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RESOLUTION NO. 2015-93

A RESOLUTION OF THE MAYOR AND VILLAGE COUNCIL OF THE VILLAGE OF PALMETTO BAY, FLORIDA, AUTHORIZING THE ISSUANCE OF ITS REFUNDING REVENUE NOTE, SERIES 2015 IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$1,315,000 TO REFUND AN OUTSTANDING LOAN, AS MORE FULLY DESCRIBED HEREIN; AUTHORIZING THE PRIVATE NEGOTIATED SALE OF THE NOTE TO WHITNEY BANK D/B/A HANCOCK BANK PURSUANT TO THE TERMS AND CONDITIONS OF A LOAN AGREEMENT BY AND AMONG THE FLORIDA MUNICIPAL LOAN COUNCIL, THE VILLAGE OF PALMETTO BAY, FLORIDA AND WHITNEY BANK D/B/A HANCOCK BANK; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT; DESIGNATING THE NOTE AS A QUALIFIED TAX-EXEMPT OBLIGATION; PROVIDING FOR THE ADOPTING OF REPRESENTATIONS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION WITH THE ISSUANCE OF THE NOTE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating governmental units have created the Florida Municipal Loan Council (the "Council") pursuant to a certain Interlocal Agreement and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to participating governmental units for qualified projects; and

WHEREAS, the Village of Palmetto Bay, Florida (the "Issuer") is a municipal corporation duly created and existing pursuant to the Constitution and laws of the State of Florida; and

WHEREAS, on October 5, 2015, the Issuer enacted Ordinance No. 2015-11 (the "Ordinance") authorizing the borrowing of money and the issuance of debt for the primary purpose of refinancing the loan previously undertaken from the Council by the Issuer dated as of September 1, 2005 (the "Refunded Loan"); and

WHEREAS, the Issuer determined that it is necessary and desirable and in the best interest of the inhabitants of the Issuer to refinance the Refunded Loan in order to achieve debt service savings; and

WHEREAS, it is determined to be in the best interest of the Issuer to issue its not to exceed \$1,315,000 Refunding Revenue Note, Series 2015 (the "Note") pursuant to a Loan Agreement by and among the Issuer, the Council and Whitney Bank d/b/a Hancock Bank (the "Purchaser") in substantially the form attached hereto as Exhibit A (the "Loan Agreement"), to refinance the Refunded Loan, together with other legally available revenues of the Issuer; and

1           **WHEREAS**, debt service on the Note will be secured by a covenant to budget and  
2 appropriate legally available non-ad valorem revenues of the Issuer (the "Non-Ad Valorem  
3 Revenues"), as described herein; and  
4

5           **WHEREAS**, the Issuer anticipates that the Non-Ad Valorem Revenues shall be sufficient  
6 to pay all principal of and interest and prepayment premium, if any, on the Note, as the same  
7 becomes due, and to make all deposits or payments required by this Resolution and the Loan  
8 Agreement; and  
9

10           **WHEREAS**, the Note shall not constitute a general obligation, or a pledge of the faith,  
11 credit or taxing power of the Issuer, the State of Florida, or any political subdivision thereof, within  
12 the meaning of any constitutional or statutory provisions. Neither the State of Florida, nor any  
13 political subdivision thereof, nor the Issuer shall be obligated (i) to exercise its ad valorem taxing  
14 power in any form on any real or personal property of or in the Issuer to pay the principal of the  
15 Note, the interest thereon, or other costs incidental thereto or (ii) to pay the same from any other  
16 funds of the Issuer except from the Non-Ad Valorem Revenues budgeted and appropriated, in the  
17 manner provided in this Resolution and the Loan Agreement. The Note shall not constitute a lien  
18 on any property owned or situated within the limits of the Issuer; and  
19

20           **WHEREAS**, after going through a competitive request for proposal process, it is hereby  
21 found, determined and declared that due to the present volatility of the market for tax-exempt  
22 obligations such as the Note and the complexity of the transactions relating to such Note, it is in the  
23 best interest of the Issuer to sell the Note at a private negotiated sale, allowing the Issuer to enter the  
24 market at the most advantageous time, rather than at a specified advertised date, thereby permitting  
25 the Issuer to obtain the best possible price and interest rate for the Note; and  
26

27           **WHEREAS**, it is hereby ascertained, determined and declared that it is in the best interest  
28 of the Issuer to authorize the Village Manager or the Finance Director to accept the offer from the  
29 Purchaser to purchase the Note at a private negotiated sale upon the terms and conditions set forth  
30 in the Ordinance, this Resolution, the Loan Agreement and in the loan commitment dated October  
31 9, 2015, submitted by the Purchaser for the purchase of the Note, a copy of which is attached hereto  
32 as Exhibit D (the "Commitment"); and  
33

34           **WHEREAS**, the Purchaser will provide to the Issuer, prior to the sale of the Note, a  
35 disclosure statement regarding the Note containing the information required by Section 218.385,  
36 Florida Statutes.  
37

38           **NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND VILLAGE**  
39 **COUNCIL OF THE VILLAGE OF PALMETTO BAY, FLORIDA, AS FOLLOWS:**  
40

41           **SECTION 1. ADOPTION OF REPRESENTATIONS.** The foregoing Whereas  
42 paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific  
43 part of this Resolution.  
44

45           **SECTION 2. AUTHORITY.** This Resolution is adopted pursuant to the Florida  
46 Constitution; Chapter 166, Florida Statutes; the Charter of the Issuer; the Ordinance; and other  
47 applicable provisions of law.

1           **SECTION 3. AUTHORIZATION OF THE NOTE.** Subject and pursuant to the  
2 provisions of the Ordinance and this Resolution, an obligation of the Issuer to be known as "Village  
3 of Palmetto Bay, Florida, Refunding Revenue Note, Series 2015" is hereby authorized to be issued  
4 under and secured by the Ordinance, this Resolution and the Loan Agreement in the principal  
5 amount of not to exceed \$1,315,000, for the purposes of, together with other legally available  
6 revenues of the Issuer, (i) refunding the Refunded Loan; and (ii) paying the transaction costs  
7 associated with the Note.

8  
9           **SECTION 4. AUTHORIZATION OF THE REFINANCING.** The refinancing of  
10 the Refunded Loan is hereby authorized.

11  
12           **SECTION 5. NEGOTIATED SALE.** Because of the characteristics of the Note,  
13 prevailing market conditions, the ability of the Issuer to access direct purchase with the Purchaser  
14 and for the Issuer to receive the benefits of lower interest rates and issuance costs, it is hereby  
15 determined that it is in the best interest of the Issuer to accept the offer of the Purchaser to  
16 purchase the Note at a private negotiated sale. Prior to the issuance of the Note, the Issuer shall  
17 receive from the Purchaser the Purchaser's Certificate, substantially in the form attached hereto as  
18 Exhibit B and the Disclosure Letter containing the information required by Section 218.385, Florida  
19 Statutes, substantially in the form attached hereto as Exhibit C.

20  
21           **SECTION 6. DESCRIPTION OF THE NOTE.** The principal amount of the Note  
22 shall not exceed \$1,315,000. The Note shall be made as a tax-exempt borrowing, which shall include  
23 costs of issuance incurred by the Issuer, the Council, the Florida League of Cities, Inc.  
24 administrative fees and other ongoing costs, shall have such terms, and shall bear interest and shall  
25 be repayable according to the terms and conditions set forth in this Resolution, the Loan Agreement  
26 and the Note. The Note is to be in substantially the form set forth on Exhibit B of the Loan  
27 Agreement, together with such changes as shall be approved by the Village Manager or Acting  
28 Village Manager, such approval to be conclusively evidenced by the execution thereof by the Village  
29 Manager or Acting Village Manager. The Note shall be executed with the manual or facsimile  
30 signature of the Village Manager or Acting Village Manager, shall be attested with the manual or  
31 facsimile signature of the Village Clerk and shall be approved as to the form and legal sufficiency by  
32 the Village Attorney. In case any one or more of the officers who shall have signed or sealed the  
33 Note or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer  
34 before the Note so signed and sealed has been actually sold and delivered, the Note may  
35 nevertheless be sold and delivered as herein provided and may be issued as if the person who signed  
36 or sealed the Note had not ceased to hold such office. The Note may be signed and sealed by such  
37 person who at the actual time of the execution of the Note shall hold the proper office of the Issuer,  
38 although, at the date of the Note, such person may not have held such office or may not have been  
39 so authorized.

40  
41           **SECTION 7. ACCEPTANCE OF COMMITMENT.** The Issuer hereby accepts the  
42 Commitment to provide the Issuer with a loan in the principal amount of not to exceed \$1,315,000.  
43 To the extent of any conflict between the provisions of the Ordinance, this Resolution or the Loan  
44 Agreement and the Commitment, the provisions of the Ordinance, this Resolution and the Loan  
45 Agreement shall prevail.

46  
47           **SECTION 8. AUTHORIZING AND AWARD OF NOTE.** The issuance by the Issuer  
48 of the Note in a principal amount not to exceed \$1,315,000 to secure the repayment of the loan

1 being provided by the Purchaser pursuant to the Commitment in accordance with the terms of the  
2 Loan Agreement, which Note shall bear interest (calculated on the basis of twelve 30-day months  
3 and a 360-day year) at a fixed rate of 2.359% (subject to adjustment as described in the Loan  
4 Agreement and the Note), mature on October 1, 2030, be subject to prepayment and have such  
5 other characteristics as are provided in the Loan Agreement and the Note, and which shall be  
6 secured by a covenant to budget and appropriate the Non-Ad Valorem Revenues, as described  
7 herein, is hereby authorized and approved.

8  
9 **SECTION 9. APPROVAL OF LOAN AGREEMENT.** The Village Manager or  
10 Acting Village Manager, as attested by the City Clerk or Acting City Clerk and approved as to form  
11 and correctness by the City Attorney, or any other appropriate officers of the Issuer, are hereby  
12 authorized and directed to execute and deliver the Loan Agreement to evidence the Note, to be  
13 entered into by and among the Issuer, the Purchaser and the Council in substantially the form  
14 attached hereto as Exhibit A with such changes, insertions and omissions as may be approved by the  
15 Village Manager or Acting Village Manager, the execution thereof being conclusive evidence of such  
16 approval.

17  
18 **SECTION 10. APPROVAL OF ESCROW DEPOSIT AGREEMENT.** The Village  
19 Manager or Acting Village Manager, as attested by the Village Clerk and approved as to form and  
20 correctness by the Village Attorney, or any other appropriate officers of the Issuer, are hereby  
21 authorized and directed to execute and deliver the Escrow Deposit Agreement to be entered into by  
22 and among the Issuer, the Council and The Bank of New York Mellon Trust Company, N.A. (the  
23 "Escrow Agent"), in substantially the form attached hereto as Exhibit E (the "Escrow Deposit  
24 Agreement") with such changes, insertions and omissions as may be approved by the Village  
25 Manager or Acting Village Manager, the execution thereof being conclusive evidence of such  
26 approval.

27  
28 **SECTION 11. OTHER INSTRUMENTS.** The Mayor, Vice Mayor, the Village Clerk,  
29 the Village Manager, Acting Village Manager, the Finance Director, the Village Attorney and other  
30 officers, attorneys and other agents and employees of the Issuer are hereby authorized to perform all  
31 acts and things required of them by the Ordinance, this Resolution and the Loan Agreement or  
32 desirable or consistent with the requirements thereof and hereof, for the full, punctual and complete  
33 performance of all of the terms, covenants and agreements contained in the Note, the Ordinance,  
34 this Resolution and the Loan Agreement, and they are hereby authorized to execute and deliver all  
35 documents which shall be required by Note Counsel, the Council or the Purchaser to effectuate the  
36 sale of the Note. All action taken to date by the officers, attorneys and any other agents and  
37 employees of the Issuer in furtherance of the issuance of the Note is hereby approved, confirmed  
38 and ratified.

39  
40 **SECTION 12. ADDITIONAL INFORMATION.** The Note and the Loan Agreement  
41 shall not be executed and delivered unless and until the Issuer has received all information required  
42 by Section 218.385, Florida Statutes.

43  
44 **SECTION 13. PAYMENT OF PRINCIPAL AND INTEREST; LIMITED**  
45 **OBLIGATION.** The Issuer promises that it will promptly pay the principal of, premium, if any,  
46 and interest on the Note at the place, on the dates and in the manner provided therein according to  
47 the true intent and meaning hereof and thereof. The Note shall not be or constitute a general  
48 obligation or indebtedness of the Issuer as a "bond" within the meaning of Article VII, Section 12

1 of the Florida Constitution, but shall be payable solely from the Non-Ad Valorem Revenues in  
2 accordance with the terms of the Ordinance, this Resolution and the Loan Agreement. No holder  
3 of the Note issued hereunder shall ever have the right to compel the exercise of any ad valorem  
4 taxing power or taxation of any real or personal property thereon or the use or application of ad  
5 valorem tax revenues to pay the Note, or be entitled to payment of the Note from any funds of the  
6 Issuer except from the Non-Ad Valorem Revenues as described in the Ordinance, this Resolution  
7 and Loan Agreement.

8  
9 **SECTION 14. SECTION 265 DESIGNATION OF THE NOTE.** The Issuer hereby  
10 designates the Note in the amount which is issued hereunder, which shall be an amount not to  
11 exceed \$1,315,000 (which together with any previous tax-exempt debt of the Issuer issued in the  
12 calendar year 2015 totals less than \$10,000,000) as a "qualified tax-exempt obligation" for purposes  
13 of Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986, as amended. There are no entities  
14 which are subordinate to or which issue obligations on behalf of the Issuer. The Issuer hereby  
15 covenants and agrees not to take any action or to fail to take any action if such action or failure  
16 would cause the Note to no longer be a "qualified tax-exempt obligation."

17  
18 **SECTION 15. EFFECTIVE DATE.** This Resolution shall take effect immediately upon  
19 its passage.

20 **PASSED and ADOPTED** this 2<sup>nd</sup> day of November, 2015.

