

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (TENNESSEE)
\$183,000,000 WATER AND SEWER REVENUE COMMERCIAL PAPER NOTES, SERIES A**

Purpose	The Commercial Paper Notes will be issued to provide short-term financing of capital improvements to the water and sewer system (the "System") of the Metropolitan Government of Nashville and Davidson County (Tennessee) (the "Metropolitan Government") in anticipation of the issuance of long-term bonds. See "Purpose of Program" on page 3.
Security	The Commercial Paper Notes are payable solely from and secured solely by a pledge of the revenues of the System, as more fully described herein, subject to senior and prior pledges of System revenues in favor of the Metropolitan Government's long-term water and sewer revenue bonds. The pledge of revenues in favor of the Commercial Paper Notes is on parity with a pledge of revenues in favor of the Metropolitan Government's Water and Sewer Revenue Extendable Commercial Paper Notes, 2015 Program. The Commercial Paper Notes do not constitute a general debt or liability of the Metropolitan Government for which there is a right to compel the exercise of the taxing power of the Metropolitan Government. See "Security for Commercial Paper Notes" on page 9.
Tax Status	Interest on the Commercial Paper Notes 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 Notes and the interest thereon are exempt from Tennessee taxes, subject to certain exceptions. See "Tax Matters" on page 10.
Interest Payments	Payable at maturity. The Metropolitan Government is solely responsible for the payment of interest on the Commercial Paper Notes.
Denominations	\$100,000 minimum principal amount and integral multiples of \$1,000 thereof.
Maturities	Not later than 270 days from date of issue.
Redemption	The Commercial Paper Notes are not subject to redemption prior to maturity.
Liquidity Facility	The Bank of Tokyo-Mitsubishi UFJ, Ltd., acting through its New York Branch (the "Initial Bank") will issue its Irrevocable Transferable Direct-Pay Letter of Credit (the "Letter of Credit") to provide credit for the payment of the principal of and interest on maturing Commercial Paper Notes, pursuant to the terms of a Reimbursement Agreement dated as of October 1, 2015 (the "Reimbursement Agreement") between the Initial Bank and the Metropolitan Government. The initial expiration date of the Reimbursement Agreement is April 13, 2018.
Dealer	Morgan Stanley & Co. 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	Tom Eddlemon, 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 Notes to potential investors is made only by means of the entire Offering Memorandum.

Morgan Stanley

Dated: October 6, 2015

This Offering Memorandum contains certain information for quick reference only and is not a summary of the terms of the Commercial Paper Notes. Information essential to the making of an informed decision with respect to the Commercial Paper Notes 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 Notes 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 Notes, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

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

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THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (TENNESSEE)

\$183,000,000 WATER AND SEWER REVENUE COMMERCIAL PAPER NOTES, SERIES A

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 Water and Sewer Revenue Commercial Paper Notes, Series A (the “Commercial Paper Notes”).

The Commercial Paper Notes 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 August 18, 2015 (as it may be supplemented and amended, the “Commercial Paper Note Resolution”). The Metropolitan Government has entered into the following agreements in connection with the Commercial Paper Notes:

Issuing and Paying Agency Agreement (as it may be supplemented and amended, and together with any successor agreement, the “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 (as it may be supplemented and amended, and together with any successor agreement, the “Dealer Agreement”) between the Metropolitan Government and Morgan Stanley & Co. LLC (together with any successor, the “Dealer”).

Reimbursement Agreement (as it may be supplemented and amended, and together with any successor agreement, the “Reimbursement Agreement”) between the Metropolitan Government and The Bank of Tokyo-Mitsubishi UFJ, Ltd., acting through its New York Branch (the “Initial Bank”), pursuant to which the Initial Bank has issued its Irrevocable Transferable Direct-Pay Letter of Credit (as it may be supplemented and amended, and together with any successor agreement, the “Letter of Credit”) to provide credit for the payment of the principal of and interest on maturing Commercial Paper Notes.

Descriptions herein do not purport to be comprehensive or definitive, and all references to the Commercial Paper Notes, the Commercial Paper Note 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 Dealer. Capitalized terms not otherwise defined herein shall have the meanings ascribed by the Commercial Paper Note Resolution.

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

PURPOSE OF PROGRAM

The Commercial Paper Notes will be issued to provide short-term financing of capital improvements to the Metropolitan Government’s water and sewer system (the “System”) in anticipation of the issuance of long-term bonds.

