

RESOLUTION NO. 21-34

A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, PROVIDING FOR AND AUTHORIZING THE ISSUANCE OF UTILITY REVENUE REFUNDING BOND (FEDERALLY TAXABLE), SERIES 2020B, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$13,000,000 FOR THE PRINCIPAL PURPOSE OF ADVANCE REFUNDING CERTAIN OF THE ISSUER'S OUTSTANDING UTILITY REVENUE REFUNDING BONDS, SERIES 2012, AND PAYING COSTS RELATED THERETO, SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS; APPROVING THE PROPOSAL OF TRUIST BANK, PURSUANT TO A NEGOTIATED SALE AND SUBJECT TO THE CONDITIONS AND TERMS SET FORTH HEREIN; APPROVING THE FORM OF THE 2020B BOND; APPROVING THE FORM AND AUTHORIZING EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND A BOND PURCHASE AND EXCHANGE AGREEMENT; APPOINTING AN ESCROW AGENT; SPECIFYING THE DATE AND INTEREST PAYMENT DATES; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PANAMA CITY BEACH, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to Chapter 166, Part II, Florida Statutes, and Resolution 98-6 adopted by the City Council on March 4, 1998, as amended and supplemented, and other applicable provisions of law.

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms defined in this Section shall have the meanings specified in this Section. Words capitalized but not defined herein shall have the meanings set forth in the Original Resolution. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Bonds" shall mean (i) the Parity Bonds and the Series 2020B Bond, and (ii) any Additional Parity Obligations issued hereafter in accordance with the provisions hereof and the Original Resolution.

"Business Day" shall mean any day other than a Saturday, Sunday or day on which banking institutions within the State of Florida are authorized or required by law to remain closed.

"City Council" shall mean the City Council of the City of Panama City Beach, Florida, as the governing body of the Issuer.

"Default Rate" shall mean the lesser of (i) 18% per annum and (ii) the maximum lawful rate.

“Escrow Agent” shall mean Regions Bank.

“Escrow Deposit Agreement” shall mean the escrow deposit agreement between the Issuer and the Escrow Agent in substantially such form as attached hereto as Exhibit “C”.

“Financial Advisor” shall mean PFM Financial Advisors LLC.

“Interest Rate” shall mean a per annum rate equal to 1.73% per annum. Notwithstanding the foregoing, however, after and during the continuance of an Event of Default, “Interest Rate” shall mean the Default Rate.

“Issuer” shall mean the City of Panama City Beach, Florida.

“Original Resolution” shall mean Resolution 98-6 adopted by the Issuer on March 4, 1998, as amended and supplemented including without limitation as amended by Resolution 16-68.

“Parity Bonds” shall mean unrefunded Series 2012 Bonds and the Series 2020A Bond.

“Purchase and Exchange Agreement” shall mean the Bond Purchase and Exchange Agreement between the Issuer and the Purchaser in substantially the form attached hereto as Exhibit “B”.

“Purchaser” shall mean Truist Bank and its successors and assigns.

“Refunded Bonds” shall mean those of the Series 2012 Bonds maturing on and after June 1, 2023.

“Registrar” shall mean, initially, the City Clerk of the City of Panama City Beach, Florida, or such other person as shall be appointed by the Issuer as registrar for the Series 2020B Bond.

“Resolution” shall mean this Resolution.

“Series 2012 Bonds” shall mean the remaining outstanding \$20,910,000 City of Panama City Beach, Florida Utility Revenue Refunding Bonds, Series 2012, authorized pursuant to Resolution No. 12-56.

“Series 2020A Bond” shall mean the not to exceed \$20,000,000 City of Panama City Beach, Florida Utility Revenue Refunding Bond, Series 2020A issued simultaneously with the issuance of the Series 2020B Bond.

“Series 2020B Bond” shall mean the not to exceed \$13,000,000 City of Panama City Beach, Florida Utility Revenue Refunding Bond (Federally Taxable), Series 2020B authorized pursuant to this Resolution.

“Series 2022 Bond” shall mean the City of Panama City Beach, Florida Utility Revenue Refunding Bond, Series 2022, in a principal amount not to exceed the outstanding principal amount of the Series 2020B Bond, which may be issued in exchange for the Series 2020B Bond pursuant to the terms of the Purchase and Exchange Agreement.

“Verification Agent” means, with respect to the Refunded Bonds, BondResource Partners LP.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

(A) The City Council determined that it is necessary and desirable and in the best interest of the inhabitants of the Issuer to borrow funds to refund the Refunded Bonds and to pay the costs of issuance related thereto (the "Loan") and received proposals from a number of financial institutions in response to the Issuer's request for proposals dated September 21, 2020.

(B) The City Council hereby determines, based on recommendations from its Financial Advisor and staff, that the proposal from Truist Bank dated October 8, 2020 contains the terms and provisions that are most favorable for the Issuer.

(C) Amounts due under the Loan will be evidenced by the issuance by the Issuer of the Series 2020B Bond.

(D) It is in the public interest and a valid and proper public purpose to enter into the Loan to advance refund the Refunded Bonds in order to achieve net present value debt service savings of not less than 5% of the Refunded Bond outstanding principal amount.

(E) The Purchaser's offer to provide the Loan to the Issuer in an amount not to exceed \$13,000,000 at the terms set forth in Section 6 is the best proposal to refund the Refunded Bonds.