21 Attest:   
22 Meighan Alexander  
23 Village Clerk  
24

  
Eugene Flinn  
Mayor

25  
26 APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE AND RELIANCE  
27 OF THE VILLAGE OF PALMETTO BAY, FLORIDA ONLY:  
28

29   
30 Dexter W. Lehtinen  
31 Village Attorney

32 **FINAL VOTE AT ADOPTION:**

- |                                       |            |
|---------------------------------------|------------|
| 33 Council Member Karyn Cunningham    | <u>YES</u> |
| 34                                    |            |
| 35 Council Member Tim Schaffer        | <u>YES</u> |
| 36                                    |            |
| 37 Council Member Larissa Siegel Lara | <u>YES</u> |
| 38                                    |            |
| 39 Vice-Mayor John DuBois             | <u>YES</u> |
| 40                                    |            |
| 41 Mayor Eugene Flinn                 | <u>YES</u> |

EXHIBIT A

FORM OF LOAN AGREEMENT

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LOAN AGREEMENT

By and Among

WHITNEY BANK D/B/A HANCOCK BANK,

FLORIDA MUNICIPAL LOAN COUNCIL,

and

VILLAGE OF PALMETTO BAY, FLORIDA

Dated as of November 1, 2015

---

This Instrument Prepared By:

JoLinda Herring, Esquire  
Bryant Miller Olive P.A.  
SunTrust International Center  
1 SE 3rd Avenue, Suite 2200  
Miami, Florida 33131

and

Jason M. Breth, Esquire  
Bryant Miller Olive P.A.  
101 North Monroe Street, Suite 900  
Tallahassee, Florida 32301

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EXHIBIT A: OPINION OF BORROWER'S COUNSEL  
EXHIBIT B: FORM OF NOTE

## LOAN AGREEMENT

This Loan Agreement (the "Loan Agreement") dated as of November 1, 2015, and entered into among WHITNEY BANK D/B/A HANCOCK BANK, a Mississippi banking corporation and its successors and assigns (the "Purchaser"), the FLORIDA MUNICIPAL LOAN COUNCIL (the "Council"), a separate legal entity and public body corporate and politic duly created and existing under the Constitution and laws of the State of Florida, and the VILLAGE OF PALMETTO BAY, FLORIDA (the "Borrower"), a duly constituted municipality under the laws of the State of Florida.

### WITNESSETH:

WHEREAS, pursuant to the authority of the hereinafter defined Act, the Council desires to assist the Borrower in participating in a program to provide a loan for the amount necessary to enable the Borrower to refinance the Refunded Loan, as hereinafter defined, the proceeds of which were used by the Borrower to finance the construction of a library building; and

WHEREAS, the Borrower desires the Council facilitate the purchase of the Note, as hereinafter defined, by the Purchaser, which is issued by the Borrower, and to borrow such amount subject to the terms and conditions of and for the purposes set forth in this Loan Agreement; and

WHEREAS, the Council is a separate legal entity and public body corporate and politic duly created and existing under the laws of the State of Florida (the "State") organized and existing under and by virtue of the Interlocal Agreement among initially, the City of DeLand, Florida, the City of Rockledge, Florida and the City of Stuart, Florida, as amended and supplemented, together with the additional governmental entities who become members of the Council, in accordance with Chapter 163, Part I, Florida Statutes, as amended (the "Interlocal Act"); and

WHEREAS, the Council has determined that there is substantial need within the State for a financing program (the "Program"), which will provide or otherwise arrange for funds for qualifying projects for participating local governments; and

WHEREAS, the Council has determined that the public interest will best be served and that the purposes of the Interlocal Act can be more advantageously obtained by the Council's administering the Program whereby funds are provided by the Purchaser and loaned directly to the Borrower to refinance, together with other legally available revenues of the Borrower, the Refunded Loan, and secured by the Note issued by the Borrower; and

WHEREAS, the Borrower is authorized under and pursuant to the Act to enter into this Loan Agreement for the purposes set forth herein; and

WHEREAS, the Borrower has determined that a covenant to budget and appropriate Non-Ad Valorem Revenues, as hereinafter defined, shall secure the Borrower's obligations under this Loan Agreement and the Note; and

WHEREAS, the Council and the Borrower have determined that the lending of funds by the Purchaser to the Borrower pursuant to the terms of this Loan Agreement will assist in the development and maintenance of the public welfare of the residents of the State and the areas served by the Borrower, and shall serve a public purpose by improving the health and living conditions, and providing adequate governmental services, facilities and programs and will promote the most efficient and economical development of such services, facilities and programs in the State; and

WHEREAS, neither the Council, the Borrower nor the State or any political subdivision thereof, shall in any way be obligated to pay the principal of, premium, if any, or interest on that certain revenue note of the Borrower designated the "Village of Palmetto Bay, Florida Refunding Revenue Note, Series 2015" (the "Note") except as stated herein as the same shall become due, and the issuance of the Note hereunder shall not directly, indirectly or contingently obligate the Borrower, the State or any political subdivision or municipal corporation thereof to levy or pledge any form of ad valorem taxation for their payment, except that the Note shall be payable by the Borrower and secured solely from the funds and revenues pledged under and pursuant to this Loan Agreement; and

WHEREAS, the Purchaser is willing to purchase the Note from the Borrower as set forth herein in order to provide the funds to finance the Loan, as hereinafter defined.

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereto agree as follows:

## ARTICLE I

### DEFINITIONS

#### SECTION 1.01. Definitions.

Unless the context or use indicates another meaning or intent, the following words and terms as used in this Loan Agreement shall have the following meanings, and any other hereinafter defined words and terms, shall have the meanings as therein defined.

"Accountant" shall mean the independent certified public accountant or firm of certified public accountants at the time employed by the Borrower under the provisions of this Loan Agreement to perform and carry out the duties imposed on the Accountant by this Loan Agreement.

"Act" means, collectively, to the extent applicable to the Borrower, Chapter 163, Part I, Florida Statutes, and Chapter 166, Part II, Florida Statutes, and Chapter 125, Part I, Florida Statutes, each as amended, and all other applicable provisions of law.

"Additional Payments" means payments required by Section 5.02 hereof.

"Administration Fee" means the fee by that name described in Section 4.04 hereof.

"Authorized Representative" means, when used pertaining to the Council, the Chairman and/or Vice Chairman of the Council and such other designated members, agents or representatives as may hereafter be selected by Council resolution; and, when used with reference to the Borrower, means the person performing the functions of the Village Manager or Acting Village Manager thereof or other officer authorized to exercise the powers and perform the duties of the Village Manager; and, when used with reference to an act or document, also means any other person authorized by resolution to perform such act or sign such document.

"Borrower" means the Village of Palmetto Bay, Florida.

"Business Day" means any day of the year which is not a Saturday or Sunday or a day on which the Purchaser or banking institutions located in the State are required or authorized to remain closed.

"CAFR" means a Comprehensive Annual Financial Report.

"Certificate," "Statement," "Request," "Requisition" and "Order" of the Borrower means, respectively, a written certificate, statement, request, requisition or order signed in the name of the Borrower by its Village Manager or Acting Village Manager, or such other person as may be designated and authorized to sign for the Borrower. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

"Closing" means the closing of the Loan pursuant to this Loan Agreement.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated, proposed or applicable thereunder.

"Commencement Date" means the date when the term of this Loan Agreement begins and the obligation of the Borrower to make Loan Repayments accrues.

"Council" means the Florida Municipal Loan Council, its successor or assigns.

"Counsel" means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for the Council, the Purchaser or the Borrower.

"Default" means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Escrow Agent" shall mean the current trustee for the Refunded Bonds which is a qualifying bank or trust company and which shall execute the Escrow Deposit Agreement with the Council and the Borrower prior to the issuance of the Note.

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement which shall be executed and delivered by and among the Council, the Borrower and the Escrow Agent, which agreement shall be in substantially the form approved by the parties thereto.

"Escrow Requirement" shall have the meaning assigned to such term in the Escrow Deposit Agreement.

"Event of Default" shall have the meaning ascribed to such term in Section 9.01 of this Loan Agreement.

"Fiscal Year" means the fiscal year of the Borrower.

"Governmental Obligations" means (i) non-callable direct obligations of the United States of America ("Treasuries"), (ii) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (iii) pre-refunded municipal obligations rated "AAA" and "Aaa" by Standard & Poor's, a division of the McGraw-Hill Companies, Inc. ("S&P") and Moody's Investors Service ("Moody's"), respectively, (iv) securities eligible for "AAA" defeasance under then existing criteria of S&P, or (v) any combination of the foregoing.

"Interest Payment Date" means April 1 and October 1 of each year, commencing April 1, 2016.

"Interest Period" means the semi-annual period between Interest Payment Dates.

"Interlocal Act" means Chapter 163, Part I, Florida Statutes.

"Interlocal Agreement" means that certain Interlocal Agreement originally dated as of December 1, 1998, initially among the City of Stuart, Florida, the City of Rockledge, Florida and

the City of DeLand, Florida, together with the additional governmental entities who become members of the Council, all as amended and supplemented from time to time.

"Loan" means the Loan made to the Borrower from Note proceeds to refinance the Refunded Loan in the amount specified in Section 3.01 herein.

"Loan Agreement" means this Loan Agreement and any amendments and supplements hereto.

"Loan Repayments" means the payments of principal and interest and other payments payable by the Borrower pursuant to the provisions of this Loan Agreement, including, without limitation, Additional Payments.

"Loan Term" means the period commencing upon Closing and terminating after payment in full of the amounts due under this Loan Agreement, as provided for in Section 4.02 of this Loan Agreement.

"Maturity Date" means October 1, 2030.

"Maximum Rate" means the maximum rate of interest permitted by law.

"Non-Ad Valorem Revenues" means all revenues and taxes of the Borrower derived from any source whatsoever other than ad valorem taxation on real and personal property, which are legally available for Loan Repayments.

"Note Counsel" means Bryant Miller Olive P.A., or any other nationally recognized bond counsel mutually acceptable to the Council and the Noteholder.

"Noteholder" or "Holder" or "holder of Note" or "Owner" or "owner of Note" or "Purchaser" whenever used herein with respect to a Note, means the person in whose name such Note is registered.

"Note" means the \$1,252,148.39 Village of Palmetto Bay, Florida Refunding Revenue Note, Series 2015.

"Note Year" means a 12-month period beginning on October 2 and ending on and including the following October 1, except for the first period which begins on November 9, 2015.

"Opinion of Counsel" means an opinion in writing by Counsel, who may, but need not be, counsel to the Council, the Borrower or the Purchaser.

"Opinion of Note Counsel" means an opinion in writing by Note Counsel.

"Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization including a government or political subdivision or an agency or instrumentality thereof.

"Principal Payment Date" means October 1, 2016, and thereafter each October 1 through the Maturity Date.

"Program" means the Council's program of making or arranging for loans under the Act for financing or refinancing a qualifying project.

"Program Administrator" means the Florida League of Cities, Inc., a non-profit Florida corporation.

"Refunded Bonds" means the Borrower's pro rata portion of the Council's Revenue Bonds, Series 2005D, related to the Refunded Loan, maturing in the years 2017 through and including 2020, 2025, 2030 and 2035.

"Refunded Loan" shall mean the loan from the Council to the Borrower funded from the proceeds of the Refunded Bonds secured by the Loan Agreement dated as of June 1, 2005, between the Council and the Borrower.

"State" means the State of Florida.

"Village Clerk" means the Village Clerk of the Borrower and any duly authorized Assistant Village Clerk.

"Village Council" means the governing body of the Borrower.

"Village Finance Director" means the Finance Director of the Borrower and any duly authorized Assistant Finance Director.

"Village Manager" means the Village Manager of the Borrower and any duly authorized Acting Village Manager.

#### **SECTION 1.02. Uses of Phrases.**

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Note," "Noteholder," "Owner," and "person" shall include the plural as well as the singular number, and the word "person" shall include corporations and associations, including public bodies, as well as persons. All references herein to specific Sections of the Code refer to such Sections of the Code and all successor or replacement provisions thereto.

## ARTICLE II

### REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER AND COUNCIL

SECTION 2.01. Representations, Warranties and Covenants. The Borrower and the Council represent, warrant and covenant on the date hereof for the benefit of the Purchaser, as follows:

(a) Organization and Authority. The Borrower:

(1) is a duly organized and validly existing municipality of the State; and

(2) has all requisite power and authority to own and operate its properties, to refinance the Refunded Loan, to covenant to budget and appropriate the Non-Ad Valorem Revenues, and to carry on its activities as now conducted and as presently proposed to be conducted.

(b) Full Disclosure. There is no fact that the Borrower knows of which has not been specifically disclosed in writing to the Council and the Purchaser that materially and adversely affects or, except for pending or proposed legislation or regulations that are a matter of general public information affecting the State municipalities generally, that will materially affect adversely the properties, activities, prospects or condition (financial or otherwise) of the Borrower or the ability of the Borrower to perform its obligations under this Loan Agreement.

The financial statements, including, but not limited to the Borrower's CAFR for its Fiscal Year ended September 30, 2014, balance sheets, and any other written statement furnished by the Borrower to the Council and the Purchaser were prepared in accordance with Generally Accepted Account Principles ("GAAP") and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein not misleading. There is no fact known to the Borrower which the Borrower has not disclosed to the Council and the Purchaser in writing which materially affects adversely or is likely to materially affect adversely the financial condition of the Borrower, or its ability to make the payments under this Loan Agreement when and as the same become due and payable.

(c) Pending Litigation. There are no proceedings pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower, except as specifically described in writing to the Council and the Purchaser, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, prospects or condition (financial or otherwise) of the Borrower, or the existence or powers or ability of the Borrower to enter into and perform its obligations under this Loan Agreement.

(d) Borrowing Legal and Authorized. The execution and delivery of this Loan Agreement and the consummation of the transactions provided for in this Loan Agreement and compliance by the Borrower with the provisions of this Loan Agreement:

(1) are within the powers of the Borrower and have been duly and effectively authorized by all necessary action on the part of the Borrower; and

(2) do not and will not (i) conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Borrower pursuant to any indenture, loan agreement or other agreement or instrument (other than this Loan Agreement) or restriction to which the Borrower is a party or by which the Borrower, its properties or operations are bound as of the date of this Loan Agreement or (ii) with the giving of notice or the passage of time or both, constitute a breach or default or so result in the creation or imposition of any lien, charge or encumbrance, which breach, default, lien, charge or encumbrance (described in (i) or (ii)) could materially and adversely affect the validity or the enforceability of this Loan Agreement or the Borrower's ability to perform fully its obligations under this Loan Agreement; nor does such action result in any violation of the provisions of the Act, or any laws, ordinances, governmental rules or regulations or court orders to which the Borrower, its properties or operations may be bound.

(e) No Defaults. To the current, actual knowledge of the Borrower, no event has occurred and no condition exists that constitutes an Event of Default, or which, upon the execution and delivery of this Loan Agreement and/or the passage of time or giving of notice or both, would constitute an Event of Default. To its current, actual knowledge, the Borrower is not in violation in any material respect, and has not received notice of any claimed violation (except such violations as (i) heretofore have been specifically disclosed in writing to, and have been in writing specifically consented to by the Council and the Purchaser and (ii) do not, and shall not, have any material adverse effect on the transactions herein contemplated and the compliance by the Borrower with the terms hereof), of any terms of any agreement or other instrument to which it is a party or by which it, its properties or operations may be bound, which may materially adversely affect the ability of the Borrower to perform hereunder.

(f) Conditions Precedent. All approvals, consents, waivers, authorizations and orders of any governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the performance by the Borrower of its obligations under this Loan Agreement have been obtained and are in full force and effect and the Borrower has complied with all conditions precedent to the issuance of the Note contained in the resolutions and ordinances of the Borrower.

