A-1 Credit Agreement" above shall occur, without any notice to the Metropolitan Government or any other act by the Series A-1 Initial Bank, the Bank Notes, together with accrued interest thereon, and all other amounts payable under the Series A-1 Credit Agreement, shall become forthwith due and payable, without presentment, demand, protest, or other notice of any kind, all of which are waived by the Metropolitan Government under the Series A-1 Credit Agreement.

Upon the occurrence of any Special Event of Default (as defined in the Series A-1 Credit Agreement), the Commitment (as defined in the Series A-1 Credit Agreement) shall automatically and immediately terminate with respect to all Series A-1 Commercial Paper and the Series A-1 Initial Bank shall have no obligation to purchase any Bank Notes the proceeds of which shall be used to fund any maturing Series A-1 Commercial Paper Note.

Upon the occurrence of an Event of Default that is not a Special Event of Default, the Series A-1 Initial Bank may, by notice to the Metropolitan Government, terminate the Commitment, if any (except as provided below), deliver a Stop Order (as defined in the Series A-1 Credit Agreement) to the Issuing and Paying Agent directing the Issuing and Paying Agent to cease issuing any Series A-1 Commercial Paper, whereupon no additional Series A-1 Commercial Paper shall be issued, the Available Commitment (as defined in the Series A-1 Credit

Agreement) shall immediately be reduced to the then outstanding principal amount of Series A-1 Commercial Paper, and the Available Commitment shall be further reduced in a similar manner as and when such Series A-1 Commercial Paper mature; provided that the Commitment shall not terminate, and the right of the Series A-1 Initial Bank to accelerate the maturity of the Bank Notes shall not affect the obligation of the Series A-1 Initial Bank to purchase Bank Notes in an aggregate principal amount equal to the Commitment to the extent necessary for the Metropolitan Government to make required payments of principal of the Series A-1 Commercial Paper issued and sold prior to the date upon which the Stop Order is received by the Issuing and Paying Agent; provided further that if any Bank Notes are purchased that would not have been made but for the application of the immediately preceding provision, such Bank Notes shall be immediately due and payable on the date such Bank Notes were purchased.

Upon the occurrence of an Event of Default under clause (ii) under paragraph (h) under the caption “Events of Default and Remedies under the Series A-1 Credit Agreement” above, the obligation of the Series A-1 Initial Bank to purchase Bank Notes under the Series A-1 Credit Agreement shall be automatically and immediately suspended from the time of the occurrence of such Event of Default until a final, non-appealable judgment of a court having jurisdiction in the premises shall be entered declaring that all contested provisions of the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution relating to the payment of principal or interest on the Series A-1 Commercial Paper or the Bank Notes or the validity or enforceability of the pledge of the full faith and credit and taxing power of the Metropolitan Government or the Metropolitan Government’s ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes are upheld in their entirety. In the event such judgment is entered declaring that all contested provisions of the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution relating to the payment of principal or interest on the Series A-1 Commercial Paper or the Bank Notes or the validity or enforceability of the pledge of the full faith and credit and taxing power of the Metropolitan Government or the Metropolitan Government’s ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes are upheld in their entirety, the obligation of the Series A-1 Initial Bank to purchase Bank Notes under the Series A-1 Credit Agreement shall be automatically reinstated and the terms of the Series A-1 Credit Agreement will continue in full force and effect (unless the Series A-1 Credit Agreement shall have otherwise expired or terminated in accordance with the terms of the Series A-1 Credit Agreement or there has occurred a Special Event of Default) as if there had been no suspension. In the event any provision of the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution relating to the payment of principal or interest on the Series A-1 Commercial Paper or the Bank Notes or the validity or enforceability of pledge of the full faith and credit and taxing power of the Metropolitan Government or the Metropolitan Government’s ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes is declared to be null and void or unenforceable, or it is determined that the Metropolitan Government has no liability or obligation under the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution, then the obligations of the Series A-1 Initial Bank under the Series A-1 Credit Agreement will terminate as set forth above. Notwithstanding the foregoing, if, upon the Commitment Termination Date (as defined in the Series A-1 Credit Agreement) litigation is still pending and a judgment regarding the validity and enforceability of the Series A-1 Credit Agreement, the Series A-1 Commercial Paper, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution relating to the payment of principal or interest on the Series A-1 Commercial Paper or the Bank Notes or the validity or enforceability of pledge of the full faith and credit and taxing power of the Metropolitan Government or the Metropolitan Government’s ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes as is the subject of such Event of Default has not been obtained, then the Commitment and the obligation of the Series A-1 Initial Bank to purchase Bank Notes under the Series A-1 Credit Agreement shall at such time terminate without notice or demand.

Upon the occurrence of a Default under clause (ii) or (iii) of paragraph (g) under the caption “Events of Default and Remedies under the Series A-1 Credit Agreement” above, the obligation of the Series A-1 Initial Bank to purchase Bank Notes under the Series A-1 Credit Agreement shall be automatically and immediately suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, the obligation of the Series A-1 Initial Bank to

purchase Bank Notes under the Series A-1 Credit Agreement shall be reinstated and the terms of the Series A-1 Credit Agreement will continue in full force and effect (unless the obligation of the Series A-1 Initial Bank to purchase Bank Notes under the Series A-1 Credit Agreement shall have otherwise expired or terminated in accordance with the terms of the Series A-1 Credit Agreement or there has occurred a Special Event of Default) as if there had been no such suspension.

Failure to take action in regard to one or more Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Events of Default.