PROGRAM DESCRIPTION

Commercial Paper Notes may be issued in an aggregate principal amount outstanding at any one time not to exceed \$183,000,000.

The Commercial Paper Notes 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 Business Day preceding the expiration date of the Letter of Credit.

The Commercial Paper Notes will be issued as interest-bearing obligations in minimum denominations of \$100,000 and integral multiples of \$1,000 thereof. Commercial Paper Notes will bear interest from their date at a rate not in excess of the lesser of 12% or 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. The maximum rate of interest permitted by Tennessee law is that rate equal to the prime rate in effect from time to time, plus 4.00%. The maximum rate under Tennessee law in effect on the date hereof is 7.25%.

Redemption

The Commercial Paper Notes are not subject to redemption prior to maturity.

Book-Entry-Form

All Commercial Paper Notes 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 Notes, to finance capital improvements to the System pursuant to Title 9, Chapter 21, Part 5 of the Tennessee Code Annotated (the "T.C.A.") and to secure such bond anticipation notes by a pledge of the revenues of the System.

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 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 additional periods of two years each. The Director of State and Local Finance has approved the issuance of the Commercial Paper Notes, including the approval of two extensions of two years each for an initial permitted issuance period of six years.

Pursuant to initial resolutions previously adopted by the Metropolitan Council, the Metropolitan Government has preliminarily authorized and anticipates issuing its water and sewer revenue bonds from time to time to retire the Commercial Paper Notes.

SUMMARY OF THE LETTER OF CREDIT AND THE REIMBURSEMENT AGREEMENT

The following is a summary of certain provisions of the Letter of Credit and of the Reimbursement Agreement. This summary does not purport to be comprehensive or definitive, and is subject to all of the terms and provisions of the Letter of Credit and of the Reimbursement Agreement, to which reference is hereby made.

General

The Letter of Credit and the Reimbursement Agreement contain various provisions, covenants and conditions, certain of which are summarized below. The Letter of Credit supporting the Commercial Paper Notes is available to pay the maturing principal of and accrued interest due on the maturity date of the Commercial Paper Notes. Terms not otherwise defined in this "Summary of the Letter of Credit and the Reimbursement Agreement" and this Offering Memorandum will have the meanings ascribed thereto in the Reimbursement Agreement.

The Letter of Credit permits, and the Issuing and Paying Agency Agreement requires, the Issuing and Paying Agent, on behalf of the Metropolitan Government, to request the Initial Bank to honor properly presented and conforming Drawings (as defined in the Reimbursement Agreement) under the Letter of Credit to provide the funds to pay principal of and accrued interest on the Commercial Paper Notes upon the maturity thereof. All Reimbursement Obligations (as defined in the Reimbursement Agreement) under the Reimbursement Agreement will be evidenced by a single Bank Note issued by the Metropolitan Government to the Initial Bank. The Letter of Credit and Reimbursement Agreement will expire on April 13, 2018, unless extended pursuant to its terms or otherwise terminated prior to such date.

Conditions Precedent to Each Issuance

No Commercial Paper Notes shall be issued unless on the date of such issuance, each of the following conditions precedent shall have been fulfilled in a manner satisfactory to the Initial Bank (or waived by the Initial Bank in writing): (a) that all representations and warranties of the Metropolitan Government in the Reimbursement Agreement and each other Related Document (as defined in the Reimbursement Agreement) and, each certificate or other writing delivered to the Initial Bank pursuant to the Reimbursement Agreement or 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 Commercial Paper Notes under the Reimbursement Agreement, the Resolution (as defined in the Reimbursement Agreement) and the 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 Reimbursement Agreement) in connection with the issuance of the Commercial Paper Notes or, if required to be made, has been or will be made prior to the date of such issuance, (e) the Initial Bank shall not have given a Stop Order (as defined in the Reimbursement Agreement) or Final Drawing Notice (as defined in the Reimbursement Agreement), (f) after the issuance of the Commercial Paper Notes, the aggregate principal amount of all Reimbursement Obligations and all Commercial Paper Notes that will be outstanding immediately after such issuance (and after giving effect to the application of proceeds of such issuance and the Reimbursement Obligations) will not exceed the amount of the Stated Amount (as defined in the Reimbursement Agreement), and (g) the maturity date of any such Commercial Paper Notes will not occur later than the Business Day immediately preceding the Stated Expiration Date (as defined in the Reimbursement Agreement). Unless the Metropolitan Government shall have previously advised the Initial Bank in writing that one or more conditions set forth in clauses (a), (b), (c), (d), (f) and (g) above have not been satisfied, the Metropolitan Government shall be deemed to have represented and warranted that on the date of such issuance or authentication of any Commercial Paper Note the above conditions have been satisfied.