(g) Compliance with Law. To its current, actual knowledge, the Borrower is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject,

and which are material to its properties, operations, finances or status as a municipal corporation or subdivision of the State.

(h) Use of Proceeds.

(1) The Borrower has heretofore issued and has presently outstanding and unpaid the Refunded Loan. The Borrower deems it necessary, desirable and in the best financial interest of the Borrower that the Refunded Loan be refunded in order to effectuate interest cost savings and a reduction in the debt service applicable to bonded indebtedness. The refunding of the Refunded Loan in the manner herein provided is hereby authorized.

(2) The Borrower will apply the proceeds of the Loan from the Purchaser, together with other legally available revenues of the Borrower, for (i) the refinancing of the Refunded Loan; and (ii) the fees and costs of issuing the Note. Simultaneously with the issuance of the Note, a sufficient portion of the proceeds of the Note will, at the Borrower's request and instruction as provided in Section 3.05 hereof, be transferred by the Purchaser directly to the Escrow Agent for deposit by the Escrow Agent into the Escrow Account established pursuant to the Escrow Deposit Agreement, to effectuate the refunding of the Refunded Loan by providing for the payment of the principal of, premium, if any, and interest on the Refunded Loan as provided in the Escrow Deposit Agreement. If any component of the Refunded Loan to be refunded is not paid for out of the proceeds of the Loan at the Closing of the Loan, the Borrower shall on or before November 9, 2015, pay the remaining cost of the Refunded Loan to be refunded directly to the Escrow Agent for deposit by the Escrow Agent into the Escrow Account.

(3) The Borrower will be responsible for repaying, through the Loan Repayments, the Note issued to fund the Loan, including the portion of the Note issued to fund any Loan fee of the Purchaser and other fees and costs of issuing the Note.

(4) The Borrower covenants that it will make no use of the proceeds of the Note which are in its control at any time during the term of the Note which would cause such Note to be an "Arbitrage Bond" within the meaning of Section 148 of the Code.

(5) The Borrower covenants that it shall neither take any action nor fail to take any action or to the extent that it may do so, permit any other party to take any action which, if either taken or not taken, would adversely affect (i) the exclusion from gross income for Federal income tax purposes of interest on the Note or (ii) the qualification of the Note as a "qualified tax exempt obligation" under Section 265(b)(3) of the Code.

(i) [Reserved.]

(j) Compliance with Interlocal Act and Interlocal Agreement. All agreements and transactions provided for herein or contemplated hereby are in full compliance with the terms of the Interlocal Agreement and the Interlocal Act.

**SECTION 2.02. Covenants of the Borrower and the Council.** The Borrower and the Council make the following covenants and representations as of the date first above written and such covenants shall continue in full force and effect during the Loan Term:

(a) Security for the Loan and Loan Repayment. Subject to the provisions of Section 2.02(l) hereof, the Borrower covenants and agrees to appropriate in its annual budget, by amendment, if required, and to pay when due under this Loan Agreement as promptly as money becomes available directly to the Purchaser, Non-Ad Valorem Revenues of the Borrower sufficient to satisfy the Loan Repayment as required under this Loan Agreement. Such covenant is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereafter entered into. Such covenant and agreement on the part of the Borrower to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all required Loan Repayments, including delinquent Loan Repayments, shall have been budgeted, appropriated and actually paid to the Purchaser. The Borrower further acknowledges and agrees that the obligations of the Borrower to include the amount of any deficiency in Loan Repayments in each of its annual budgets and to pay such deficiencies from Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein. Notwithstanding the foregoing or any provision of this Loan Agreement to the contrary, the Borrower does not covenant to maintain any services or programs now maintained by the Borrower which generate Non-Ad Valorem Revenues or to maintain the charges it presently collects for any such services or programs.

(b) Delivery of Information to the Purchaser. The Borrower shall deliver to the Purchaser, in printed form, as soon as available and in any event within two hundred seventy (270) days after the end of each Fiscal Year the CAFR of the Borrower as of the end of such Fiscal Year, all as reported on by an Accountant. The Borrower shall prepare its annual budget in accordance with State law, and shall provide the Purchaser a copy of its final annual budget for each Fiscal Year within thirty (30) days of adoption thereof by the Village Council and such other public information the Purchaser may reasonably request.

(c) Information. The Village Manager, Village Finance Director or other staff of the Borrower shall discuss the Borrower's financial matters with the Purchaser and provide the Purchaser with copies of any documents reasonably requested by the Purchaser unless such documents or material are protected or privileged from disclosure under applicable Florida law.

(d) Additional Notes Test. During such time as the Loan is outstanding hereunder, the Borrower agrees that, prior to the issuance of debt by the Borrower which is secured by

and/or payable solely from its Non-Ad Valorem Revenues, it shall deliver to the Council and the Purchaser a certificate setting forth the calculations of the financial ratios provided below and certifying that it is in compliance with the following: (i) Non-Ad Valorem Revenues (based on the average actual receipts as determined from the Borrower's CAFR for the prior two Fiscal Years) must cover projected maximum annual debt service on debt secured by and/or payable solely from such Non-Ad Valorem Revenues by at least 1.5x; and (ii) projected maximum annual debt service requirements for all debt secured by and/or payable solely from such Non-Ad Valorem Revenues will not exceed 20% of Governmental Fund Revenues (defined for purposes of this covenant as general fund, special fund, debt service fund and capital projects funds), exclusive of (a) ad valorem revenues restricted to payment of debt service on any debt and (b) any debt proceeds (based on the average actual receipts as determined from the Borrower's CAFR for the prior two Fiscal Years).

For the purposes of this covenant, the maximum annual debt service on debt secured by and/or payable solely from such Non-Ad Valorem Revenues means the largest amount of annual debt service with respect to outstanding and proposed debt for any Fiscal Year in which the Note is outstanding, excluding all Fiscal Years which shall have ended prior to the Fiscal Year in which maximum annual debt service shall be computed. For purposes of calculating maximum annual debt service, if the terms of any debt secured by and/or payable solely from such Non-Ad Valorem Revenues are such that interest thereon for any future period of time is to be calculated at a rate which is not then susceptible of precise determination ("Variable Rate Debt"), interest on such Variable Rate Debt shall be computed as follows:

(x) if the principal amount of Variable Rate Debt (including any Variable Rate Debt proposed to be incurred) secured by and/or payable solely from such Non-Ad Valorem Revenues is less than or equal to 25% of the principal amount of all debt (including the debt proposed to be incurred) secured by and/or payable solely from such Non-Ad Valorem Revenues, an interest rate equal to the higher of 12% per annum or The Bond Buyer 40 Index shall be assumed; or

(y) if the principal amount of Variable Rate Debt (including any Variable Rate Debt proposed to be incurred) secured by and/or payable solely from such Non-Ad Valorem Revenues is more than 25% of the principal amount of all debt secured by and/or payable solely from such Non-Ad Valorem Revenues (including the debt proposed to be incurred), the maximum rate which could be borne by such Variable Rate Debt shall be assumed.

For the purposes of calculating maximum annual debt service, any debt with a bullet maturity shall be assumed to amortize in up to 15 years on a level debt service basis.

(e) Further Assurance. The Borrower shall execute and deliver to the Purchaser and the Council all such documents and instruments and do all such other acts and things as may be reasonably necessary to enable the Purchaser to exercise and enforce its rights under this Loan Agreement and to realize thereon, and record and file and re-record and re-file all such

documents and instruments, at such time or times, in such manner and at such place or places, all as may be reasonably necessary or required by the Purchaser to validate, preserve and protect the Purchaser's security under this Loan Agreement.

(f) Keeping of Records and Books of Account. The Borrower shall keep or cause to be kept proper records and books of account, in which correct and complete entries will be made in accordance with generally accepted accounting principles, consistently applied (except for changes concurred in by the Borrower's independent auditors) reflecting all of its financial transactions.

(g) Payment of Taxes, Etc. The Borrower shall pay all legally contracted obligations when due and shall pay all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which penalties attach thereto, and all lawful claims, which, if unpaid, might become a lien or charge upon any of its properties, provided that it shall not be required to pay any such tax, assessment, charge, levy or claim which is being contested in good faith and by appropriate proceedings, which shall operate to stay the enforcement thereof.

(h) Compliance with Laws, Etc. The Borrower shall comply with the requirements of all applicable laws, the terms of all grants, rules, regulations and lawful orders of any governmental authority, non-compliance with which would, singularly or in the aggregate, materially adversely affect the Non-Ad Valorem Revenues, unless the same shall be contested by it in good faith and by appropriate proceedings which shall operate to stay the enforcement thereof.

(i) Tax-Exempt and Bank Qualified Status of Note. The Council and the Borrower understand that it is the intention hereof that (1) the interest on the Note not be included within the gross income of the holders thereof for federal income tax purposes and (2) the Note be a "qualified tax exempt obligation" under Section 265(b)(3) of the Code. In furtherance thereof, the Borrower and the Council each agree that they will take all action within their control which is necessary in order for (y) the interest on the Note to remain excluded from gross income for federal income taxation purposes and (z) the Note to remain qualified as a "qualified tax exempt obligation" under Section 265(b)(3) of the Code, and shall refrain from taking any action which results in such interest on the Note becoming included in gross income or the Note losing its bank qualified status.

The Borrower and the Council further covenant that, to the extent they have control over the proceeds of the Note, they will not take any action or fail to take any action with respect to the investment of the proceeds of any Note, with respect to the payments derived from the Note or hereunder or with respect to the issuance of other obligations, which action or failure to act may cause the Note to be an "arbitrage bond" within the meaning of such term as used in Section 148 of the Code and the regulations promulgated thereunder. In furtherance of the covenant contained in the preceding sentence, the Borrower and the Council agree to comply

with the Tax Certificate as to Arbitrage and the provisions of Section 141 through 150 of the Code, including the letter of instruction attached as an exhibit to the Tax Certificate, delivered by Note Counsel to the Borrower and the Council simultaneously with the issuance of the Note, as such letter may be amended from time to time, as a source of guidelines for achieving compliance with the Code.

The covenants of the Council and the Borrower contained in this subsection (i) shall survive the termination of this Loan Agreement.

(j) Information Reports. The Borrower covenants to provide the Council with all material information it possesses or has the ability to possess necessary to enable the Council to assist the Borrower in the filing of all reports required under Section 149(e) of the Code to assure that interest paid by the Borrower on the Note shall, for purposes of the federal income tax, be excluded from gross income.

(k) Reporting Requirements. The Borrower agrees to provide along with its annual audited financial statements as described in paragraph (b) above, a certificate of its Village Finance Director stating that to the best of its then-current, actual knowledge the Borrower is in compliance with the terms and conditions of this Loan Agreement, or, specifying the nature of any noncompliance and the remedial action taken or proposed to be taken to cure such noncompliance.

(l) Limited Obligations. Anything in this Loan Agreement to the contrary notwithstanding, it is understood and agreed that all obligations of the Borrower hereunder shall be payable from Non-Ad Valorem Revenues budgeted and appropriated as provided for hereunder and nothing herein shall be deemed to pledge ad valorem taxation revenues or to permit or constitute a mortgage or lien upon any assets or property owned by the Borrower and no Noteholder or any other person, including the Council, may compel the levy of ad valorem taxes on real or personal property within the boundaries of the Borrower. The obligations hereunder do not constitute an indebtedness of the Borrower within the meaning of any constitutional, statutory or charter provision or limitation, and neither the Purchaser, the Council, or the Noteholders or any other person shall have the right to compel the exercise of the ad valorem taxing power of the Borrower or taxation of any real or personal property therein for the payment by the Borrower of its obligations hereunder. Except to the extent expressly set forth in this Loan Agreement, this Loan Agreement and the obligations of the Borrower hereunder shall not be construed as a limitation on the ability of the Borrower to pledge or covenant to pledge the Non-Ad Valorem Revenues or any revenues or taxes of the Borrower for other legally permissible purposes. Notwithstanding any provisions of this Loan Agreement or the Note to the contrary, the Borrower shall never be obligated to maintain or continue any of the activities of the Borrower which generate user service charges, regulatory fees or any Non-Ad Valorem Revenues or the rates for such services or regulatory fees. Neither this Loan Agreement nor the obligations of the Borrower hereunder shall be construed as a pledge of or a lien on all or any legally available Non-Ad Valorem Revenues of the Borrower,

but shall be payable solely as provided in Section 2.02(a) hereof and is subject in all respects to the provisions of Section 166.241, Florida Statutes, insofar as there are not sufficient Non-Ad Valorem Revenues to comply with such covenant after the satisfaction of the funding requirements for obligations having an express lien on or pledge of such revenues and the funding requirement for essential governmental services of the Borrower, and is subject, further, to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Borrower.

(m) Other Conditions. The Purchaser and the Borrower mutually agree and understand that the amounts available to be budgeted and appropriated to make Loan Repayments hereunder is subject to the obligation of the Borrower to provide essential services; however, such obligation is cumulative and would carry over from Fiscal Year to Fiscal Year.

**SECTION 2.03. Borrower Payments.** Prior to or on each Interest Payment Date and Principal Payment Date, the Borrower shall pay directly to the Purchaser the Loan Repayments.

### ARTICLE III

#### THE LOAN AND THE NOTE

**SECTION 3.01. Note Issuance and the Loan.** The Council hereby agrees to facilitate and assist in the making of the loan by the Purchaser to the Borrower and the Borrower hereby agrees to borrow the sum of \$1,252,148.39 from the Purchaser. This amount includes amounts which the Borrower will use for the cost of the initial issuance of the Note, as set forth in Section 3.05 herein, subject to the terms and conditions contained in this Loan Agreement. The amounts advanced net of the cost of the initial issuance are to be used by the Borrower for the purposes of refinancing the Refunded Loan.

**SECTION 3.02. Evidence of Loan.** The Borrower's obligation hereunder to repay amounts advanced pursuant to Section 3.01, together with interest thereon, and other payments required under this Loan Agreement, shall be evidenced by this Loan Agreement and the Note.

**SECTION 3.03. Purchase of Note.** The Purchaser agrees to purchase the Note at a price equal to its initial principal amount, which amount is hereby to be used to fund the Loan to the Borrower.

**SECTION 3.04. Description of the Note.** The Note shall have the terms set forth in the Form of Note attached hereto as Exhibit B. The Borrower hereby approves the form of Note attached hereto as Exhibit B and agrees hereby to issue the Note to the Purchaser. There is hereby pledged and assigned all amounts payable by the Borrower as Loan Repayments to the Purchaser as security for the payment of the Note.