If any Event of Default shall occur, then and in every such case the Series A-1 Initial Bank shall be entitled to proceed to protect and enforce its rights by such appropriate judicial proceeding as it may deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in the Series A-1 Credit Agreement, in aid of the exercise of any power granted in the Series A-1 Credit Agreement, or to enforce any other legal or equitable right vested in the Series A-1 Initial Bank by the Series A-1 Credit Agreement, the Bank Notes or by law. The provisions of the Series A-1 Credit Agreement shall be a contract with each and every Holder (as defined in the Series A-1 Credit Agreement) and the duties of the Metropolitan Government shall be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

DESCRIPTION OF THE SERIES A-1 INITIAL BANK

The following information concerning Mizuho Bank, Ltd. has been provided by representatives of Mizuho Bank, Ltd. and has not been independently confirmed or verified by Goldman, Sachs & Co. or the Metropolitan Government. The inclusion of this section in the Offering Memorandum shall not create any implication that there has been no change in the affairs of Mizuho Bank, Ltd. since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

On July 1, 2013, Mizuho Bank, Ltd. and Mizuho Corporate Bank, Ltd., each a wholly-owned subsidiary of Mizuho Financial Group, Inc. (“MFG”), a corporation organized under the laws of Japan, merged (the “Merger”). Mizuho Corporate Bank, Ltd. was the surviving entity of the Merger, and immediately following the Merger, Mizuho Corporate Bank, Ltd. changed its name to Mizuho Bank, Ltd. (“Mizuho”).

Mizuho provides comprehensive and sophisticated financial services to various customers, including small and medium-sized enterprises, middle-market corporations in Japan, as well as, financial institutions, public sector entities and large Japanese and foreign corporations. Mizuho meets the needs of its customers by utilizing its strengths such as its broad customer base, financial expertise, and domestic and international office network which covers major cities in and outside Japan. Mizuho offers various commercial banking services including deposits, bank debentures, lending (including non-recourse loans and commitment facilities), foreign exchange, derivatives, payment and settlement services (including bill/cheque clearing, payment and others), e-solution businesses (including cash management services and debit cards), corporate bond trustee services, investment trusts, defined contribution pension business, treasury services, syndicated loans, among others. Mizuho is one of the largest banks in the world, with total assets of approximately \$1.4 trillion as of March 31, 2014.

Mizuho’s New York branch (the “New York Branch”) is licensed by the Banking Department of the State of New York as a branch to transact banking business in New York. The New York Branch is subject to supervision, examination and regulation by the New York State Banking Department and the Federal Reserve Board.

The long-term credit ratings of Mizuho by Moody’s, Standard & Poor’s and Fitch are A1, A+ and A-, respectively, and the short-term credit ratings of Mizuho by Moody’s, Standard & Poor’s, and Fitch are P-1, A-1 and F1, respectively.

A security rating is not a recommendation to buy, sell or hold securities and should be evaluated independently of any other rating. The rating is subject to revision or withdrawal at any time by the assigning rating organization.

Additional information, including the most recent publicly issued financial reports of MFG and Mizuho, and additional annual, quarterly and current reports filed with or furnished to the Securities and Exchange Commission (the “SEC”) and filings and other information in connection with the Merger, may be obtained without charge by each person to whom this Official Statement is delivered upon the written request of any such person to Mizuho Bank, Ltd., 1251 Avenue of the Americas, New York, New York 10020. This and other information is also available at www.mizuhobank.com and at the SEC’s website at www.sec.gov.

THE MIZUHO STANDBY NOTE PURCHASE AGREEMENT IS AN OBLIGATION OF MIZUHO AND IS NOT AN OBLIGATION OF MFG. NO SUBSIDIARY OR AFFILIATE CONTROLLED BY MFG, EXCEPT MIZUHO, IS OBLIGATED TO MAKE PAYMENTS UNDER THE MIZUHO STANDBY NOTE PURCHASE AGREEMENT.

Except for the contents of this section, the Series A-1 Initial Bank assumes no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Offering Memorandum.

SUMMARY OF THE SERIES A-2 CREDIT AGREEMENT

The following is a summary of certain provisions of the Series A-2 Credit Agreement. This summary does not purport to be comprehensive or definitive, and is subject to all of the terms and provisions of the Series A-2 Credit Agreement, to which reference is hereby made. The Series A-2 Credit Agreement relates only to the Series A-2 Commercial Paper.

General

The Series A-2 Credit Agreement contains various provisions, covenants and conditions, certain of which are summarized below. The standby letter of credit issued pursuant to the Series A-2 Credit Agreement (the letter of credit being referred to herein as the “Facility”) supporting the Series A-2 Commercial Paper Notes is available solely to pay the principal due on the maturity date of the Series A-2 Commercial Paper Notes and the Issuing and Paying Agent may only draw on the Facility for the payment of the principal due on the maturity date of the Series A-2 Commercial Paper Notes. In addition, the Facility (a) does not guarantee the payment of principal due on the Series A-2 Commercial Paper Notes in the event that certain events permitting the termination or suspension of the Series A-2 Initial Bank’s obligations occur thereunder as described under the caption “Events of Default and Remedies under the Series A-2 Credit Agreement” set forth below and (b) is not available to pay the principal due at maturity in connection with the Series A-1 Commercial Paper.

Terms not otherwise defined in this “Summary of the Series A-2 Credit Agreement” and this Offering Memorandum will have the meanings ascribed thereto in the Series A-2 Credit Agreement and the Facility.

The Series A-2 Credit Agreement permits, and the Issuing and Paying Agency Agreement requires, the Issuing and Paying Agent, on behalf of the Metropolitan Government, to make requests for advances under the Facility to pay principal of on the Series A-2 Commercial Paper Notes as and when due, to the extent funds are not otherwise available to the Issuing and Paying Agent. The Facility will expire on July 7, 2017, unless extended pursuant to its terms or otherwise terminated.