In addition, the Initial Bank shall have no obligation to honor any Drawing under the Letter of Credit the proceeds of which would be used to pay the principal of and interest on maturing Commercial Paper Notes that were issued by the Metropolitan Government after receipt by the Issuing and Paying Agent of a Stop Order or Final Drawing Notice.

Events of Default and Remedies under the Reimbursement Agreement

The occurrence of any of the following events (including the expiration of any specified time) shall constitute an Event of Default (as defined in the Reimbursement Agreement) under the Reimbursement Agreement unless waived by the Initial Bank in writing:

(a) the Metropolitan Government shall fail to pay (i) any principal of or interest on any Reimbursement Obligations or the Bank Note when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) (other than payments on the Bank Note due solely as a result of acceleration caused by the Initial Bank pursuant to the Reimbursement Agreement), (ii) any Facility Fee (as defined in the Reimbursement Agreement) or any other amount payable under the Reimbursement Agreement or under the Fee Letter (as defined in the Reimbursement 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 Reimbursement Agreement) from the date such obligation was due; (iii) interest on any Commercial Paper Notes (as defined in the Reimbursement Agreement) when due; or (iv) the principal of any Commercial Paper Indebtedness (other than the Commercial Paper Notes) when due;

(b) any representation, warranty, certification, or statement made by the Metropolitan Government in the Reimbursement Agreement, any other Related Document or in any certificate, financial statement, or other document delivered pursuant to the Reimbursement 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 fail to perform or observe certain specified covenants set forth in the Reimbursement Agreement;

(d) the Metropolitan Government shall fail to perform or observe any other covenant, agreement, or condition contained in the Reimbursement Agreement, the Bank Note or any other Related Document (other than as addressed by any other Event of Default in the Reimbursement 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 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 Initial Bank, the Metropolitan Government is diligently pursuing a cure or correction of such failure and has provided the 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 Reimbursement 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 or the System and payable from all or any portion of the Revenues (as defined in the Reimbursement Agreement), 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) any principal of or interest on any Special Revenue Debt (as defined in the Reimbursement Agreement) (including, in each case, without limitation, any principal or sinking fund installments), 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 Revenue Debt; or any failure to pay the principal of or interest on any Special Revenue Debt under any indenture, contract or instrument providing for the creation of or concerning such Special Revenue 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 Revenue Debt is to accelerate, or to permit the acceleration of, the maturity of such Special Revenue Debt or (ii) any principal of or interest on any other Debt (as defined in the Reimbursement 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 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 material provision of the Reimbursement Agreement or any of the other Related Documents 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) the validity or enforceability of any material provision of the Reimbursement Agreement or any of the other Related Documents shall be contested or repudiated in writing by the Metropolitan Government or the Metropolitan Government shall deny that it has any or further liability or obligation under the Reimbursement Agreement or any of the other Related Documents or (iii) 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 material provision of the Reimbursement Agreement or any of the other Related Documents;

(i) (i) (A) the Metropolitan Government shall impose or 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 Special Revenue Debt or (B) any Governmental Authority with jurisdiction over the Metropolitan Government shall impose 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 all Debt of the Metropolitan Government secured by or payable from all or any portion of the Revenues that ranks senior to or on a parity with the Commercial Paper Notes and the Bank Note; 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 Commercial Paper Notes or the Bank Note or on all indebtedness of the Metropolitan Government secured by or payable from all or any portion of the Revenues;

(j) the long term unenhanced rating by Moody's, Fitch or S&P (each as defined in the Reimbursement Agreement) (in each case to the extent such Rating Agency is then providing a rating) on any Debt of the Metropolitan Government secured by or payable from all or any portion of the Revenues that ranks senior to or on a parity with the Commercial Paper Notes and the Bank Note is (i) reduced below "Baa2" (or its equivalent), "BBB" (or its equivalent) or "BBB" (or its equivalent), respectively or (ii) withdrawn or suspended or otherwise unavailable;

(k) an "event of default" as defined in any Related Document (other than the Reimbursement Agreement, the Bank Note 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 Reimbursement Agreement, the Bank Note 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 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) the Internal Revenue Service declares the interest on any Commercial Paper Notes is not excludable from gross income for federal income tax purposes