**SECTION 3.05. Refunding.** The Borrower is depositing proceeds of the Loan in the amount of \$1,209,840.00, and \$5,747.50 of other legally available revenues of the Borrower, each as set forth and as directed by the terms of the Escrow Deposit Agreement, in order to refund the Refunded Loan. Subject to the next paragraph, the Borrower covenants that it will direct no other use of the Note proceeds, agrees to the disbursement of the Loan proceeds in such manner, and further acknowledges that the escrow is to be held irrevocably by the Escrow Agent for such purpose.

Notwithstanding the foregoing, prior to depositing the proceeds of the Loan with the Escrow Agent as set forth and as directed pursuant to this Section 3.05, the Purchaser, for and on behalf of the Borrower, shall pay proceeds of the Loan to (i) the Purchaser's counsel, the amount of \$5,000.00, and (ii) the Council, the amount of \$37,308.39, which the Council will apply to pay the costs of issuance described below.

- (a) Financial Advisor's fee: \$12,500.00;
- (b) Escrow Agent's fee: \$750.00;
- (c) Note Counsel fee (aggregate, plus expenses): \$18,500.00;
- (d) Council's Administration fee: \$5,133.39; and
- (e) CUSIP fee: \$425.00.

The Borrower and the Council hereby consent to and affirm such payments by the Purchaser and the Purchaser may conclusively rely on such consent.

#### ARTICLE IV

##### LOAN TERM AND LOAN CLOSING REQUIREMENTS

**SECTION 4.01. Commencement of Loan Term.** The Borrower's obligations under this Loan Agreement shall commence upon Closing, unless otherwise provided in this Loan Agreement.

**SECTION 4.02. Termination of Loan Term.** The Borrower's obligations under this Loan Agreement shall terminate after payment in full of all amounts due under this Loan Agreement; provided, however, that all covenants and all obligations provided hereunder specified to so survive (including the obligation of the Borrower to pay the rebate obligations owed on the Note) shall survive the termination of this Loan Agreement and the payment in full of principal and interest hereunder. Upon termination of the Loan Term as provided above, the Council and the Purchaser shall deliver, or cause to be delivered, to the Borrower an

acknowledgment thereof. The Purchaser shall return to the Borrower the cancelled Note in a reasonable amount of time after payment in full of principal of and interest on the Note.

**SECTION 4.03. Loan Closing Submissions.** Concurrently with the execution and delivery of this Loan Agreement, the Borrower is providing to the Purchaser the following documents each dated the date of such execution and delivery unless otherwise provided below:

(a) A certified copy of the Ordinance and the Resolution of the Borrower authorizing the issuance of the Note, the Loan and this Loan Agreement;

(b) An opinion of the Borrower's Counsel in substantially the form of Exhibit A attached hereto to the effect that the Loan Agreement is a valid and binding obligation of the Borrower and opining to such other matters as may be reasonably required by Note Counsel and the Purchaser and acceptable to Borrower's Counsel;

(c) A certificate of the officials of the Borrower to the effect that the representations and warranties of the Borrower are true and correct;

(d) An executed and authenticated Note;

(e) This executed Loan Agreement;

(f) An executed Escrow Deposit Agreement;

(g) A standard opinion of Note Counsel (addressed to the Council, the Purchaser and the Borrower) to the effect that: (i) the note documents are authorized and enforceable; (ii) the Note is authorized under the Act and the resolution authorizing this Loan Agreement; (iii) the interest on the Note is excluded from gross income for purposes of federal income taxation; (iv) the Note is a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code and (v) upon the issuance of the Note, the Refunded Loan will be defeased; and

(h) Such other certificates, documents, opinions and information as the Council, the Purchaser or Note Counsel may require.

All opinions and certificates shall be dated the date of the Closing.

**SECTION 4.04. Administration Fee.** In further consideration for the Council's assistance in connection with the Loan, the Borrower hereby agrees to pay the Council a one-time administration fee to be collected from the Borrower at the rate of 10/100 of 1% (0.001) of the amount of the Loan with a minimum fee of \$5,000 and a maximum fee of \$15,000 with respect to the Loan.

## ARTICLE V

### LOAN REPAYMENTS

**SECTION 5.01. Payment of Loan Repayments.** Borrower shall pay all Loan Repayments in lawful money of the United States of America to the Holder, as payment on the Note. No such Loan Repayment shall be in an amount such that interest on the Loan is in excess of the Maximum Rate. The Loan Repayments shall equal the principal of and interest and any other amounts due on the Note and under this Agreement, and shall be paid by the Borrower directly to the Purchaser and collected via ACH Direct Debit from an account designated by the Borrower at the times such amounts are due on the Note, as set forth on Exhibit B hereto, and under this Agreement.

**SECTION 5.02. Payment of Additional Payments.** In addition to Loan Repayments which are set forth in Section 5.01 hereof, Borrower agrees to pay on demand of the Council or the Purchaser, all reasonable fees and expenses of the Council or Purchaser relating to this Loan Agreement, including, but not limited to, the following Additional Payments:

(a) the reasonable fees and disbursements of Counsel utilized by the Council and the Purchaser in connection with the Note, the Loan, this Loan Agreement and the enforcement thereof;

(b) reasonable extraordinary fees of the Purchaser following an Event of Default hereunder;

(c) all other reasonable out-of-pocket expenses of the Council and the Purchaser in connection with the Note, the Loan, this Loan Agreement and the enforcement thereof, including, but not limited to, all fees and expenses related to the prepayment and defeasance of the Loan and the Note;

(d) all taxes (including any recording and filing fees) in connection with the execution and delivery of this Loan Agreement, and all expenses, including reasonable attorneys' fees, relating to any amendments, waivers, consents or collection or enforcement proceedings pursuant to the provisions hereof;

(e) any amounts owed by the Borrower to the United States of America as rebate obligations on the Note, which obligation shall survive the termination of this Loan Agreement; however, neither the Council nor the Purchaser will perform arbitrage rebate calculations on the Note, and the Borrower will be responsible for conducting such arbitrage rebate calculations and paying such amounts owed directly to the United States of America; and

(f) (1) any and all losses, damages, expenses (including reasonable legal and other fees and expenses), liabilities or claims (or actions in respect thereof), to which the Council may

become subject under any federal or state securities laws, federal or state tax laws, or other statutory law or at common law or otherwise, and (2) any and all fees and expenses of any inquiries or audits by any regulatory agencies, all as caused by or arising out of or based upon this Loan Agreement, the Loan, the Note, the issuance of the Note or the use of Note proceeds, but which are not attributable to or arise out of an act or omission of the Council, the Purchaser or the Escrow Agent.

**SECTION 5.03. Obligations of Borrower Unconditional.** Subject in all respects to the provisions of this Loan Agreement, the obligations of the Borrower to make the Loan Repayments required hereunder and to perform and observe the other agreements on its part contained herein, shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while the Note remains outstanding or any Loan Repayments remain unpaid, regardless of any contingency, act of God, event or cause whatsoever. The Borrower shall pay in full the Loan Repayments and all other payments required hereunder, regardless of any rights of set-off, recoupment, abatement or counterclaim that the Borrower might otherwise have against the Council, the Purchaser or any other party or parties.

**SECTION 5.04. Prepayment.** The Note may be prepaid in whole, on any date, and in part on any Interest Payment Date, by the Borrower with five (5) days prior written notice to the Purchaser and the Council by payment in an amount equal to the principal amount to be prepaid plus accrued interest thereon to the date of prepayment without a prepayment premium.

**SECTION 5.05. Adjustment to Rate of Interest.** The interest rate on the Note shall be subject to adjustment, but only as provided in the Note.

## ARTICLE VI

[RESERVED]

## ARTICLE VII

## DEFEASANCE

**SECTION 7.01. Defeasance of the Loan Agreement and the Note.** This Loan Agreement shall continue to be obligatory and binding upon the Borrower in the performance of the obligations imposed by this Loan Agreement and the repayment of all sums due by the Borrower under this Loan Agreement shall continue to be secured by this Loan Agreement as provided herein until all of the indebtedness and all of the payments required to be made by the Borrower shall be fully paid to the Council and the Purchaser, as provided herein, including any fees and expenses in connection with such repayment, if any. If, at any time, the Borrower shall have made provision for payment of, the principal amount of, prepayment premium, if

any, and interest on the Note and shall have paid all amounts due under the Note and this Loan Agreement, then, and in that event, the covenant regarding the Non-Ad Valorem Revenues for the benefit of the holder of the Note shall be no longer in effect and all future obligations of the Borrower under this Loan Agreement shall cease; provided, however, that all covenants and all obligations provided hereunder specified to so survive (including the obligation of the Borrower to pay the rebate obligations owed on the Bond) shall survive the termination of this Loan Agreement and the payment in full of principal and interest hereunder. For purposes of the preceding sentence, in order for the Borrower to have made "provision for payment," the Borrower shall have deposited sufficient cash and/or Governmental Obligations in irrevocable trust with a banking institution or trust company acceptable to the Purchaser, for the sole benefit of the Purchaser in respect to which such cash and/or Governmental Obligations, the principal and interest received that will be sufficient (as reflected in an Accountant's verification report) to make timely payment of the principal, interest and prepayment premium, if any, on the Note.

## ARTICLE VIII

### ASSIGNMENT AND PAYMENT BY THIRD PARTIES

**SECTION 8.01. Assignment by Borrower.** This Loan Agreement may not be assigned by the Borrower for any reason without the express prior written consent of the Council and the Purchaser.

**SECTION 8.02. No Partnership, etc..** The relationship between the Purchaser and the Borrower are solely those of lender and borrower. Neither the Council nor the Purchaser has any fiduciary or other special relationship with or duty to the Borrower and none is created by the Note documents or Loan documents. Nothing contained in the Note documents or Loan documents, and no action taken or omitted pursuant to the Note documents or Loan documents, is intended or shall be construed to create any partnership, joint venture association, or special relationship between or among the Borrower, the Purchaser and the Council or any of them or in any way make the Council or the Purchaser a co-principal with the Borrower with reference to the Refunded Loan, or otherwise. In no event shall the Council's or Purchaser's rights and interests under the Note documents or Loan documents be construed to give the Council or the Purchaser the right to control, or to be deemed to indicate that the Council or the Purchaser is in control of, the business, properties, management or operations of the Borrower.

## ARTICLE IX

### EVENTS OF DEFAULT AND REMEDIES

**SECTION 9.01. Events of Default Defined.** The following shall be "Events of Default" under this Loan Agreement and the term "Event of Default" shall mean (except where the

context clearly indicates otherwise), whenever they are used in this Loan Agreement, any one or more of the following events:

(a) Failure by the Borrower to timely pay any Loan Repayment, when due, so long as the Note is outstanding;

(b) Failure by the Borrower to timely pay any other payment required to be paid hereunder on the date on which it is due and payable, provided the Borrower has prior written notice of any such payments being due; provided further, that before an Event of Default shall exist for the Borrower's failure to pay any other payment required to be paid hereunder, the Council or the Purchaser, as the case may be, shall provide Borrower with written notice of such delinquency and the Borrower shall have ten (10) Business Days from the date of the written notice to cure such delinquency;

(c) Failure by the Borrower to observe and perform any covenant, condition or agreement other than a failure under (a), on its part to be observed or performed under this Loan Agreement, for a period of thirty (30) days after notice of the failure, unless the Purchaser shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Purchaser, but cannot be cured within the applicable thirty (30) day period, the Purchaser will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the failure is corrected;

(d) Any warranty, representation or other statement by the Borrower or by an officer or agent of the Borrower contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement, is false or misleading in any material respect when made;

(e) A petition is filed against the Borrower under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within sixty (60) days of such filing;

(f) The Borrower files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;

(g) The Borrower admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including without limitation a receiver, liquidator or trustee) of the Borrower or any of its

property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than sixty (60) days;

(h) Default under any agreement to which the Borrower is a party evidencing, securing or otherwise respecting any indebtedness of the Borrower which is secured by Non-Ad Valorem Revenues outstanding in the amount of \$250,000 or more if, as a result thereof, such indebtedness may be declared immediately due and payable or other remedies may be exercised with respect thereto;

(i) Any material provision of this Loan Agreement shall at any time for any reason cease to be valid and binding on the Borrower, or shall be declared to be null and void, or the validity or enforceability of this Loan Agreement shall be contested by the Borrower or any governmental agency or authority, or if the Borrower shall deny any further liability or obligation under this Loan Agreement; or

(j) Final judgment for the payment of money in the amount of \$250,000 or more is rendered against the Borrower, the payment of which would materially adversely affect the Borrower's ability to meet its obligations hereunder (it being agreed that, if insurance or adequate reserves are available to make such payment, such judgment would not materially affect the Borrower's ability to meet its obligations hereunder) and at any time after ninety (90) days from the entry thereof, unless otherwise provided in the final judgment, (i) such judgment shall not have been discharged, or (ii) the Borrower shall not have taken and be diligently prosecuting an appeal therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, and have caused the execution of or levy under such judgment, order, decree or process of the enforcement thereof to have been stayed pending determination of such appeal, provided that such execution and levy would materially adversely affect the Borrower's ability to meet its obligations hereunder; or (iii) it has not been determined by a court of competent jurisdiction from which appeal may not be taken or from which appeal has been taken but has been finally denied that the Borrower is not obligated with respect to such judgment pursuant to the provisions of Chapter 768, Florida Statutes or other applicable law.

**SECTION 9.02. Notice of Default.** The Borrower agrees to give the Purchaser and the Council prompt written notice if any petition, assignment, appointment or possession referred to in Section 9.01(e), 9.01(f) or 9.01(g) is filed by or against the Borrower or of the occurrence of any other event or condition which constitutes a Default or an Event of Default, or with the passage of time or the giving of notice would constitute an Event of Default, immediately upon becoming aware of the existence thereof.

**SECTION 9.03. Remedies on Default.** Whenever any Event of Default referred to in Section 9.01 hereof shall have happened and be continuing, the Council or the Purchaser shall, in addition to any other remedies herein or by law provided, have the right, at its or their option without any further demand or notice, except as otherwise provided for in this Agreement, to

take whatever other action at law or in equity which may appear necessary or desirable to collect amounts then due to it and thereafter to become due hereunder or to enforce any other of its or their rights hereunder; provided, however, the Council shall only have the right to take such action as it deems necessary to collect amounts then due or to become due to the Council.

**SECTION 9.04. No Remedy Exclusive; Waiver, Notice.** No remedy herein conferred upon or reserved to the Council or the Purchaser is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Council or the Purchaser to exercise any remedy reserved to it in this Article IX, it shall not be necessary to give any notice other than such notice as may be required in this Article IX.

**SECTION 9.05. Application of Moneys.** Any moneys collected by the Council or the Purchaser pursuant to Section 9.03 hereof shall be applied (a) first, to pay interest due on the Loan, (b) second, to pay principal due on the Loan, (c) third, to pay any other amounts due hereunder, including, but not limited to, any attorney's fees or other expenses owed by the Borrower pursuant to Section 5.02(a), (b) and (c) hereof, and (d) fourth, to pay interest and principal on the Loan and other amounts payable hereunder but which are not due, as they become due (in the same order, as to amounts which come due simultaneously, as in (a) through (c) in this Section 9.05).