Conditions Precedent to Each Drawing Request or Advance

The obligation of the Series A-2 Initial Bank to honor a Drawing Request or to make an Advance on any date is subject to the conditions precedent that, on the date of such Drawing Request or Advance: (a) the Series A-2 Initial Bank shall have timely received a Drawing Request properly completed and duly executed by the Issuing and Paying Agent (on behalf of Metropolitan Government) and delivered on or prior to the time specified therefor in the Facility; and (b) no Special Event of Default shall have occurred and no Suspension Event shall have occurred and be continuing. Each Drawing Request delivered by the Issuing and Paying Agent pursuant to the Facility shall constitute a representation and warranty by Metropolitan Government on such Advance Date that the condition described in clause (b) above is true and correct on such Advance Date and that all representations and warranties of the Metropolitan Government in the Series A-2 Credit Agreement (and incorporated therein) are true and correct in all material respects as though made on such Advance Date except to the extent that any such representation or warranty relates to a specific point in time.

In addition, the Series A-2 Initial Bank shall have no obligation to make an Advance under the Facility after receipt by the Issuing and Paying Agent and the Metropolitan Government of a Stop Order (as defined below).

Events of Default and Remedies under the Series A-2 Credit Agreement

If one or more of the following events shall have occurred and be continuing, each such event shall be an “Event of Default” under the Series A-2 Credit Agreement:

(a) the Metropolitan Government shall fail to pay (i) any principal of or interest on any Bank Notes when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) (other than payments on Bank Notes due solely as a result of acceleration caused by the Series A-2 Initial Bank pursuant to the Series A-2 Credit Agreement), (ii) any Facility Fee or any other amount payable under the Series A-2 Credit Agreement or under the Fee Letter and, in the case of such Facility Fee or other amount, such failure shall continue for a period of three (3) Business Days from the date such obligation was due or (iii) any interest on any Commercial Paper Notes when due;

(b) any representation, warranty, certification, or statement made by the Metropolitan Government in the Series A-2 Credit Agreement, any other Related Document or in any certificate, financial statement, or other document delivered pursuant to the Series A-2 Credit Agreement or any Related Documents shall have been incorrect or untrue in any material respect when made or deemed to have been made;

(c) the Metropolitan Government shall default in the due performance or observance of certain covenants specified in the Series A-2 Credit Agreement;

(d) the Metropolitan Government shall fail to perform or observe any other covenant, agreement, or condition contained in the Series A-2 Credit Agreement, the Bank Notes or any other Related Document (other than as addressed by any other Event of Default (as defined in the Series A-2 Credit Agreement)) and such failure, if capable of being remedied, shall remain unremedied for thirty (30) days after the earlier to occur of (i) the date on which the Metropolitan Government has actual knowledge thereof and (ii) written notice thereof shall have been given to the Metropolitan Government by the Series A-2 Initial Bank; provided, however, such breach shall not constitute an Event of Default after such thirty (30) day period for such period of time as, in the judgment of the Series A-2 Initial Bank, the Metropolitan Government is diligently pursuing a cure or correction of such failure and has provided the Series A-2 Initial Bank with a written plan for curing or correcting such failure, but in no event shall such period extend more than ninety (90) days after the occurrence of such default;

(e) one or more final unappealable judgments or orders, issued or rendered by a Government Authority of competent jurisdiction, for the payment of money in excess of \$10,000,000, individually or in the aggregate, shall be issued or rendered against the Metropolitan Government, and such judgment or order shall continue unsatisfied, unbonded, undismissed and unstayed for a period of sixty (60) days;

(f) the Metropolitan Government shall fail to pay when due and payable (i)(A) any principal of or interest on any Special General Obligation Debt (as defined in the Series A-1 Credit Agreement) (including, in each case, without limitation, any principal or sinking fund installments but excluding a failure to pay any amount which has been accelerated pursuant to the terms of a letter of credit, credit agreement, standby bond purchase agreement or other similar instrument), and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning the Special General Obligation Debt; or any failure to pay the principal of or interest on any Special General Obligation Debt under any indenture, contract or instrument providing for the creation of or concerning such Special General Obligation Debt shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to pay the principal of or interest on any Special General Obligation Debt is to accelerate, or to permit the acceleration of, the maturity of such Special General Obligation Debt or (B) the Metropolitan Government shall fail to pay, when due and payable, any interest on any commercial paper notes issued by or on behalf of the Metropolitan Government which constitute General Obligation Debt or (ii) any principal of or interest on any other Debt (other than as referred to in clause (i) of this paragraph (f)) of the Metropolitan Government having a principal amount in excess of \$1,000,000 and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation thereof or any other default under any indenture, contract or instrument providing for the creation of or concerning such other Debt, or

any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such other debt;

(g) (i) the Metropolitan Government shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the Metropolitan Government shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Metropolitan Government any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against the Metropolitan Government, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) the Metropolitan Government shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) of this paragraph (g); or (v) the Metropolitan Government shall admit in writing its inability to pay its debts generally as they become due, or shall become insolvent within the meaning of Section 101(32) of the United States Bankruptcy Code;

(h) (i) any provision of the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution related to the payment of principal or interest on the Series A-2 Commercial Paper Notes or the Bank Notes or the pledge of the full faith and credit and taxing power (including, without limitation, the Metropolitan Government's ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes) of the Metropolitan Government shall at any time for any reason cease to be valid and binding or fully enforceable on the Metropolitan Government as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(A) the validity or enforceability of any provision of the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution related to the payment of principal or interest on the Series A-2 Commercial Paper Notes or the Bank Notes or the pledge of the full faith and credit and taxing power (including, without limitation, the Metropolitan Government's ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes) of the Metropolitan Government shall be contested by the Metropolitan Government or (B) any Governmental Authority having appropriate jurisdiction over the Metropolitan Government shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any provision of the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution related to the payment of principal or interest on the Series A-2 Commercial Paper Notes or the Bank Notes or the pledge of the full faith and credit and taxing power (including, without limitation, the Metropolitan Government's ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes) of the Metropolitan Government, or (C) the Metropolitan Government shall deny that it has any or further liability or obligation under the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution or (iii) any material provision of the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution, other than a provision described in clauses (i) and (ii) of this paragraph (h) shall at any time for any reason cease to be valid and binding on the Metropolitan Government, or shall be declared in a final nonappealable judgment by any court having jurisdiction over the Metropolitan Government to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be publicly contested by the Metropolitan Government;