Upon the occurrence of any Event of Default, the Initial Bank may exercise any one or more of the following rights and remedies in addition to any other remedies in the Reimbursement Agreement or by law provided:

- (i) Declare the Bank Note, all accrued interest thereon, and all other amounts payable under the Reimbursement Agreement to be forthwith due and payable, whereupon the Bank Note 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 Reimbursement Agreement. If any Event of Default specified in paragraph (g) under the caption “**Events of Default and Remedies under the Reimbursement Agreement**” above shall occur, without any notice to the Metropolitan Government or any other act by the Initial Bank, the Bank Note, together with accrued interest thereon, and all other amounts payable under the Reimbursement 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 Reimbursement Agreement; or
- (ii) Deliver a Stop Order to the Issuing and Paying Agent which shall (i) prohibit, until such time, if any, as the Initial Bank shall withdraw (in writing) such notice, the issuance of additional Commercial Paper Notes and (ii) reduce the Stated Amount of the Letter of Credit to the amount of the then Outstanding Commercial Paper Notes supported by the Letter of Credit and interest payable thereon at maturity of such Commercial Paper Notes and/or terminate and/or permanently reduce such Stated Amount as the then Outstanding Commercial Paper Notes are paid; or
- (iii) Issue the Final Drawing Notice (as defined in the Reimbursement Agreement) (the effect of which shall be to cause the Termination Date (as defined in the Reimbursement Agreement) of the Letter of Credit to occur on the 10th day after the date of receipt thereof by the Issuing and Paying Agent); or
- (iv) Pursue any rights and remedies it may have under the Related Documents; or
- (v) Pursue any other action available at law or in equity.

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 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 Reimbursement Agreement, in aid of the exercise of any power granted in the Reimbursement Agreement, or to enforce any other legal or equitable right vested in the Initial Bank by the Reimbursement Agreement, the Bank Note or by law. The provisions of the Reimbursement Agreement shall be a contract with each and every Holder (as defined in the Reimbursement 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 INITIAL BANK

The following information concerning The Bank of Tokyo-Mitsubishi UFJ, Ltd. has been provided by representatives of The Bank of Tokyo-Mitsubishi UFJ, Ltd. and has not been independently confirmed or verified by Morgan Stanley & Co. LLC 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 The Bank of Tokyo-Mitsubishi UFJ, 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.

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

The Bank of Tokyo Mitsubishi UFJ, Ltd. (“BTMU”), is a Japanese banking corporation with its head office in Tokyo, Japan. It is a wholly owned subsidiary of Mitsubishi UFJ Financial Group Inc. (the “Parent”). With 35,214 employees and approximately 839 branches worldwide (as of March 31, 2014), BTMU is Japan’s largest bank. BTMU also provides a wide range of banking and financial services worldwide, and is one of the largest

banks in the world by deposits and loan portfolio. Mitsubishi UFJ Financial Group is one of the top 10 banks in the world as measured by assets and market capitalization.

As of March 31, 2015, BTMU and subsidiaries had total assets of approximately ¥219,313 billion (U.S. \$1,825 billion) and deposits of approximately ¥140,954 billion (U.S. \$1,172 billion). Net income for BTMU and subsidiaries for the Fiscal Year ended March 31, 2015, was approximately ¥732 billion (U.S. \$6 billion). These figures are extracted from The Annual Securities Report (Excerpt) for the Fiscal Year ended March 31, 2015, for BTMU and subsidiaries (the “Annual Securities Report”). The Annual Securities Report can be found at www.bk.mufg.jp.

The financial information presented above was translated into U.S. dollars from the Japanese yen amounts set forth in the audited financial statements in the Annual Securities Report, which were prepared in accordance with the auditing standards generally accepted in Japan (“JGAAP”), and not in accordance with U.S. GAAP. The translations of the Japanese yen amounts into U.S. dollar amounts were included solely for the convenience of readers outside Japan, and were made at the rate of ¥120.17 to U.S. \$1, the approximate rate of exchange at March 31, 2015. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

The Letter of Credit will be solely an obligation of BTMU, and will not be an obligation of, or otherwise guaranteed by, the Parent, and no assets of the Parent or any affiliate of BTMU or the Parent will be pledged to the payment thereof.