## ARTICLE X

### MISCELLANEOUS

**SECTION 10.01. Notices.** All notices, certificates or other communication hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by first class mail, postage prepaid, to the parties at the following addresses:

Council:	Florida Municipal Loan Council c/o Florida League of Cities, Inc. 301 South Bronough Street Tallahassee, Florida 32301
Purchaser:	Whitney Bank d/b/a Hancock Bank 113 Designer Circle Dothan, Alabama 36303 Attn: Steven E. Cole
Borrower:	Village of Palmetto Bay, Florida

9705 East Hibiscus Street  
Palmetto Bay, Florida 33157  
Attn: Village Finance Director

Any of the above parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

**SECTION 10.02. Binding Effect.** This Loan Agreement shall inure to the benefit of the Purchaser, the Council and the Borrower, and shall be binding upon the Purchaser, the Council and the Borrower, and their respective successors and assigns.

**SECTION 10.03. Severability.** In the event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**SECTION 10.04. Amendments, Changes and Modifications.** This Loan Agreement may be amended or supplemented from time to time only by a writing duly executed by the Borrower and the Purchaser; provided, however, any such amendment affecting the rights or obligations of the Council shall not be effective unless it shall have been consented to in writing by the Council.

**SECTION 10.05. Execution in Counterparts.** This Loan Agreement may be simultaneously executed in several counterparts, each of which, when so executed and delivered, shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 10.06. Applicable Law.** This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

**SECTION 10.07. Benefit of Noteholders .** This Loan Agreement is executed in part to induce the purchase by the Purchaser of the Note. Accordingly, all covenants, agreements and representations on the part of the Borrower and the Council, as set forth in this Loan Agreement, are hereby declared to be for the benefit of the holders from time to time of the Note.

**SECTION 10.08. Consents and Approvals.** Whenever the written consent or approval of the Council shall be required under the provisions of this Loan Agreement, such consent or approval may be given by an Authorized Representative of the Council or such other additional persons provided by law or by rules, regulations or resolutions of the Council.

**SECTION 10.09. Immunity of Officers, Employees and Members of Council and Borrower.** No recourse shall be had for the payment of the principal of or premium or interest hereunder or for any claim based thereon or upon any representation, obligation, covenant or

agreement in this Loan Agreement against any past, present or future official officer, member, counsel, employee, director or agent, as such, of the Council or the Borrower, either directly or through the Council or the Borrower, or respectively, any successor public or private corporation thereto under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, counsels, employees, directors or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement.

**SECTION 10.10. Captions.** The captions or headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of sections of this Loan Agreement.

**SECTION 10.11. No Pecuniary Liability of Council.** The Council shall not in any way be obligated to pay the principal of, premium, if any, or interest on the Note, and the issuance of the Note by the Borrower shall not directly, indirectly or contingently obligate the Council to levy or pledge any form of ad valorem taxation for its payment.

**SECTION 10.12. Payments Due on Holidays.** If the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Loan Agreement, shall be other than on a Business Day, such payments may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Loan Agreement; provided, however, that any interest due shall accrue until paid.

**SECTION 10.13. Calculations.** Interest shall be computed on the basis of twelve 30-day months and a 360-day year.

**SECTION 10.14. Time of Payment.** Any Loan Repayment or other payment hereunder which is received by the Purchaser after 2:00 p.m. (Eastern Time) on any day shall be deemed received on the following Business Day.

**SECTION 10.15. Waiver of Jury Trial.** EACH OF THE COUNCIL, THE PURCHASER, AND THE BORROWER HEREBY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATED TO THIS LOAN AGREEMENT. EACH OF THE COUNCIL, THE PURCHASER, AND THE BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION (WHETHER AS CLAIM, COUNTER-CLAIM, AFFIRMATIVE DEFENSE OR OTHERWISE) BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS LOAN AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE COUNCIL, THE PURCHASER, AND THE BORROWER. EACH OF THE COUNCIL, THE PURCHASER, AND THE BORROWER ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED

FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION AND RECOGNIZES AND AGREES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR OTHER PARTIES HERETO TO ENTER INTO THIS LOAN AGREEMENT. EACH OF THE COUNCIL, THE PURCHASER, AND THE BORROWER REPRESENTS AND ACKNOWLEDGES THAT IT HAS REVIEWED THIS PROVISION WITH ITS LEGAL COUNSEL AND THAT IT HAS KNOWINGLY AND VOLUNTARILY WAIVED ANY JURY TRIAL RIGHTS IT MAY HAVE FOLLOWING CONSULTATION WITH SUCH LEGAL COUNSEL.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Florida Municipal Loan Council has caused this Loan Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attested by its duly authorized officers, the Village of Palmetto Bay, Florida, has caused this Loan Agreement to be executed in its name with its seal hereunto affixed and attached by its duly authorized officers and Whitney Bank d/b/a Hancock Bank has caused this Loan Agreement to be executed in its corporate name by its duly authorized officer. All of the above occurred as of the date first above written.

FLORIDA MUNICIPAL LOAN COUNCIL

(SEAL)

By: \_\_\_\_\_  
Name: Isaac Salver  
Title: Chairman

ATTEST:

By: \_\_\_\_\_  
Name: Patti Hilaman  
Title: Deputy Executive Director

[First Signature Page to Loan Agreement]

WHITNEY BANK D/B/A HANCOCK  
BANK

By: \_\_\_\_\_  
Name: Jason L. Thomas  
Title: Vice President

VILLAGE OF PALMETTO BAY,  
FLORIDA

By: \_\_\_\_\_  
Name: Edward Silva  
Title: Village Manager

ATTESTED BY:

By: \_\_\_\_\_  
Name: Meighan Alexander  
Title: Village Clerk

Approved as to form and correctness  
this 9th day of November, 2015.

By: \_\_\_\_\_  
Name: Dexter W. Lehtinen  
Title: Village Attorney

[Second Signature Page to Loan Agreement]

EXHIBIT A

OPINION OF BORROWER'S COUNSEL

[Letterhead of Counsel to Borrower]

November 9, 2015

Florida Municipal Loan Council  
c/o Florida League of Cities, Inc.  
301 South Bronough Street  
Tallahassee, Florida 32301

Bryant Miller Olive P.A.  
1 SE 3rd Avenue, Suite 2200  
Miami, Florida 33131

Whitney Bank d/b/a Hancock Bank  
113 Designer Circle  
Dothan, Alabama 36303

Re: \$1,252,148.39 Village of Palmetto Bay, Florida Refunding Revenue Note, Series  
2015 (the "Note")

Ladies and Gentlemen:

We are the Village Attorney to the Village of Palmetto Bay, Florida (the "Borrower"), and have been requested by the Borrower to give this opinion in connection with the Borrower's refinancing of a loan previously undertaken from the Florida Municipal Loan Council (the "Council") to the Borrower dated as of September 1, 2005 (the "Refunded Loan") as defined in the Loan Agreement, dated as of November 1, 2015 (the "Loan Agreement"), by and among the Council, the Borrower and Whitney Bank d/b/a Hancock Bank (the "Purchaser"). The Note is issued by the Borrower pursuant to Chapter 166, Part II, Florida Statutes, Ordinance No. 2015-11, enacted by the Village Council of the Village of Palmetto Bay, Florida (the "Village Council") on October 5, 2015 (the "Ordinance"), Resolution No. \_\_\_\_\_, adopted by the Village Council on November 2, 2015 (the "Resolution"), and all other applicable provisions of law. All terms not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement.

### SCOPE OF REVIEW

In such capacity, we have reviewed the following documents, dated as of the date hereof, as executed in connection with the Loan ("Loan Documents"):

- (a) the Loan Agreement;
- (b) the Note, executed by the Borrower, as maker, in favor of the Purchaser, as holder, in the original principal amount of \$1,252,148.39; and
- (c) the Escrow Deposit Agreement, dated as of November 9, 2015, (the "Escrow Deposit Agreement") executed by and among the Borrower, the Council and the Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent");

In rendering this opinion, we have also examined such proceedings and records of the Borrower and made such inquiry of officials of the Borrower as we deem necessary.

### OPINIONS

Based on the foregoing review, and subject to the qualifications, assumptions, limitations and exceptions herein contained, we are of the opinion that:

(a) The Borrower is a municipality duly organized and validly existing under the Constitution and laws of the State of Florida. The Borrower has the legal right and all requisite power and authority to issue the Note, to enter into the Loan Agreement and the Escrow Deposit Agreement, to covenant to budget and appropriate Non-Ad Valorem Revenues to the payment of the Note, to enact the Ordinance, to adopt the Resolution, and to consummate the transactions contemplated thereby and otherwise to carry on its activities and own its property.

(b) The Borrower has duly enacted the Ordinance, adopted the Resolution and authorized, executed and delivered the Loan Agreement, the Note, the Escrow Deposit Agreement, and such instruments are legal and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, except to the extent that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity, and to the sovereign police powers of the State of Florida and the constitutional powers of the United States of America.

(c) To our current, actual knowledge, the enactment of the Ordinance, the adoption of the Resolution, the execution and delivery of the Loan Agreement and the Escrow Deposit

Agreement, the consummation of the transactions contemplated thereby, the issuance of the Note, the refinancing of the Refunded Loan and the fulfillment of or compliance with the terms and conditions of the Loan Agreement do not and will not conflict with or result in a material breach of or default under any of the terms, conditions or provisions of any agreement, contract or other instrument, or law, ordinance, regulation, or judicial or other governmental order, to which the Borrower is now a party or its properties are otherwise subject or bound, and the Borrower is not otherwise in violation of any of the foregoing in a manner material to the transactions contemplated by the Loan Agreement.

(d) There is no litigation or legal or governmental action, proceeding, inquiry or investigation pending or, to our current, actual knowledge, threatened against or affecting the Borrower, except as specifically described in writing to the Council and the Purchaser, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, prospects or condition (financial or otherwise) of the Borrower, or the existence or powers or ability of the Borrower to enter into and perform its obligations under the Loan Agreement.

(e) All approvals, consents, waivers, authorizations and orders of any governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the performance by the Borrower of its obligations under the Note, the Loan Agreement and the Escrow Deposit Agreement have been obtained and are in full force and effect and the Borrower has complied with all conditions precedent to the issuance of the Note contained in the resolutions and ordinances of the Borrower, in particular the Ordinance and the Resolution.

(f) The Ordinance and the Resolution were duly enacted and adopted, respectively, by the Village Council at a duly called public meeting following proper public notice, and are in full force and effect and have not been amended, supplemented or repealed as of the date hereof.

#### QUALIFICATIONS, ASSUMPTIONS, LIMITATIONS AND EXCEPTIONS

The opinions hereinabove expressed are subject to the following qualifications, assumptions, limitations and exceptions:

(a) We have assumed (i) except as to Borrower, that the Loan Documents have been duly authorized, executed and delivered by Purchaser, Council and all other parties thereto; (ii) that the Loan Documents to which the Borrower, the Purchaser and the Council are each a party are legal, valid and binding obligations of the parties thereto other than Borrower, enforceable against each of them in accordance with their respective terms; (iii) each of the parties to the Loan Documents, other than Borrower, are duly organized, validly existing and in good

standing under the laws of the jurisdiction of its respective organization; (iv) the genuineness of the signatures appearing on all documents examined by us; (v) the authenticity of all documents submitted to us as originals; and (vi) the conformity to authentic original documents of all documents submitted to us as certified, conformed or photostatic copies.

(b) The enforceability and validity of the Loan Documents is subject to, and may be limited by: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) applicable liquidation, conservatorship, bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and other laws from time to time in effect affecting the enforceability of creditors' rights or the collection of debtors' obligations generally, including court decisions interpreting such laws; (iii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law); (iv) any implied covenant of fair dealing; and (v) applicable laws and interpretations which may affect the validity or enforceability of certain remedies or rights provided for in the Loan Documents, but, in our opinion and subject to the further qualifications, assumptions, limitations and exceptions set forth herein and the economic consequences of any delay in the enforcement of the Purchaser's remedies, such applicable laws and interpretations described in this subparagraph (vi) will not render the Loan Documents invalid as a whole or substantially interfere with the practical realization by Purchaser of the principal benefits intended to be provided by the Loan Documents.

(c) We express no opinion as to (i) whether a court would grant specific performance, any other equitable remedy, or any particular remedy; (ii) enforceability of self-help remedies; (iii) enforceability of provisions which restrict access to legal or equitable remedies, waive rights to notice, waive remedies, waive limitations, waive venue rights, waive rights to a trial by jury, consent to jurisdiction, waive defenses or causes of action, waive or ratify future acts, establish evidentiary standards, or grant remedies exercisable when Borrower is not in default; (iv) enforceability of provisions relating to subrogation rights, delay or omission of enforcement of rights or remedies, severance or severability clauses, marshaling of assets, set-offs, rights of third parties, transferability of properties which are by their nature nontransferable, or sales in inverse order of alienation; (v) enforceability of provisions which establish non-culpability for actions taken by a lienholder; (vi) enforceability of provisions imposing penalties; (vii) enforceability of provisions relating to delay or failure of the Purchaser to exercise any right or remedy not operating as a waiver thereof; (viii) enforceability of provisions to the effect that rights or remedies are not exclusive, that every right or remedy is cumulative and may be exercised in addition to or with any other right or remedy, or that the election of a particular remedy or remedies does not preclude recourse to one or more remedies; (ix) enforceability of indemnity provisions to the extent the same provide for indemnities for an indemnified party's own negligence or willful misconduct; (x) enforceability of provisions that leave any provision to subsequent agreement; or (xi) enforceability of any provisions that provide for certain acts or matters to be null and void automatically or ab initio.

(d) We have assumed that (i) each Loan Document sets forth the correct name and mailing address of the Purchaser and the other parties named therein (other than the Borrower); and (ii) each individual executing the Loan Documents has the legal capacity to do so.

(e) We express the opinions set forth herein only with respect to the laws of the State of Florida and such federal laws of the United States as in effect on the date hereof only. Moreover, we do not express any opinion herein with respect to compliance with any applicable federal or state securities laws nor do we express any opinion as to federal or state income tax matters.

(f) We have not made or undertaken to make any independent investigation to establish or verify the accuracy or completeness of such factual matters or as to any representation, warranty, data or other information, whether written or oral, that may have been provided by the Borrower or any other person or entity, and we assume, in rendering the opinions set forth herein, that none of such information contains any untrue statement of a material fact or omits to state a material fact necessary to render the statements made, in light of the circumstances in which they were made, not misleading.

(g) The term "knowledge", as used herein, shall mean the actual current knowledge of John Catalano or Claudio Riedi, a partner of this firm, or the actual current knowledge of any other lawyer of this firm who shall have devoted substantive assistance with the Loan and shall exclude constructive or inquiry knowledge.