(i) (i) the Metropolitan Government shall declare a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal or interest on any General Obligation Debt of the Metropolitan Government or (ii) any Governmental Authority having appropriate jurisdiction over the Metropolitan Government shall make a finding or ruling or shall enact or adopt

legislation or issue an executive order or enter a judgment or decree which results in a debt moratorium, debt restructuring, debt adjustment or comparable extraordinary restriction on the repayment when due and payable of the principal of or interest on the Series A-2 Commercial Paper Notes, or Bank Notes or on all General Obligation Debt;

(j) (i) the long term unenhanced rating assigned by Moody's, Fitch or S&P on any General Obligation Debt of the Metropolitan Government is reduced below "Baa2" (or its equivalent), "BBB" (or its equivalent) or "BBB" (or its equivalent), respectively, or (ii) the long term unenhanced rating assigned by Moody's, Fitch and S&P on any General Obligation Debt of the Metropolitan Government shall be withdrawn or suspended (for credit related reasons) or reduced below "Baa3" (or its equivalent), "BBB-" (or its equivalent) and "BBB-" (or its equivalent), respectively;

(k) an "event of default" as defined in any Related Document (other than the Series A-2 Credit Agreement, the Bank Notes or the Fee Letter) shall occur and be continuing or the Metropolitan Government shall default in the due performance or observance of any material term, covenant or agreement contained in the Resolution, the Issuing and Paying Agency Agreement or any other Related Document (other than the Series A-2 Credit Agreement, the Bank Notes or the Fee Letter) and the same shall not have been cured within any applicable cure period;

(l) a ruling, assessment, notice of deficiency or technical advice by the Internal Revenue Service shall be rendered to the effect that interest on the Series A-2 Commercial Paper Notes is includable in the gross income of the holder(s) or owner(s) of such Notes and either (i) the Metropolitan Government, after it has been notified by the Internal Revenue Service, shall not challenge such ruling, assessment, notice or advice in a court of law during the period within which such challenge is permitted or (ii) the Metropolitan Government shall challenge such ruling, assessment, notice or advice and a court of law make a determination, not subject to appeal or review by another court of law, that such ruling, assessment, notice or advice is correctly rendered;

(m) the Metropolitan Government shall cease to exist, dissolve or terminate; or

(n) (i) any provision of the Fee Letter shall at any time for any reason cease to be valid and binding or fully enforceable against the Metropolitan Government or shall be declared to be null and void as determined by any Governmental Authority of competent jurisdiction in a final nonappealable judgment, or (ii)(A) the validity or enforceability of any provision of the Fee Letter shall be contested by the Metropolitan Government or the Metropolitan Government shall deny that it has any or further liability or obligation under the Fee Letter or (B) any Governmental Authority having appropriate jurisdiction over the Metropolitan Government shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree which contests the validity or enforceability of any provision of the Fee Letter.

then, and in any such event, other than an Event of Default specified in paragraph (g) under the caption "Events of Default and Remedies under the Series A-2 Credit Agreement" above, the Series A-2 Initial Bank may declare the Bank Notes, all accrued interest thereon, and all other amounts payable under the Series A-2 Credit Agreement to be forthwith due and payable, whereupon the Bank Notes and such interest and all such amounts shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are expressly waived by the Metropolitan Government under the Series A-2 Credit Agreement. If any Event of Default specified in paragraph (g) under the caption "Events of Default and Remedies under the Series A-2 Credit Agreement" above shall occur, without any notice to the Metropolitan Government or any other act by the Series A-2 Initial Bank, the Bank Notes, together with accrued interest thereon, and all other amounts payable under the Series A-2 Credit Agreement, shall become forthwith due and payable, without presentment, demand, protest, or other notice of any kind, all of which are waived by the Metropolitan Government under the Series A-2 Credit Agreement.

Upon the occurrence of any Special Event of Default (as defined below), the Commitment of the Series A-2 Initial Bank shall automatically and immediately terminate with respect to all Series A-2 Commercial Paper Notes and the Series A-2 Initial Bank shall have no obligation to make Advances the proceeds of which shall be used to pay the principal of maturing Series A-2 Commercial Paper Notes. Each Event of Default described in clause (a)(i), (a)(iii), (e), (f)(i), (g), (h)(i), (i) or (j)(ii) above constitutes a "Special Event of Default."

Upon the occurrence of an Event of Default that is not a Special Event of Default, the Series A-2 Initial Bank may, by notice to the Issuing and Paying Agent and the Metropolitan Government (such notice being referred to as a “Stop Order”), terminate the Commitment, if any (except as provided below), deliver a Stop Order to the Issuing and Paying Agent directing the Issuing and Paying Agent to cease issuing any Series A-2 Commercial Paper Notes, whereupon no additional Series A-2 Commercial Paper Notes shall be issued, the Available Commitment shall immediately be reduced to the then outstanding principal amount of Series A-2 Commercial Paper Notes, and the Available Commitment shall be further reduced in a similar manner as and when such Series A-2 Commercial Paper Notes mature; provided that the Commitment shall not terminate, and the right of the Series A-2 Initial Bank to accelerate the maturity of the Bank Notes shall not affect the obligation of the Series A-2 Initial Bank to make Advances under the Facility in an aggregate principal amount equal to the Commitment to the extent necessary for the Metropolitan Government to make required payments of principal on the Series A-2 Commercial Paper Notes issued and sold prior to the date upon which the Stop Order is received by the Issuing and Paying Agent.