The information contained in this caption, including financial information, relates to and has been obtained from BTMU, and is furnished solely to provide limited introductory information regarding BTMU, and does not purport to be comprehensive. Any financial information provided in this caption is qualified in its entirety by the detailed information appearing in the Annual Securities Report referenced above. The delivery hereof shall not create any implication that there has been no change in the affairs of BTMU since March 31, 2015.

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

SECURITY FOR COMMERCIAL PAPER NOTES

The Commercial Paper Notes are limited obligations of the Metropolitan Government payable solely from and secured solely by a pledge of the revenues of the System (the “Revenues”), subject to the application thereof to payment of operating expenses of the System. The pledge of Revenues in favor of the Commercial Paper Notes is subject and subordinate to the prior and senior pledge of Revenues in favor of (a) the Metropolitan Government’s Water and Sewer Revenue Refunding Bonds, Series 1986; its Water and Sewer Revenue Bonds, Series 1993; its Water and Sewer Revenue Refunding Bonds, Series 1998A; its Water and Sewer Revenue Bonds, Series 1998B; its Water and Sewer Revenue Refunding Bonds, Series 2002; its Water and Sewer Revenue Refunding Bonds, Series 2007; its Water and Sewer Revenue Refunding Bonds, Series 2008A; and its Water and Sewer Revenue Refunding Bonds, Series 2008B; its Water and Sewer Revenue Refunding Bonds, Series 2010A; its Water and Sewer Revenue Bonds Federally Taxable, Series 2010B (Build America Bonds-Direct Payment); its Water and Sewer Revenue Bonds Federally Taxable, Series 2010C (Recovery Zone Economic Development Bonds); its Water and Sewer Revenue Refunding Bonds Federally Taxable, Series 210D; its Subordinate Lien Water and Sewer Revenue Refunding Bonds, Series 2012; and its Water and Sewer Revenue Bonds, Series 2013 (collectively, the “Prior Lien Bonds”) and (b) any other long-term bonds hereafter issued by the Metropolitan Government on parity with the Prior Lien Bonds. The pledge of Revenues in favor of the Commercial Paper Notes is on parity with the pledge of Revenues in favor of the Metropolitan Government’s Water and Sewer Extendable Commercial Paper Notes, 2015 Program (the “Extendable Notes”).

The Commercial Paper Notes do not constitute a debt or liability of the Metropolitan Government for which there is a right to compel the exercise of the taxing power of the Metropolitan Government.

The resolutions authorizing the Prior Lien Bonds require the Metropolitan Government to maintain rates at all times sufficient to provide for the payment of all operating expenses, debt service on the Prior Lien Bonds and the payment of interest on the Commercial Paper Notes and the Extendable Notes. Unless the payment of the principal of the Commercial Paper Notes otherwise shall be provided for by or on behalf of the Metropolitan Government from proceeds of other Commercial Paper Notes 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 water and sewer revenue bonds or other obligations of the Metropolitan Government (or otherwise obtain governmental financing) in an amount sufficient to provide for the payment of the outstanding principal of the Commercial Paper Notes at maturity.

The Commercial Paper Notes when duly issued will constitute a contract between the Metropolitan Government and each registered owner of the Commercial Paper Notes. Any registered owner or owner(s) of the Commercial Paper Notes, 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 carry out the covenants and agreements set forth in the Commercial Paper Note Resolution and to perform its and their duties under the applicable 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 Notes.

LITIGATION

At the time of the original delivery of the Commercial Paper Notes, 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 Notes or the power of the Metropolitan Government to set rates and collect revenues from the System to pay the Commercial Paper Notes.

TAX MATTERS

Federal Taxes

Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Commercial Paper Notes. 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 Notes is excluded from a Commercial Paper Notes holder's federal gross income under the Internal Revenue Code of 1986, is not a preference item for a Commercial Paper Notes 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 Notes that the Issuer must continue to meet after the Commercial Paper Notes are issued. These requirements generally involve the way that Commercial Paper Notes proceeds must be invested and ultimately used. If the Issuer does not meet these requirements, it is possible that a Commercial Paper Notes holder may have to include interest on the Commercial Paper Notes 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 Notes holder who is a particular kind of taxpayer may also have additional tax consequences from owning the Commercial Paper Notes. This is possible if a Commercial Paper Notes 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 Notes.

If a Commercial Paper Notes 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 Notes or affect the market price of the Commercial Paper Notes. 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 Notes, or under State, local or foreign tax law.

State Taxes

Under existing law, the Commercial Paper 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 interest on the Commercial Paper Notes during the period the Commercial Paper Notes 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 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.