(h) The provisions of the Loan Documents regarding the rights and remedies available to the Purchaser after the occurrence of a default under the Loan Documents by the Borrower are subject to (i) any available defenses arising by reason of a waiver by the Purchaser or by reason of unconscionable or inequitable conduct on the Purchaser's part, and (ii) procedural requirements that are not necessarily reflected in the Loan Documents that may affect or restrict the rights and remedies so stated to be available to Purchaser.

(i) This opinion letter is limited solely to the matters and opinions expressly set forth hereinabove, and no other opinions are intended nor should any other opinion be inferred herefrom.

This opinion letter is rendered for the sole benefit of the addressees hereof, and no other person or entity is entitled to rely hereon, except for any successors and/or assigns of addressees (including, without limitation, any trustee in connection with a securitization) and any underwriter, placement agent or principal of and any rating agency rating any securities evidencing ownership interests in or secured by the Loan.

Very truly yours,

Lehtinen Schultz Riedi Catalano de  
la Fuente, PLLC

EXHIBIT B

FORM OF NOTE

ANY OWNER SHALL, PRIOR TO BECOMING AN OWNER, EXECUTE A PURCHASER'S CERTIFICATE IN THE FORM ATTACHED TO THE RESOLUTION (HEREIN DEFINED) CERTIFYING, AMONG OTHER THINGS, THAT SUCH OWNER IS AN "ACCREDITED INVESTOR" AS SUCH TERM IS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED, AND REGULATION D THEREUNDER.

R-1

\$1,252,148.39

VILLAGE OF PALMETTO BAY, FLORIDA  
REFUNDING REVENUE NOTE, SERIES 2015

<u>RATE OF INTEREST</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUE</u>
2.359% (subject to adjustment)	October 1, 2030	November 9, 2015

KNOW ALL MEN BY THESE PRESENTS that the Village of Palmetto Bay, Florida (the "Issuer"), for value received, hereby promises to pay from the sources hereinafter provided, to the order of Whitney Bank d/b/a Hancock Bank, or registered assigns (hereinafter, the "Owner"), the principal sum of \$1,252,148.39, in the amounts and on the dates described below, together with interest on the principal balance at a rate of 2.359%, subject to adjustment as provided in Schedule I attached hereto, semi-annually on each April 1 and October 1 (an "Interest Payment Date") commencing October 1, 2016. Interest shall be calculated on the basis of twelve 30-day months and a 360-day year. Principal on this Note is payable annually pursuant to the following schedule:

<u>Payment Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>
2016	\$69,276.40
2017	72,267.24
2018	72,245.87
2019	77,618.24
2020	77,507.32
2021	77,393.79
2022	82,186.34
2023	81,428.00
2024	86,046.01
2025	85,109.00
2026	89,544.13
2027	94,137.83

2028	93,202.91
2029	97,640.18
2030	96,545.13

The principal of, premium, if any, and interest on this Note are payable in lawful money of the United States of America by ACH Direct Debit in accordance with written instructions delivered by the Owner to the Issuer or by such other medium acceptable to the Issuer and to such Owner. Notwithstanding the foregoing, payments from the Issuer shall be set up on auto debit, which will automatically transfer payments of principal of, premium, if any, and interest on this Note from a pre-designated account of the Issuer to the Owner on each Interest Payment Date and Principal Payment Date. The Bond shall not be required to be presented for prepayment or principal installment payments.

This Note may be prepaid in whole on any date, and in part on any Interest Payment Date, by the Borrower with five (5) days prior written notice to the Owner and the Florida Municipal Loan Council (the "Council") by payment in an amount equal to the principal amount to be prepaid plus accrued interest thereon to the date of prepayment without a prepayment premium.

If any date for the payment of principal and interest hereon or the taking of any action hereunder shall fall on a day which is not a Business Day, the payment due or action to be taken on such date shall be due on the next succeeding day which is a Business Day, but the Issuer shall not receive credit for the payment until it is actually received by the Owner.

This Note is issued to (i) refinance the Refunded Loan under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Part II, Florida Statutes, as amended, the Charter of the Issuer and other applicable provisions of law (the "Act"), Ordinance No. 2015-11, duly enacted by the Village Council of the Issuer (the "Village Council") on October 5, 2015 (the "Ordinance"), and Resolution No. \_\_\_\_\_, duly adopted by the Village Council on November 2, 2015 (the "Resolution"), and pursuant to a Loan Agreement by and among the Owner, the Issuer and the Council, dated as of November 1, 2015 (the "Loan Agreement"), to which reference should be made to ascertain those terms and conditions. All capitalized undefined terms used herein shall have the meanings ascribed to such terms in the Loan Agreement.

THIS NOTE SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE ISSUER AS "BONDS" WITHIN THE MEANING OF ARTICLE VII, SECTION 12 OF THE FLORIDA CONSTITUTION, BUT SHALL BE PAYABLE FROM AND SECURED SOLELY BY NON-AD VALOREM REVENUES IN ACCORDANCE WITH THE TERMS OF THE RESOLUTION AND THE LOAN AGREEMENT. NO OWNER OF THIS NOTE SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY THIS NOTE, OR BE ENTITLED TO PAYMENT OF THIS NOTE FROM ANY FUNDS OF THE ISSUER EXCEPT FROM NON-AD VALOREM REVENUES AS DESCRIBED IN THE RESOLUTION AND THE LOAN AGREEMENT.

This Note is payable from and secured solely by a covenant to budget and appropriate Non-Ad Valorem Revenues, as defined and described in the Loan Agreement, all in the manner provided in, and subject to the terms and conditions of the Ordinance, the Resolution and the Loan Agreement.

This Note may be exchanged or transferred by the Owner hereof but only upon the registration books maintained by the Issuer and in the manner provided in the Loan Agreement; provided however, this Note may only be transferred in whole to any bank, trust company, savings institution, or insurance company that is engaged as a regular part of its business in making loans in the State of Florida.

This Note does not constitute a general indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Owner of this Note that such Owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer or taxation of any real or personal property therein for the payment of the principal of and interest on this Note or the making of any debt service fund, reserve or other payments provided for in the Ordinance and the Resolution.

The Issuer has entered into certain further covenants with the Owner of this Note, for the terms of which reference is made to the Loan Agreement.

It is hereby certified and recited that all acts, conditions and things required by the Act to be performed, to exist and to happen precedent to and in connection with the issuance of this Note, have been performed, exist and have happened in regular and due form and time as so required.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Village of Palmetto Bay, Florida, has issued this Note and has caused the same to be signed by the Village Manager and countersigned and attested to by the Village Clerk and approved as to form and legal sufficiency by the Village Attorney and its seal to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the 9th day of November, 2015.

VILLAGE OF PALMETTO BAY, FLORIDA

(SEAL)

\_\_\_\_\_  
Name: Edward Silva  
Title: Village Manager

ATTESTED AND COUNTERSIGNED:

\_\_\_\_\_  
Name: Meighan Alexander  
Title: Village Clerk

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

\_\_\_\_\_  
Name: Dexter W. Lehtinen  
Title: Village Attorney

CERTIFICATE OF AUTHENTICATION

Dated: November 9, 2015

This is the Note described in the within defined Loan Agreement and this Note is hereby duly authenticated and registered.

VILLAGE OF PALMETTO BAY, FLORIDA

By: \_\_\_\_\_  
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_

\_\_\_\_\_

the within-mentioned registered Note and hereby irrevocably constitute(s) and appoint(s) attorney, to transfer the same on the books of the registrar with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature guaranteed:

\_\_\_\_\_

SCHEDULE I  
ADJUSTMENTS TO INTEREST RATE IN CERTAIN EVENTS

In the event of a Determination of Taxability, as a result of an action or inaction of the Issuer, then the interest rate on this Note shall be adjusted in such manner as shall be determined by the Owner of this Note as shall be necessary to provide to the Owner of this Note an after-tax yield on the then outstanding principal amount of this Note equal to the after-tax yield to the Owner of this Note, if such determination had not been made, from the date such interest must be included in such gross income, whereupon the Issuer shall reimburse the Owner of this Note for the difference between (x) the interest then due computed at the adjusted rate, and (y) the interest previously paid on this Note at the unadjusted rate, along with all costs, expenses, penalties, attorneys fees and all other losses incurred by the Owner of this Note as a result of such determination, within thirty (30) days after the date a written notice is delivered by the Owner of this Note to the Issuer stating that such a determination has been made and stating the amount that is then due.

As used herein, "Determination of Taxability" means, as a result of an action or inaction of the Issuer, (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on this Note is includable for federal income tax purposes in the gross income of the Owner, which notice or notification is not successfully contested by either the Issuer or any Owner of this Note, or (ii) a determination by a court of competent jurisdiction that the interest payable on this Note is includable for federal income tax purposes in the gross income of the Owner thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) this Note is determined not to be a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code, or (iv) the admission in writing by the Issuer to the effect that interest on this Note is includable for federal income tax purposes in the gross income of the Owner.

Notwithstanding anything in this Schedule I to the contrary, in no event shall this Note bear interest in excess of the Maximum Rate.

## EXHIBIT B

### FORM OF PURCHASER'S CERTIFICATE

This is to certify that Whitney Bank d/b/a Hancock Bank (the "Purchaser") has not required the Florida Municipal Loan Council (the "Council") or the Village of Palmetto Bay, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Council and the Issuer in connection with the issuance of the \$1,252,148.39 Village of Palmetto Bay, Florida Refunding Revenue Note, Series 2015 (the "Note"), and no inference should be drawn that the Purchaser, in the acceptance of the Note, is relying on Bryant Miller Olive P.A. ("Note Counsel") or Lehtinen Schultz Riedi Catalano de la Fuente, PLLC ("Issuer's Counsel") as to any such matters other than the legal opinions rendered by Note Counsel or Issuer's Counsel. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in the Loan Agreement, dated as of November 1, 2015, by and among the Council, the Issuer and the Purchaser (the "Loan Agreement").

We are aware that investment in the Note involves various risks, that the Note is not a general obligation of the Council or the Issuer and that the payment of the Note is secured solely from the sources described in the Ordinance, the Resolution and the Loan Agreement (the "Note Security").

We have made such independent investigation of the Note Security as we, in the exercise of sound business judgment, consider to be appropriate under the circumstances. In making our investment decision, we have relied upon the accuracy of information which has been provided to us by the Council and the Issuer.

We have been advised by the Council that both the Council and its program administrator are each "municipal entities" under Section 15B(e)(8) of the Securities Exchange Act of 1934 (15 U.S.C.A.) and are not a municipal advisor to the Issuer and are not acting as such in providing services in facilitating the issuance of the Note. We have also been advised by the Council that neither the Council, its program administrator nor its financial advisor, Public Resources Advisory Group, are acting as a broker or dealer with respect to the Note nor is the loan being distributed as a security or otherwise marketed by the Council.

Neither we nor any of our affiliates shall act as a fiduciary for the Issuer or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor with respect to the proposed issuance of the Note. Neither we nor any of our affiliates has provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of the Issuer with respect to the proposed issuance of the Note. The Issuer has represented to us that it has sought and obtained financial, legal, tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the proposed issuance of the Note from its financial, legal and other advisors (and not us or any of our affiliates) to the extent that the Issuer desired to obtain such advice.

We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Note and can bear the economic risk of our investment in the Note.

We acknowledge and understand that the Resolution and the Loan Agreement are not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and the Note is not being registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the Issuer, Council, Note Counsel, nor Issuer's Counsel shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary and understand that the Council is not acting in that capacity, and we are purchasing the Note as an investment for our own account and not with a present view to a resale or other distribution to the public. We understand that the Note may not be transferred in a denomination less than the par amount outstanding at the time of transfer and without the filing of an investor letter from the new purchaser in form and substance similar to this letter.

We are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes. We are not purchasing the Bond for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

We are an "accredited investor" within the meaning of the Securities Act of 1933, as amended, and Regulation D thereunder.

DATED this 9th day of November, 2015.

WHITNEY BANK D/B/A HANCOCK  
BANK

By: \_\_\_\_\_  
Name: Jason L. Thomas  
Title: Vice President

EXHIBIT C

FORM OF DISCLOSURE LETTER

The undersigned, as purchaser, has negotiated with the Village of Palmetto Bay, Florida (the "Issuer") for the private purchase of its Refunding Revenue Note, Series 2015 (the "Note") in the principal amount of \$1,252,148.39. Prior to the award of the Note, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to us (the "Purchaser") in connection with the issuance of the Note (such fees and expenses to be paid by the Issuer):

Akermen LLP  
Purchaser's Counsel Fees – \$5,000

2. (a) No other fee, bonus or other compensation is estimated to be paid by the Purchaser in connection with the issuance of the Note to any person not regularly employed or retained by the Purchaser (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Purchaser, as set forth in paragraph (1) above.

(b) No person has entered into an understanding with the Purchaser, or to the knowledge of the Purchaser, with the Issuer, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Purchaser or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Note.

3. The amount of the underwriting spread expected to be realized by the Purchaser is \$0.00.

4. The management fee to be charged by the Purchaser is \$0.00.

5. Truth-in-Bonding Statement:

The Issuer is proposing to issue the Note for the primary purpose of refinancing the loan previously undertaken from the Council (as defined in the hereinafter defined Loan Agreement) by the Issuer dated as of September 1, 2005. The Note is expected to be repaid over a period of approximately 14.92 years. At an interest rate of 2.359%, total interest paid over the life of the Note is estimated to be \$246,619.28.

The source of repayment or security for the Note is the Non-Ad Valorem Revenues (as defined in the Loan Agreement), in the manner described in the Loan Agreement, dated as of November 1, 2015, among the Issuer, the Council and the Purchaser (the "Loan Agreement"). Authorizing the Note will result in an annual maximum amount of approximately \$103,138.03 of the Issuer's moneys not being available to finance the other services of the Issuer each year for approximately 14.92 years.

7. The name and address of the Purchaser is as follows:

Whitney Bank d/b/a Hancock Bank  
113 Designer Circle  
Dothan, Alabama 36303

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Purchaser this 9th day of November, 2015.

WHITNEY BANK D/B/A HANCOCK BANK

By: \_\_\_\_\_

Name: Jason L. Thomas

Title: Vice President

EXHIBIT D  
COMMITMENT



October 9, 2015

Re: Tax-Exempt Bank Loan in the approximate amount of \$1,315,000 for the Village of Palmetto Bay, FL.