Upon the occurrence of an Event of Default under clause (ii) under paragraph (h) under the caption “Events of Default and Remedies under the Series A-2 Credit Agreement” above, the obligation of the Series A-2 Initial Bank to make Advances under the Facility shall be automatically and immediately suspended from the time of the occurrence of such Event of Default until a final, non-appealable judgment of a court having jurisdiction in the premises shall be entered declaring that all contested provisions of the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution relating to the payment of principal or interest on the Series A-2 Commercial Paper Notes or the Bank Notes or the validity or enforceability of the pledge of the full faith and credit and taxing power of the Metropolitan Government or the Metropolitan Government’s ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes are upheld in their entirety. In the event such judgment is entered declaring that all contested provisions of the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution relating to the payment of principal or interest on the Series A-2 Commercial Paper Notes or the Bank Notes or the validity or enforceability of the pledge of the full faith and credit and taxing power of the Metropolitan Government or the Metropolitan Government’s ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes are upheld in their entirety, the obligation of the Series A-2 Initial Bank to make Advances under the Facility shall be automatically reinstated and the terms of the Facility and the Series A-2 Credit Agreement will continue in full force and effect (unless the Facility and the Series A-2 Credit Agreement shall have otherwise expired or terminated in accordance with their terms or there has occurred a Special Event of Default) as if there had been no suspension. In the event any provision of the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution relating to the payment of principal or interest on the Series A-2 Commercial Paper Notes or the Bank Notes or the validity or enforceability of pledge of the full faith and credit and taxing power of the Metropolitan Government or the Metropolitan Government’s ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes is declared to be null and void or unenforceable, or it is determined that the Metropolitan Government has no liability or obligation under the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution, then the obligations of the Series A-2 Initial Bank under the Facility and the Series A-2 Credit Agreement will terminate as set forth above. Notwithstanding the foregoing, if, upon the Commitment Termination Date litigation is still pending and a judgment regarding the validity and enforceability of the Series A-2 Credit Agreement, the Series A-2 Commercial Paper Notes, the Bank Notes, the Issuing and Paying Agency Agreement, the Enabling Act or the Resolution relating to the payment of principal or interest on the Series A-2 Commercial Paper Notes or the Bank Notes or the validity or enforceability of pledge of the full faith and credit and taxing power of the Metropolitan Government or the Metropolitan Government’s ability to levy unlimited taxes on all land, improvements and any other property assessed for Metropolitan Government tax purposes as is the subject of such Event of Default has not been obtained, then the Commitment and the obligation of the Series A-2 Initial Bank to make Advances under the Facility shall at such time terminate without notice or demand.

Upon the occurrence of a Default under clause (ii) or (iii) of paragraph (g) under the caption “Events of Default and Remedies under the Series A-2 Credit Agreement” above, the obligation of the Series A-2 Initial Bank to make Advances under the Facility shall be automatically and immediately suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the

event such proceeding is terminated, the obligation of the Series A-2 Initial Bank to make Advances under the Facility shall be reinstated and the terms of the Facility and the Series A-2 Credit Agreement will continue in full force and effect (unless the obligation of the Series A-2 Initial Bank to make Advances under the Facility shall have otherwise expired or terminated in accordance with the terms of the Facility and the Series A-2 Credit Agreement or there has occurred a Special Event of Default) as if there had been no such suspension.

Failure to take action in regard to one or more Events of Default shall not constitute a waiver of, or the right to take action in the future in regard to, such or subsequent Events of Default.

If any Event of Default shall occur, then and in every such case the Series A-2 Initial Bank shall be entitled to proceed to protect and enforce its rights by such appropriate judicial proceeding as it may deem most effectual to protect and enforce any such right, either by suit, in equity, or by action at law, whether for the specific performance of any covenant or agreement contained in the Series A-2 Credit Agreement, in aid of the exercise of any power granted in the Series A-2 Credit Agreement, or to enforce any other legal or equitable right vested in the Series A-2 Initial Bank pursuant to the Series A-2 Credit Agreement, the Bank Notes, the Related Documents or by law. The provision of the Series A-2 Credit Agreement shall be a contract with each and every Holder and the duties of the Metropolitan Government shall be enforceable by any Holder by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

DESCRIPTION OF THE SERIES A-2 INITIAL BANK

The following information concerning Sumitomo Mitsui Banking Corporation has been provided by representatives of Sumitomo Mitsui Banking Corporation and has not been independently confirmed or verified by J.P. Morgan Securities LLC or the Metropolitan Government. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information given below or incorporated herein by reference is correct as of any time subsequent to its date.

Sumitomo Mitsui Banking Corporation (Kabushiki Kaisha Mitsui Sumitomo Ginko) (“SMBC”) is a joint stock corporation with limited liability (Kabushiki Kaisha) under the laws of Japan. The registered head office of SMBC is located at 1-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005, Japan.

SMBC was established in April 2001 through the merger of two leading banks, The Sakura Bank, Limited and The Sumitomo Bank, Limited. In December 2002, Sumitomo Mitsui Financial Group, Inc. (“SMFG”) was established through a stock transfer as a holding company under which SMBC became a wholly owned subsidiary. **SMFG reported ¥ 161,534,387 million (USD 1,564,702 million) in consolidated total assets as of March 31, 2014.**

SMBC is one of the world’s leading commercial banks and provides an extensive range of banking services to its customers in Japan and overseas. In Japan, SMBC accepts deposits, makes loans and extends guarantees to corporations, individuals, governments and governmental entities. It also offers financing solutions such as syndicated lending, structured finance and project finance. SMBC also underwrites and deals in bonds issued by or under the guarantee of the Japanese government and local government authorities, and acts in various administrative and advisory capacities for certain types of corporate and government bonds. Internationally, SMBC operates through a network of branches, representative offices, subsidiaries and affiliates to provide many financing products including syndicated lending and project finance.