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 Notes or otherwise prevent holders of the Commercial Paper Notes from realizing the full benefit of the tax exemption of interest on the Commercial Paper Notes. Further, such proposals may impact the marketability or market value of the Commercial Paper Notes 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 Notes 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 Notes. 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 Notes would be impacted thereby. Purchasers of the Commercial Paper Notes 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 Notes, 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 Notes 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 Initial Bank by its domestic counsel, Chapman and Cutler LLP, and by its Japanese counsel, Yumoto, Ota & Miyazaki.

FINANCIAL INFORMATION

The Metropolitan Government is not required to file reports with the S.E.C. in connection with the Commercial Paper Notes. In connection with the issuance of the Commercial Paper Notes, 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 the System 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 Notes, and information essential to the making of an informed decision with respect to the Commercial Paper Notes 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 Notes based upon the Metropolitan Government and the Letter of Credit issued by the Initial Bank. 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 Notes 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 Notes. The ratings are not a recommendation to buy, sell or hold the Commercial Paper Notes.

DEALER

The Metropolitan Government has appointed Morgan Stanley & Co. LLC (the "Dealer") to serve as dealer for the Commercial Paper Notes. Under the Dealer Agreement, dated October 1, 2015, by and between the Metropolitan Government and the Dealer, the Dealer has no commitment to purchase any Commercial Paper Notes. Inquiries to the Dealer may be directed as set forth below.

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036
Attn: Municipal Short-Term Products
Phone: (212) 761-2609

The Dealer and its 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 Dealer and its 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 Dealer and its 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 Notes 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 Notes, the security for the payment of the Commercial Paper Notes 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 Notes.

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/ Megan Barry
Megan Barry
Metropolitan Mayor

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APPENDIX A

FORM OF OPINION OF BOND COUNSEL

The Metropolitan Government of Nashville
and Davidson County
Nashville, Tennessee

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

Morgan Stanley & Co. LLC
New York, New York

The Bank of Tokyo-Mitsubishi UFJ, Ltd.,
acting through its New York Branch
New York, New York

**The Metropolitan Government of Nashville and Davidson County
Water and Sewer Revenue Commercial Paper Notes, Series A**

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 up to \$183,000,000 in aggregate principal amount of its Water and Sewer Revenue Commercial Paper Notes, Series A, 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. RS2015-1604 (the "Resolution") authorizing the issuance and sale of the Notes. As used herein, the term "Notes" shall also mean any Rollover Commercial Paper Notes (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 limited obligations of the Metropolitan Government, payable solely from and secured solely by a pledge of the revenues of the Metropolitan Government's water and sewer system, subject to costs of operating the system and subject to prior pledges of such revenues in favor of (a) the Metropolitan Government's Water and Sewer Revenue Refunding Bonds, Series 1986; its Water and Sewer Revenue Bonds, Series 1993; its Water and Sewer Revenue Refunding Bonds, Series 1998A; its Water and Sewer Revenue Bonds, Series 1998B; its Water and Sewer Revenue Refunding Bonds, Series 2002; its Water and Sewer Revenue Refunding Bonds, Series 2007; its Water and Sewer Revenue Refunding Bonds, Series 2008A; and its Water and Sewer Revenue Refunding Bonds, Series 2008B; its Water and Sewer Revenue Refunding Bonds, Series 2010A; its Water and Sewer Revenue Bonds Federally Taxable, Series 2010B (Build America Bonds-Direct Payment; its Water and Sewer Revenue Bonds Federally Taxable, Series 2010C (Recovery Zone Economic Development Bonds); its Water and Sewer Revenue Refunding Bonds Federally Taxable, Series 2010D; its Subordinate Lien Water and Sewer Revenue Refunding Bonds, Series 2012; and its Water and Sewer Revenue Bonds, Series 2013 (collectively, the "Prior Lien Bonds") and (b) any other long-term bonds hereafter issued by the Metropolitan Government on parity with the Prior Lien Bonds. The pledge of revenues to the payment of the Notes is on parity with the pledge in favor of the Metropolitan Government's Water and Sewer Extendable Commercial Paper Notes, 2015 Program.

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,

BASS, BERRY & SIMS PLC

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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 Notes, payment of interest and principal on the Commercial Paper Notes to Direct Participants, Indirect Participants or Beneficial Owners (as such terms are defined in this Offering Memorandum) of the Commercial Paper Notes, 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 Notes 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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