Please accept this letter as the commitment of the undersigned to purchase the Note upon the terms and conditions outlined below:

1. Issuer and Amount: Village of Palmetto, FL \$1,315,000 (approximate) Revenue Refunding Note, Series 2015.
2. Bank Purchaser:  
Whitney Bank\*  
2510 14<sup>th</sup> Street  
One Hancock Plaza  
2<sup>nd</sup> Floor/Inst. Banking  
Gulfport, MS 39501
  - *Whitney Bank is a state chartered banking institution authorized to do business in Florida under its trade name of Hancock Bank.*
3. Loan Terms:
  - a. Option A  
**Rate: 2.149%**  
(3.223% if taxable)
  - b. Option B  
**Rate: 2.359%**  
(3.518% if taxable)
  - c. Option C  
**Rate: 2.618%**  
(3.918% if taxable)

Rate Lock Period: The rates above are to be considered locked until 12/31/2015.



4. Payment Dates: Principal is payable annually on October 1, beginning October 1, 2016. Interest is payable semi-annually beginning October 1, 2016.
5. Security: The Issuer will enter into a Covenant to Budget and Appropriate Available Non-Ad Valorem Revenues in an amount sufficient to meet debt service on the Note.
6. Tax Status: The Note will be issued as a Bank Qualified Tax-Exempt Obligation.
7. Legal & Tax Opinion: The approving legal and tax opinion of Issuer's Note Counsel, Bryant Miller Olive, P.A as to the due authorization, validity and tax exempt status of the Note would be acceptable to the Bank. The opinion shall be addressed to the Bank or accompanied by a reliance letter stating that the Bank may rely on the opinion as if it were addressed to the Bank.
8. Affirmative Statements of Bank Purchaser: The Bank Purchaser affirms that it accepts the following and no more:
- a. the covenants in the Resolution and no more;
  - b. that it will deliver the Lender Certifications specified in Section IV of the RFP for the Note and;
  - c. the County's Patriot Act Certification in Section VI of the RFP.
9. Bank Counsel & Fee: Not to exceed \$5,000 for review only.
- Counsel: Peter Dame  
Akermen LLP  
Jacksonville, FL  
Ph: (904) 598-8576
10. Other Fees: None
11. Bank Ratings:
- |                            |           |             |
|----------------------------|-----------|-------------|
| <u>Standard and Poor's</u> |           |             |
| Long-term Issuer:          | A- (ON)   | (1/29/2015) |
| Short-term Issuer:         | A-2       | (1/6/2012)  |
| <br><u>Moody's</u>         |           |             |
| Long-term Issuer:          | Baa1 (WR) | (5/14/2015) |
| Short-term Issuer:         | P-1 (WR)  | (5/14/2015) |

12. Primary Bank Contacts:

Jason L. Thomas  
Vice President/Manager  
Institutional Banking  
Ph: (228) 563-5710  
Fax: (228) 563-5721  
[Jason.Thomas@hancockbank.com](mailto:Jason.Thomas@hancockbank.com)

Roxanne Reynolds  
Public Finance Officer  
Institutional Banking  
Ph: (228) 563-5708  
Fx: (228) 563-5721  
[Roxanne.Reynolds@hancockbank.com](mailto:Roxanne.Reynolds@hancockbank.com)

Sincerely yours,

A handwritten signature in black ink, appearing to read "Jason L. Thomas". The signature is fluid and cursive, with a large initial "J" and "T".

Jason L. Thomas  
Vice President/Manager  
Institutional Banking

**Schedule of Debt Service**

Customer Name: Village of Palmetto Bay, FL

Debt Type: \$1,315,000 (approximate) B.Q. Tax-Exempt Loan, Series 2015

Interest Accrues From: 11/09/2015

Average Life (Yrs): 5.61657  
Net Interest Cost (%): 2.1494%

-Breakdown-

Date	Principal Balance	Payment Due	Interest	Principal	Interest Rate on Principal Maturing	Fiscal YTD Debt Service
4/5/2016	1,247,545.00	10,874.80	10,874.80	0.00		0.00
10/5/2016	1,247,545.00	116,316.26	13,407.29	102,908.97	2.149%	127,191.06
4/5/2017	1,144,636.03	12,301.53	12,301.53	0.00		0.00
10/5/2017	1,144,636.03	129,454.39	12,301.53	117,152.86	2.149%	141,755.92
4/5/2018	1,027,483.17	11,042.48	11,042.48	0.00		0.00
10/5/2018	1,027,483.17	130,585.25	11,042.48	119,542.77	2.149%	141,627.72
4/5/2019	907,940.40	9,757.74	9,757.74	0.00		0.00
10/5/2019	907,940.40	131,739.19	9,757.74	121,981.45	2.149%	141,496.92
4/5/2020	785,958.95	8,446.79	8,446.79	0.00		0.00
10/5/2020	785,958.95	132,916.66	8,446.79	124,469.87	2.149%	141,363.45
4/5/2021	661,489.08	7,109.10	7,109.10	0.00		0.00
10/5/2021	661,489.08	134,118.15	7,109.10	127,009.05	2.149%	141,227.24
4/5/2022	534,480.03	5,744.12	5,744.12	0.00		0.00
10/5/2022	534,480.03	135,344.16	5,744.12	129,600.04	2.149%	141,088.27
4/5/2023	404,879.99	4,351.29	4,351.29	0.00		0.00
10/5/2023	404,879.99	136,595.17	4,351.29	132,243.88	2.149%	140,946.46
4/5/2024	272,636.11	2,930.05	2,930.05	0.00		0.00
10/5/2024	272,636.11	137,871.70	2,930.05	134,941.65	2.149%	140,801.75
4/5/2025	137,694.46	1,479.82	1,479.82	0.00		0.00
10/5/2025	137,694.46	139,174.28	1,479.82	137,694.46	2.149%	140,654.10
4/5/2026	0.00	0.00	0.00	0.00		0.00
		<b>1,398,152.89</b>	<b>150,607.89</b>	<b>1,247,545.00</b>		<b>1,398,152.89</b>

## Schedule of Debt Service

Customer Name: Village of Palmetto Bay, FL

Debt Type: \$1,315,000 (approximate) B.Q. Tax-Exempt Loan, Series 2015

Interest Accrues From: 11/09/2015

Average Life (Yrs): 8.36601  
Net Interest Cost (%): 2.3563%

--Breakdown--

Date	Principal Balance	Payment Due	Interest	Principal	Interest Rate on Principal Maturing	Fiscal YTD Debt Service
4/5/2016	1,237,545.00	11,826.06	11,826.06	0.00		0.00
10/5/2016	1,237,545.00	77,284.20	14,580.07	62,704.13	2.356%	89,110.26
4/5/2017	1,174,840.87	13,841.32	13,841.32	0.00		0.00
10/5/2017	1,174,840.87	85,519.20	13,841.32	71,677.88	2.356%	99,360.53
4/5/2018	1,103,162.99	12,996.86	12,996.86	0.00		0.00
10/5/2018	1,103,162.99	86,473.85	12,996.86	73,476.99	2.356%	99,470.70
4/5/2019	1,029,686.00	12,131.19	12,131.19	0.00		0.00
10/5/2019	1,029,686.00	87,452.45	12,131.19	75,321.26	2.356%	99,583.64
4/5/2020	954,364.74	11,243.80	11,243.80	0.00		0.00
10/5/2020	954,364.74	88,455.63	11,243.80	77,211.83	2.356%	99,699.42
4/5/2021	877,152.91	10,334.13	10,334.13	0.00		0.00
10/5/2021	877,152.91	89,483.97	10,334.13	79,149.84	2.356%	99,818.10
4/5/2022	798,003.07	9,401.63	9,401.63	0.00		0.00
10/5/2022	798,003.07	90,538.13	9,401.63	81,136.50	2.356%	99,939.76
4/5/2023	716,866.57	8,445.72	8,445.72	0.00		0.00
10/5/2023	716,866.57	91,618.75	8,445.72	83,173.03	2.356%	100,064.48
4/5/2024	633,693.54	7,465.83	7,465.83	0.00		0.00
10/5/2024	633,693.54	92,726.50	7,465.83	85,260.67	2.356%	100,192.32
4/5/2025	548,432.87	6,461.33	6,461.33	0.00		0.00
10/5/2025	548,432.87	93,862.05	6,461.33	87,400.72	2.356%	100,323.38
4/5/2026	461,032.15	5,431.63	5,431.63	0.00		0.00
10/5/2026	461,032.15	95,026.10	5,431.63	89,594.47	2.356%	100,457.72
4/5/2027	371,437.68	4,376.07	4,376.07	0.00		0.00
10/5/2027	371,437.68	96,219.37	4,376.07	91,843.30	2.356%	100,595.45
4/5/2028	279,594.38	3,294.03	3,294.03	0.00		0.00
10/5/2028	279,594.38	97,442.59	3,294.03	94,148.56	2.356%	100,736.61
4/5/2029	185,445.82	2,184.82	2,184.82	0.00		0.00
10/5/2029	185,445.82	88,696.51	2,184.82	86,511.69	2.356%	90,881.33
4/5/2030	98,934.13	1,165.59	1,165.59	0.00		0.00
10/5/2030	98,934.13	100,099.72	1,165.59	98,934.13	2.356%	101,265.30
4/5/2031	0.00	0.00	0.00	0.00		0.00
	<b>1,481,499.00</b>	<b>243,954.00</b>	<b>243,954.00</b>	<b>1,237,545.00</b>		<b>1,481,499.00</b>

## Schedule of Debt Service

Customer Name: Village of Palmetto Bay, FL

Debt Type: \$1,315,000 (approximate) B.Q. Tax-Exempt Loan, Series 2015

Interest Accrues From: 11/09/2015

Average Life (Yrs): 11.45430  
Net Interest Cost (%): 2.6183%

--Breakdown--

Date	Principal Balance	Payment Due	Interest	Principal	Interest Rate on Principal Maturing	Fiscal YTD Debt Service
4/5/2016	1,247,545.00	13,247.16	13,247.16	0.00		0.00
10/5/2016	1,247,545.00	57,726.42	16,332.12	41,394.30	2.618%	70,973.58
4/5/2017	1,206,150.70	15,790.21	15,790.21	0.00		0.00
10/5/2017	1,206,150.70	63,352.78	15,790.21	47,562.57	2.618%	79,142.99
4/5/2018	1,158,588.13	15,167.55	15,167.55	0.00		0.00
10/5/2018	1,158,588.13	64,204.56	15,167.55	49,037.01	2.618%	79,372.11
4/5/2019	1,109,551.12	14,525.59	14,525.59	0.00		0.00
10/5/2019	1,109,551.12	65,082.75	14,525.59	50,557.16	2.618%	79,608.33
4/5/2020	1,058,993.96	13,863.72	13,863.72	0.00		0.00
10/5/2020	1,058,993.96	65,988.15	13,863.72	52,124.43	2.618%	79,851.87
4/5/2021	1,006,869.53	13,181.34	13,181.34	0.00		0.00
10/5/2021	1,006,869.53	66,921.63	13,181.34	53,740.29	2.618%	80,102.97
4/5/2022	953,129.24	12,477.80	12,477.80	0.00		0.00
10/5/2022	953,129.24	67,884.03	12,477.80	55,406.23	2.618%	80,361.84
4/5/2023	897,723.01	11,752.46	11,752.46	0.00		0.00
10/5/2023	897,723.01	68,876.29	11,752.46	57,123.83	2.618%	80,628.74
4/5/2024	840,599.18	11,004.63	11,004.63	0.00		0.00
10/5/2024	840,599.18	69,899.30	11,004.63	58,894.67	2.618%	80,903.92
4/5/2025	781,704.51	10,233.61	10,233.61	0.00		0.00
10/5/2025	781,704.51	70,954.01	10,233.61	60,720.40	2.618%	81,187.62
4/5/2026	720,984.11	9,438.70	9,438.70	0.00		0.00
10/5/2026	720,984.11	72,041.43	9,438.70	62,602.73	2.618%	81,480.12
4/5/2027	658,381.38	8,619.14	8,619.14	0.00		0.00
10/5/2027	658,381.38	73,162.56	8,619.14	64,543.42	2.618%	81,781.70
4/5/2028	593,837.96	7,774.17	7,774.17	0.00		0.00
10/5/2028	593,837.96	74,318.43	7,774.17	66,544.26	2.618%	82,092.61
4/5/2029	527,293.70	6,903.02	6,903.02	0.00		0.00
10/5/2029	527,293.70	75,510.16	6,903.02	68,607.14	2.618%	82,413.17
4/5/2030	458,686.56	6,004.85	6,004.85	0.00		0.00
10/5/2030	458,686.56	76,738.81	6,004.85	70,733.96	2.618%	82,743.66
4/5/2031	387,952.60	5,078.85	5,078.85	0.00		0.00
10/5/2031	387,952.60	78,005.56	5,078.85	72,926.71	2.618%	83,084.40
4/5/2032	315,025.89	4,124.13	4,124.13	0.00		0.00
10/5/2032	315,025.89	79,311.57	4,124.13	75,187.44	2.618%	83,435.70
4/5/2033	239,838.45	3,139.82	3,139.82	0.00		0.00
10/5/2033	239,838.45	80,658.07	3,139.82	77,518.25	2.618%	83,797.90
4/5/2034	162,320.20	2,125.00	2,125.00	0.00		0.00
10/5/2034	162,320.20	82,046.32	2,125.00	79,921.32	2.618%	84,171.32
4/5/2035	82,398.88	1,078.72	1,078.72	0.00		0.00
10/5/2035	82,398.88	83,477.60	1,078.72	82,398.88	2.618%	84,556.31
4/5/2036	0.00	0.00	0.00	0.00		0.00
		<b>1,621,690.87</b>	<b>374,145.87</b>	<b>1,247,545.00</b>		<b>1,621,690.87</b>

EXHIBIT E  
ESCROW DEPOSIT AGREEMENT

## ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT, dated November 9, 2015, by and among the FLORIDA MUNICIPAL LOAN COUNCIL (the "Issuer"), the VILLAGE OF PALMETTO BAY, FLORIDA (the "Borrower") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized under the laws of the United States of America, as Escrow Agent and its successors and assigns (the "Escrow Agent").

### WITNESSETH:

WHEREAS, the Issuer has previously authorized and issued its Refunded Bonds (as hereinafter defined), as to which the Total Debt Service (as hereinafter defined) relating to the herein described escrow arrangement is set forth on Schedule I; and

WHEREAS, the proceeds of the Refunded Bonds were loaned by the Issuer to the Borrower; and

WHEREAS, the Issuer has determined to provide for payment of the Total Debt Service by depositing with the Escrow Agent an amount provided by the Borrower that is at least equal to the Total Debt Service; and

WHEREAS, the execution of this Escrow Deposit Agreement and full performance of the provisions hereof shall redeem and discharge the Issuer and the Borrower from their obligations with respect to the Refunded Bonds;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Issuer, the Borrower and the Escrow Agent agree as follows:

SECTION 1. Definitions. As used herein, the following capitalized terms shall have the following meanings:

- (a) "Agreement" means this Escrow Deposit Agreement.
- (b) "Borrower" means the Village of Palmetto Bay, Florida.
- (c) "Escrow Account" means the account hereby created and entitled Village of Palmetto Bay Refunding Escrow Account established with and held by the Escrow Agent pursuant to this Agreement, in which cash will be held for payment of the Total Debt Service.
- (d) "Escrow Amount" means the amounts deposited into the Escrow Account pursuant to Section 2 of this Agreement.