The New York Branch of SMBC is licensed by the State of New York Banking Department to conduct branch banking business at 277 Park Avenue, New York, New York, and is subject to examination by the State of New York Banking Department and the Federal Reserve Bank of New York.

Audited consolidated financial statements for SMFG and its consolidated subsidiaries for the fiscal years ended March 31, 2013, as well as other corporate data, financial information and analyses are available in English on the website of the Parent at www.smfg.co.jp/english.

The information herein has been obtained from SMBC, which is solely responsible for its content. The delivery of the Official Statement shall not create any implication that there has been no change in the affairs of SMBC since the date hereof, or that the information contained or referred herein is correct as of any time subsequent to its date.

Except for the contents of this section, SMBC assumes no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Offering Memorandum.

SECURITY FOR COMMERCIAL PAPER

Sources of Payment and Security

Unless the payment of the principal of the Commercial Paper otherwise shall be provided for by or on behalf of the Metropolitan Government from proceeds of other Commercial Paper or other available moneys, on or before the respective maturity dates thereof the Metropolitan Government shall, to the extent and as permitted by law, provide for the issuance, sale and delivery of bonds or other obligations of the Metropolitan Government in an amount sufficient to provide for the payment of the outstanding principal of the Commercial Paper at maturity.

In addition, the Commercial Paper (including Roll-Over Commercial Paper and Bank Notes) shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Metropolitan Government. For the prompt payment of principal of and interest on the Commercial Paper, the full faith and credit and unlimited taxing power of the Metropolitan Government are irrevocably pledged.

Under State law, the Metropolitan Government's legislative body is authorized to levy a tax on all taxable property within the Metropolitan Government, or a portion thereof, without limitation as to rate or amount, and a referendum is neither required nor permitted to set the rate or amount. For a more complete statement of the general covenants and provisions pursuant to which the Commercial Paper are issued, reference is hereby made to the Commercial Paper Resolution.

By referendum passed on November 7, 2006, voters in the Metropolitan Government amended the Charter to require that all future increases of the maximum ad valorem (real property) tax rate of \$4.04 per one hundred dollars of assessed property value in the General Service District and an additional \$0.65 per one hundred dollars of assessed property value in the Urban Service District (\$4.69 total) be first approved by voter referendum prior to implementation by the Metropolitan Government. The current tax rates are \$3.924 for the GSD and an additional \$0.592 for the USD (\$4.516 total). The Charter amendment does not purport to specifically limit that portion of the tax rate allocable to the payment of debt service.

Section 9-21-101 et seq. of the T.C.A. (pursuant to which the Commercial Paper is issued) dictates the levy of a tax sufficient to pay debt service of any general obligation bonds or notes issued thereunder, without regard to any other State or local laws to the contrary. Bond Counsel will opine that the pledge of the Metropolitan Government's unlimited taxing power is valid, binding and enforceable against it, and that there is no limitation on the Metropolitan Government's ability to impose sufficient taxes to fund debt service on the Commercial Paper. (See Appendix A – Forms of Opinion of Bond Counsel.)

If valid, the Charter amendment may limit the Metropolitan Government's ability to raise additional revenues for governmental requirements – other than the payment of general obligation debt service – by increasing property tax rates.

The Metropolitan Government's Department of Law and Bond Counsel have each opined that a court would likely find the Charter amendment to be invalid as an unconstitutional limitation on the exercise of the Metropolitan County Council's taxing authority. Neither the legal effect nor the constitutionality of the Charter amendment has been challenged, and the timing and outcome of any such challenge cannot be predicted.

Remedies and Rights of Holders

The Commercial Paper when duly issued will constitute a contract between the Metropolitan Government and each registered owner of the Commercial Paper. Any registered owner or owner(s) of the Commercial Paper,

including a trustee or trustees for the registered owners, shall have the right, in addition to all other rights: (a) by mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce his or her rights against the Metropolitan Government and the Metropolitan Council and any officer, agent or employee of the Metropolitan Government, including, but not limited to, the right to require the Metropolitan Government and the Metropolitan Council and any proper officer, agent or employee of the Metropolitan Government to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes and to require the Metropolitan Government and the Metropolitan Council and any officer, agent or employee of the Metropolitan Government to carry out any other covenants and agreements and to perform its and their duties under the provisions of Section 9-21-101 et seq. of the T.C.A.; and (b) by action or suit in equity to enjoin any acts or things which may be unlawful or a violation of the rights of such registered owners of the Commercial Paper.

LITIGATION

At the time of the original delivery of the Commercial Paper, there will be furnished a certificate of certain officers of the Metropolitan Government stating that there is no litigation then pending, or to their knowledge threatened, affecting the corporate existence or boundaries of the Metropolitan Government, or the titles of its officials to their respective offices, or the validity of the Commercial Paper or the power of the Metropolitan Government to levy and collect taxes to pay the Commercial Paper.

TAX MATTERS

Federal Taxes

Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Commercial Paper. Their opinion under existing law, relying on certain statements by the Metropolitan Government and assuming compliance by the Issuer with certain covenants, is that interest on the Commercial Paper is excluded from a Commercial Paper holder's federal gross income under the Internal Revenue Code of 1986, is not a preference item for a Commercial Paper holder under the federal alternative minimum tax, and is included in the adjusted current earnings of a corporation under the federal corporate alternative minimum tax.