(e) "Escrow Agent" means The Bank of New York Mellon Trust Company, N.A., having its designated corporate trust office in Jacksonville, Florida, and its successors and assigns.

(f) "Escrow Requirement" with respect to the Refunded Bonds means, as of any date of calculation, the sum of an amount in cash in the Escrow Account, which will be sufficient to timely pay the Total Debt Service.

(g) "Indenture" means the Trust Indenture dated as of September 1, 2005, by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor trustee.

(h) "Issuer" means the Florida Municipal Loan Council and its successors and assigns.

(i) "Loan Agreement" means the Loan Agreement dated as of September 1, 2005 between the Issuer and the Borrower.

(j) "Note" means the \$1,252,148.39 Village of Palmetto Bay, Florida Refunding Revenue Note, Series 2015 issued by the Borrower and funded on November 9, 2015, for the principal purpose of prepaying the principal and interest due under the Loan Agreement to December 11, 2015, the redemption date of the Refunded Bonds.

(k) "Refunded Bonds" means the portion of the Florida Municipal Loan Council Revenue Bonds, Series 2005D, which was loaned to the Borrower pursuant to the Loan Agreement, and as set forth in Schedule I hereto.

(l) "Total Debt Service" means the sum of the principal and interest due with respect to the Refunded Bonds as set forth on Schedule I hereto.

SECTION 2. Deposit of Funds. The Issuer hereby deposits \$1,215,587.50 with the Escrow Agent, of which \$1,209,840.00 has been derived from transfers from the Borrower derived from the proceeds of the Note and \$5,747.50 has been derived from transfers from the Borrower derived from other legally available revenues.

Such funds are hereby deposited with the Escrow Agent for deposit into the Escrow Account, which funds the Escrow Agent acknowledges receipt of, to be held in irrevocable escrow by the Escrow Agent separate and apart from other funds of the Escrow Agent and applied solely as provided in this Agreement. The Issuer represents that such funds have been derived as set forth above and are at least equal to the Escrow Requirement as of the date of such deposits.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the Escrow Amount described in Section 2 hereof and agrees:

(a) to hold the funds in cash pursuant to this Agreement in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Refunded Bonds; and

(b) there will be no investment of the Escrow Amount.

SECTION 4. Payment of the Refunded Bonds and Expenses.

(a) Refunded Bonds. Conditioned upon receipt of the Escrow Amount described in Section 2 hereof, the Issuer hereby agrees irrevocably to cause the redemption of the Refunded Bonds on December 11, 2015, in accordance with the terms of the Indenture, and to take all necessary actions in connection therewith.

On December 11, 2015, the Escrow Agent shall disburse immediately available funds from the Escrow Account to The Bank of New York Mellon Trust Company, N.A., as paying agent of the Refunded Bonds in amounts sufficient to pay in full the Refunded Bonds as set forth on Schedule I. The Escrow Agent, in its capacity as Trustee under the Indenture, is hereby instructed to immediately send the notice of redemption (substantially in the form attached hereto as Exhibit A) as required by the Indenture.

(b) Priority of Payments. The holders of the Refunded Bonds shall have an express first lien on the Escrow Amount in the Escrow Account until such funds are used and applied as provided in Subsection 4(a) of this Agreement. If the amounts on hand in the Escrow Account are insufficient to make the payments due on the Refunded Bonds, the Borrower hereby agrees to immediately make up any insufficiency by depositing additional funds from the Borrower into the Escrow Account.

(c) Surplus. After making the final payment from the Escrow Account described in Subsections 4(a) and 4(b) above, the Escrow Agent shall transfer any remaining funds to the Borrower as directed in writing by the Borrower.

SECTION 5. No Reinvestment. The Escrow Agent shall have no power or duty to invest any Escrow Amount held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the cash held hereunder.

SECTION 6. No Redemption or Acceleration of Maturity. The Issuer will neither accelerate the maturity of, nor exercise any option to redeem any of the Refunded Bonds, except that the Refunded Bonds shall be redeemed on December 11, 2015.

SECTION 7. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds deposited therein, the purchase of investments, if any, the retention of the investments or the proceeds thereof or for any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be responsible for its gross negligence or willful failure to comply with its duties required hereunder, and its negligent, omissions or errors or willful misconduct hereunder. The duties and obligations of the Escrow Agent may be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the Issuer, and in reliance upon the opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. The Escrow Agent is not responsible or liable for calculations as to or the actual sufficiency of moneys, and earnings thereon, deposited in the Escrow Account to pay Total Debt Service hereunder. The Escrow Agent shall not be obligated to expend or risk its own funds in performance of its obligations hereunder.

The Issuer further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any and all claims, expenses, obligations, liabilities, losses, damages, injuries (to person, property, or natural resources), penalties, stamp or other similar taxes, actions, suits, judgments, reasonable costs and expense (including reasonable attorney's fees and expenses) of whatever kind or nature regardless of their merit, demanded, asserted or claims against the Escrow Agent by reason of its participation in the transactions contemplated hereby, including without limitation all reasonable attorneys' and consultants' fees and expenses and court costs which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or willful misconduct. Indemnification provided under this Section 7 shall survive the termination of this Agreement.

SECTION 8. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer, any rating agency then providing a rating or insurer providing bond insurance on the Refunded Bonds, and the Holders of the Refunded Bonds not less than 30 days before such resignation shall take effect. Such resignation shall not take effect until the appointment of a successor Escrow Agent hereunder.

SECTION 9. Removal of Escrow Agent.

(a) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than 51% in aggregate principal amount of the Refunded Bonds then outstanding, such instruments to be filed with the Issuer and published by the Issuer once in a newspaper of general circulation in Tallahassee, Florida, and in a daily newspaper or financial journal of general circulation in the City of New York, New York, not less than 30 days before such removal is to take effect as stated in said instrument or instruments. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent by any court of competent jurisdiction upon the application of the Issuer or the holders of not less than 5% in aggregate principal amount of the Refunded Bonds then outstanding.

(c) The Escrow Agent may not be removed until a successor Escrow Agent has been appointed in the manner set forth herein.

SECTION 10. Successor Escrow Agent.

(a) If at any time hereafter the Escrow Agent shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Agent shall thereupon become vacant. If the position of Escrow Agent shall become vacant for any of the foregoing reasons or for any other reason, the Issuer shall appoint an Escrow Agent to fill such vacancy. The Issuer shall either (i) publish notice of any such appointment made by it once in each week for four successive weeks in a newspaper of general circulation published in Tallahassee, Florida and in a daily newspaper or financial journal of general circulation in the City of New York, New York, or (ii) mail a notice of any such appointment made by it to the Holders of the Refunded Bonds within 30 days after such appointment.

(b) At any time within one year after such vacancy shall have occurred, the holders of a majority in principal amount of the Refunded Bonds then outstanding, by an instrument or concurrent instruments in writing, executed by either group of such bondholders and filed with the governing body of the Issuer, may appoint a successor Escrow Agent, which shall supersede any Escrow Agent theretofore appointed by the Issuer. Photographic copies of each such instrument shall be delivered promptly by the Issuer, to the predecessor Escrow Agent and to the Escrow Agent so appointed by the bondholders. In the case of conflicting appointments made by the bondholders under this paragraph, the first effective appointment made during the one year period shall govern.

(c) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section, the holder of any Refunded Bonds then outstanding, or any retiring Escrow Agent may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Agent.

SECTION 11. Payment to Escrow Agent. The Escrow Agent hereby acknowledges that it has agreed to accept compensation under this Agreement in the sum of \$750.00, which the Issuer agrees to pay on the date of delivery by the Borrower of the proceeds of the Note, for services to be performed by the Escrow Agent pursuant to this Agreement. The Escrow Agent shall under no circumstances have any right to seek payment of its fees or expenses from the Escrow Account.

SECTION 12. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Escrow Amount has been disbursed in accordance with this Agreement.

SECTION 13. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, notice of such event shall be sent to Standard and Poor's, but such covenant or agreements herein contained shall be null and void and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 14. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended in whole or in part without the written consent of all affected holders, the Escrow Agent and the Issuer; provided, however, that the Issuer, the Borrower and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent, for the benefit of the holders of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall, at its option, be entitled to rely exclusively upon an opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to the Issuer with respect to compliance with this Section, including the extent, if any, to which any change,

modification, addition or elimination affects the rights of the holders of the Refunded Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 15. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 16. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

FLORIDA MUNICIPAL LOAN COUNCIL

(SEAL)

By: \_\_\_\_\_  
Isaac Salver, Chairman

ATTEST:

By: \_\_\_\_\_  
Patti Hilaman, Deputy Executive Director

ESCROW DEPOSIT AGREEMENT

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.

By: \_\_\_\_\_  
Janalee R. Scott  
Vice President

ESCROW DEPOSIT AGREEMENT

VILLAGE OF PALMETTO BAY,  
FLORIDA

(SEAL)

By: \_\_\_\_\_  
Name: Edward Silva  
Title: Village Manager

ATTESTED BY:

By: \_\_\_\_\_  
Name: Meighan Alexander  
Title: Village Clerk

Approved as to form and correctness  
this 9th day of November, 2015.

By: \_\_\_\_\_  
Name: Dexter W. Lehtinen  
Title: Village Attorney

SCHEDULE I

TOTAL DEBT SERVICE OF REFUNDED BONDS

Debt Service Requirements

<u>Payment</u> <u>Date</u>	<u>Interest</u>	<u>Principal</u> <u>Redeemed</u>	<u>Total</u>
12/11/2015	\$10,587.50	\$1,205,000.00	\$1,215,587.50

SCHEDULE OF INVESTMENT

Deposit of \$1,215,587.50 made November 9, 2015, to be held uninvested in cash until the redemption date of December 11, 2015, which deposit provides for principal in the amount of \$1,205,000.00 and accrued interest in the amount of \$10,587.50.

EXHIBIT A

FORM OF NOTICE OF REDEMPTION

NOTICE OF OPTIONAL REDEMPTION  
FLORIDA MUNICIPAL LOAN COUNCIL  
REVENUE BONDS, SERIES 2005D

NOTICE IS HEREBY GIVEN on behalf of the Florida Municipal Loan Council (the "Council") that a portion of the Council's outstanding Revenue Bonds, Series 2005D (the "Bonds"), maturing on October 1, 2017 through and including 2020, 2025, 2030 and 2035, in the aggregate principal amount of \$1,205,000 (the "Redeemed Bonds"), have been called for optional redemption, at 100% of the principal amount thereof (the "Redemption Price"). Interest on the Redeemed Bonds accruing to or prior to the redemption date of December 11, 2015 (the "Redemption Date"), will be paid in the usual manner. Interest on the Redeemed Bonds will cease to accrue from and after said Redemption Date.

The Redeemed Bonds to be redeemed are as follows:

Maturity Dates	Principal Amounts Outstanding	Interest Rates	Original CUSIP #	Redeemed Principal Amounts	New CUSIP #
10/01/2017	\$525,000	4.00%	34282CEV9	\$80,000	34282C GL9
10/01/2018	275,000	4.00	34282CEW7	40,000	34282C GM7
10/01/2019	295,000	4.00	34282CEX5	45,000	34282C GN5
10/01/2020	305,000	4.00	34282CEY3	45,000	34282C GP0
10/01/2025	1,730,000	5.00	34282CEZ0	255,000	34282C GQ8
10/01/2030	1,040,000	4.50	34282CFB2	330,000	34282C GR6
10/01/2035	1,300,000	4.50	34282CFD8	410,000	34282C GS4

On December 11, 2015, there shall become due and payable the above mentioned Redemption Price upon presentation and surrender of such Redeemed Bonds the following address:

The Bank of New York Mellon Trust  
Company, N.A.  
10161 Centurion Parkway  
Jacksonville, Florida 32256  
Attn: Administration

Redeemed Bonds held in book-entry form need not be presented. However, Bondholders presenting their bonds in person for same day payment must surrender their bond(s) by 1:00 P.M. on the Redemption Date and a check will be available for pick up after 2:00 P.M. Checks not picked up by 4:30 P.M. will be mailed out to the bondholder via first class

mail. If payment of the Redemption Price is to be made to the registered owner of the Redeemed Bond, you are not required to endorse the Redeemed Bond to collect the Redemption Price.

The Bonds maturing October 1, 2017 through and including 2020, 2025, 2030 and 2035, with principal payments due each October 1st and semiannual interest payments due on April 1st and October 1st until the maturity date of the Bonds, which have not been redeemed shall remain outstanding, and the CUSIP numbers applicable to such Bonds have changed. The remaining Bonds which have not been redeemed shall remain outstanding and are set forth below:

<u>Maturity Dates</u>	<u>Principal Amounts Outstanding</u>	<u>Interest Rates</u>	<u>Original CUSIP #</u>	<u>Non-Redeemed Bonds Principal Amount</u>	<u>New CUSIP #</u>
10/01/2017	\$525,000	4.00%	34282CEV9	\$445,000	34282C GT2
10/01/2018	275,000	4.00	34282CEW7	235,000	34282C GU9
10/01/2019	295,000	4.00	34282CEX5	250,000	34282C GV7
10/01/2020	305,000	4.00	34282CEY3	260,000	34282C GW5
10/01/2025	1,730,000	5.00	34282CEZ0	1,475,000	34282C GX3
10/01/2030	1,040,000	4.50	34282CFB2	710,000	34282C GY1
10/01/2035	1,300,000	4.50	34282CFD8	890,000	34282C GZ8

DATED this \_\_\_\_ day of November, 2015.

FLORIDA MUNICIPAL LOAN COUNCIL

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Escrow Agent

**IMPORTANT TAX INFORMATION**

EXISTING FEDERAL INCOME TAX LAW MAY REQUIRE THE WITHHOLDING OF 28% OF ANY PAYMENTS TO HOLDERS PRESENTING THEIR (SECURITIES) FOR PAYMENTS WHO HAVE FAILED TO FURNISH A TAXPAYER IDENTIFICATION NUMBER, CERTIFIED TO BE CORRECT UNDER PENALTY OF PERJURY. HOLDERS MAY ALSO BE SUBJECT TO A PENALTY OF \$50.00 FOR FAILURE TO PROVIDE SUCH NUMBER. CERTIFICATION MAY BE MADE TO THE PAYING AGENT ON A SUBSTITUTE FORM W-9.

\* The CUSIP number has been assigned to this issue by Standard and Poor's Corporation and is included solely for the convenience of the Bondholders. Neither the Issuer nor the Paying Agent shall be responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness on the securities or as indicated in any redemption notice.