The Internal Revenue Code of 1986, as amended (the "Code") imposes requirements on the Commercial Paper that the Issuer must continue to meet after the Commercial Paper are issued. These requirements generally involve the way that Commercial Paper proceeds must be invested and ultimately used. If the Issuer does not meet these requirements, it is possible that a Commercial Paper holder may have to include interest on the Commercial Paper in its federal gross income on a retroactive basis to the date of issue. The Metropolitan Government has covenanted to do everything necessary to meet these requirements of the Code.

A Commercial Paper holder who is a particular kind of taxpayer may also have additional tax consequences from owning the Commercial Paper. This is possible if a Commercial Paper holder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit or
- a borrower of money to purchase or carry the Commercial Paper.

If a Commercial Paper holder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Commercial Paper or affect the market price of the Commercial Paper. See also "Changes in Federal and State Tax Law" below in this heading.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Commercial Paper, or under State, local or foreign tax law.

State Taxes

Under existing law, the Commercial Paper and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on interest on the Commercial Paper during the period the Commercial Paper are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Commercial Paper in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

Changes in Federal and State Tax Law

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Commercial Paper or otherwise prevent holders of the Commercial Paper from realizing the full benefit of the tax exemption of interest on the Commercial Paper. Further, such proposals may impact the marketability or market value of the Commercial Paper simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to Commercial Paper issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Commercial Paper. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Commercial Paper would be impacted thereby. Purchasers of the Commercial Paper should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Commercial Paper, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

LEGAL OPINIONS

The validity of the Commercial Paper will be approved by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel. For the form of proposed Bond Counsel opinion, which includes certain assumptions as to future acts by the Metropolitan Government, see Appendix A. Certain matters will be passed upon for the Series A-1 Initial Bank by its domestic counsel, Chapman and Cutler LLP, and by its Japanese counsel. Certain matters will be passed upon for the Series A-2 Initial Bank by its domestic counsel, Nixon Peabody LLP, and by its Japanese counsel.

FINANCIAL INFORMATION

The Metropolitan Government is not required to file reports with the S.E.C. in connection with the Commercial Paper. In connection with the issuance of the Commercial Paper, the Metropolitan Government will not agree to provide any “annual financial information” (within the meaning of S.E.C. Rule 15c-12) or any other information or notices required by Rule 15c2-12 to the MSRB. However, the Metropolitan Government has agreed to provide such “annual financial information” and other information and notices required by S.E.C. Rule 15c2-12 to the Electronic Municipal Market Access of the Municipal Securities Rulemaking Board (“EMMA”) in connection with the issuance of its various outstanding general obligation bonds, and such information is available from the EMMA (www.emma.msrb.org) as long as the Metropolitan Government has outstanding general obligation bonds.

Audited financial statements of the Metropolitan Government and certain supplementary information for each fiscal year are also available through the website of the Metropolitan Government’s Department of Finance at <http://www.nashville.gov/Finance/Office-of-the-Treasurer/Debt/Investor-Relations.aspx>. Such audited financial statements and supplementary information are additionally available from the Metropolitan Government upon request sent to the Treasurer of the Metropolitan Government at 700 2nd Avenue South, Suite 205, Nashville, Tennessee 37210. To the extent there are any differences between the financial statements posted on the Department of Finance’s website or sent by the Treasurer of the Metropolitan Government and the financial statements filed with EMMA, the statements filed with EMMA shall control.

This Offering Memorandum is not a summary of the terms of the Commercial Paper, and information essential to the making of an informed decision with respect to the Commercial Paper may be obtained in the manner described above. All references to documents and other materials not purporting to be quoted in full are qualified in their entirety by reference to the complete provisions of the documents and other materials referenced. The information and expressions of opinion in this Offering Memorandum are subject to change without notice, and future use of this Offering Memorandum shall not create any implication that there has been no change in the matters described herein since the date hereof.

RATINGS

Moody's Investors Service ("Moody's") and Standard & Poor's ("S&P") have assigned ratings of "P-1", and "A-1+", respectively, on the Commercial Paper based upon the Metropolitan Government and the Credit Agreements delivered by the Initial Banks. Such ratings reflect only the views of each rating agency, and any explanation of the significance of such ratings may be obtained only from the respective rating agency.

Such ratings for the Commercial Paper are subject to revision, suspension or withdrawal at any time by the respective rating agency, and any such revision, suspension or withdrawal may affect the market price or marketability of the Commercial Paper. The ratings are not a recommendation to buy, sell or hold the Commercial Paper.

DEALERS

The Metropolitan Government has appointed Goldman, Sachs & Co. and J.P. Morgan Securities LLC (the "Dealers") to serve as dealers for the Series A-1 Commercial Paper and the Series A-2 Commercial Paper, respectively. Under Dealer Agreements, each dated July 1, 2014, by and between the Metropolitan Government and each Dealer, the Dealers have no commitment to purchase any Commercial Paper. Inquiries to the Dealers may be directed as set forth below.

Goldman, Sachs & Co.
200 West Street
New York, New York 10282
Phone: (212) 902-6633

J.P. Morgan Securities LLC
383 Madison Avenue, Floor 8
New York, New York 10179
Phone: (212) 834-7224

The Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services.

In the ordinary course of their various business activities, the Dealers and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the issuer. The Dealers and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

FINANCIAL ADVISOR

First Southwest Company is employed as Financial Advisor to the Metropolitan Government in connection with the issuance of the Commercial Paper Notes. First Southwest Company, in its capacity as Financial Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Commercial Paper or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. In the normal course of business, First Southwest Company may from time to time

sell investment securities to the Metropolitan Government for the investment of bond proceeds or other funds of the Metropolitan Government upon the request of the Metropolitan Government.

The Financial Advisor has provided the following sentence for inclusion in this Offering Memorandum: The Financial Advisor has reviewed the information in this Offering Memorandum in accordance with, and as part of, its responsibilities to the Metropolitan Government and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

MISCELLANEOUS

The references, excerpts and summaries of all documents referred to in this Offering Memorandum and in the Appendices to this Offering Memorandum do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Commercial Paper, the security for the payment of the Commercial Paper and the rights and obligations of the holders thereof.

Any statements made in this Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Offering Memorandum nor any statement, which may have been made verbally or in writing, is to be construed as a contract with the holders of the Commercial Paper

The information contained in this Offering Memorandum has been compiled from sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

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AUTHORIZATION OF OFFERING MEMORANDUM

The execution and distribution of this Offering Memorandum have been duly authorized by the Metropolitan Government.

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY**

By: /s/ Karl F. Dean
Karl F. Dean
Metropolitan Mayor

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APPENDIX A
FORMS OF OPINIONS OF BOND COUNSEL

Proposed Form of Opinion of Bond Counsel – Series A-1 Notes
[Issue Date]

The Metropolitan Government of Nashville
and Davidson County
Nashville, Tennessee

U.S. Bank National Association
New York, New York

Goldman, Sachs & Co.
New York, New York

Mizuho Bank, Ltd., acting
through its New York Branch
New York, New York

The Metropolitan Government of Nashville and Davidson County
General Obligation Commercial Paper Notes, Series A-1
\$ _____ Issue Dated _____

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by The Metropolitan Government of Nashville and Davidson County (the “Issuer”) of \$_____ in aggregate principal amount of its General Obligation Commercial Paper Notes, Series A-1, dated the date hereof (the “Notes”). In such capacity, we have examined the law and such certified proceedings and other documents as we deemed necessary to render this opinion, including, but not limited to, Resolution No. RS2014-1065 (the “Resolution”) authorizing the issuance and sale of the Notes. As used herein, the term “Notes” shall also mean any Rollover Commercial Paper and Bank Notes (each, as defined in the Resolution) issued for the purpose of paying the principal of the Notes. The terms used herein, but not defined herein, shall have the respective meanings given such terms in the Resolution.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify such facts by independent investigation.

Based on the foregoing, we are of the opinion, as of the date hereof, as follows:

1. The Notes have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and are valid and binding obligations of the Issuer.
2. The Resolution authorizing the Notes has been duly and lawfully adopted, is in full force and effect and is the valid and binding agreement of the Issuer enforceable in accordance with its terms.
3. The Notes constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit and unlimited taxing power, and the full faith and credit of the Issuer is pledged to the payment thereof.
4. Interest on the Notes is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the date hereof in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements could cause interest on the Notes to be so included in gross income retroactive to the date of issuance of

the Notes. Except as set forth in this paragraph, we express no opinion regarding other federal tax consequences arising with respect to the Notes.

5. Under existing law, the Notes and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on all or a portion of the interest on the Notes during the period such Notes are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Notes in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

It is to be understood that the rights of the owners of the Notes and the enforceability of the Notes and the Resolution may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Offering Memorandum relating to the Notes.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

Proposed Form of Opinion of Bond Counsel – Series A-2 Notes
[Issue Date]

The Metropolitan Government of Nashville
and Davidson County, Tennessee
Nashville, Tennessee

U.S. Bank National Association
New York, New York

J.P. Morgan Securities LLC
Chicago, Illinois

Sumitomo Mitsui Banking Corporation,
acting through its New York Branch
New York, New York

The Metropolitan Government of Nashville and Davidson County
General Obligation Commercial Paper Notes, Series A-2
\$ _____ Issue Dated _____

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by The Metropolitan Government of Nashville and Davidson County (the “Issuer”) of \$ _____ in aggregate principal amount of its General Obligation Commercial Paper Notes, Series A-2, dated the date hereof (the “Notes”). In such capacity, we have examined the law and such certified proceedings and other documents as we deemed necessary to render this opinion, including, but not limited to, Resolution No. RS2014-1065 (the “Resolution”) authorizing the issuance and sale of the Notes. As used herein, the term “Notes” shall also mean any Rollover Commercial Paper or Bank Notes (each, as defined in the Resolution) issued for the purpose of paying the principal of the Notes. The terms used herein, but not defined herein, shall have the respective meanings given such terms in the Resolution.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify such facts by independent investigation.

Based on the foregoing, we are of the opinion, as of the date hereof, as follows:

1. The Notes have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and are valid and binding obligations of the Issuer.
2. The Resolution authorizing the Notes has been duly and lawfully adopted, is in full force and effect and is the valid and binding agreement of the Issuer enforceable in accordance with its terms.
3. The Notes constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit and unlimited taxing power, and the full faith and credit of the Issuer is pledged to the payment thereof.
4. Interest on the Notes is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the date hereof in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements could cause interest on the Notes to be so included in gross income retroactive to the date of issuance of

the Notes. Except as set forth in this paragraph, we express no opinion regarding other federal tax consequences arising with respect to the Notes.

5. Under existing law, the Notes and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on all or a portion of the interest on the Notes during the period such Notes are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Notes in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

It is to be understood that the rights of the owners of the Notes and the enforceability of the Notes and the Resolution may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Offering Memorandum relating to the Notes.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

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APPENDIX B

**INFORMATION RELATED TO
DEPOSITORY TRUST COMPANY**

Book-Entry-Only System

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Commercial Paper, payment of interest and principal on the Commercial Paper to Direct Participants, Indirect Participants or Beneficial Owners (as such terms are defined in this Offering Memorandum) of the Commercial Paper, confirmation and transfer of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the Direct Participants, the Indirect Participants and Beneficial Owners of the Commercial Paper is based solely on information furnished by DTC to the Metropolitan Government for inclusion in this Offering Memorandum. Accordingly, the Metropolitan Government cannot make any representations concerning these matters.

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

7. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

8. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

9. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

10. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

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