(F) The Issuer has previously issued the Parity Bonds pursuant to the Original Resolution, and pledged the Pledged Revenues to the payment thereof.

(G) The Pledged Revenues are not now pledged or encumbered in any manner, except to the payment of the Parity Bonds. The Series 2020B Bond shall be payable from a lien on the Pledged Revenues equal and ratable to the lien on the Parity Bonds. However, the Water System Development Charges and the Sewer System Development Charges are pledged to the Issuer's certain non-interest bearing revenue certificates more specifically identified as: (a) Water and Sewer Revenue Certificate dated February 20, 2002, in the original principal amount of \$431,834; (b) Water Revenue Certificate dated July 10, 2003, in the original principal amount of \$71,550; (c) Sewer Revenue Certificate dated August 19, 2003, in the original principal amount of \$142,993; (d) Sewer Revenue Certificate dated August 12, 2004, in the original principal amount of \$203,385; (e) Water Revenue Certificate dated September 9, 2004, in the original principal amount of \$96,430; (f) Sewer Revenue Certificate dated March 9, 2006, in the original principal amount of \$100,000; (g) Sewer Revenue Certificate dated March 9, 2006, in the original principal amount of \$490,500; (h) Sewer Revenue Certificate dated March 9, 2006, in the original principal amount of \$670,414; (i) Water Revenue Certificate dated April 13, 2006, in the original principal amount of \$68,494; (j) Sewer Revenue Certificate dated April 13, 2006, in the original principal amount of \$239,795; (k) Sewer Revenue Certificate dated November 13, 2008, in the original principal amount of \$18,357.22; (l) Water Revenue Certificate dated April 6, 2009, in the original principal amount of \$212,496.36; (m) Water Revenue Certificate dated February 11, 2010, in the original principal amount of \$143,950; (n) Sewer Revenue Certificate dated August 8, 2013, in the original principal amount of \$12,432; (o) Sewer Revenue Certificate dated June 15, 2015, in the original principal amount of \$250,626.09; (p) Sewer Revenue Certificate dated March 12, 2020, in the original principal amount of \$15,355; and (q) Sewer Revenue Certificate dated April, 9, 2020, in the original principal amount of \$39,661; (collectively, the "Outstanding Obligations"); and the lien on the Water System Development Charges and the Sewer System Development Charges on the Outstanding Obligations is junior and subordinate to the lien on the Bonds.

(H) The estimated Pledged Revenues will be sufficient to pay all of the principal of and interest on the Series 2020B Bond and the Parity Bonds, as the same shall become due, and to make all required deposits or payments required by this Resolution and the Original Resolution.

(I) The principal and interest on the Series 2020B Bond and all required reserve and other payments shall be payable solely from the Pledged Revenues, as provided in the Original Resolution and in this Resolution. The Issuer shall never be required to levy ad valorem taxes on any property therein to pay the principal of and interest on the Series 2020B Bond or to make any of the required reserve or other payments and the Series 2020B Bond shall not constitute a lien upon any properties owned by or located within the boundaries of the Issuer or upon any property other than the Pledged Revenues.

(J) Due to the present volatility of the market for public obligations such as the Series 2020B Bond being issued in conjunction with the delivery of the Purchase and Exchange Agreement, the need to access such market very quickly, the willingness of the Purchaser to purchase the 2020B Bond at interest rates favorable to the Issuer, and the critical importance of timing of the sale of the 2020B Bond, it is in the best interests of the Issuer to sell the 2020B Bond through a negotiated sale to the Purchaser.

(K) Prior to the issuance of the Series 2020B Bond, the Issuer shall have received from the Purchaser a Purchaser's Letter, the form of which is attached as Exhibit "D" to this Resolution, and the Disclosure Letter containing the information required by section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit "E".

(L) The Series 2020B Bond shall constitute "Refunding Bonds" under the Original Resolution and all covenants, provisions and conditions contained in the Original Resolution relating to "Refunding Bonds" shall apply to the Series 2020B Bond, as applicable.

(M) A portion of the proceeds derived from the sale of the Series 2020B Bond, together with other legally available moneys, if any, of the Issuer, shall be deposited to a special escrow deposit fund to purchase Acquired Obligations which shall be sufficient, together with the investment earnings therefrom and a cash deposit, if any, to pay the Refunded Bonds as the same become due and payable or are redeemed prior to maturity, all as provided herein and in the Escrow Deposit Agreement.

SECTION 4. THIS RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Series 2020B Bond authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Holder. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holder of the Series 2020B Bond.

SECTION 5. AUTHORIZATION OF REFUNDING. The advance refunding of the Refunded Bonds is hereby authorized and approved. PFM Asset Management LLC is hereby authorized to subscribe for the necessary State and Local Government Securities ("SLGS") to be deposited pursuant to the Escrow Deposit Agreement authorized herein. BondResource Partners LP

is hereby approved as Verification Agent. The fees related to the SLGS and the Verification Agent may be paid from proceeds of the Series 2020B Bond or other legally available funds of the Issuer.

SECTION 6. AUTHORIZATION OF SERIES 2020B BOND; SOURCE OF PAYMENT AND SECURITY. (A) Subject and pursuant to the provisions hereof, an obligation of the Issuer to be known as the "Utility Revenue Refunding Bond (Federally Taxable), Series 2020B" is hereby authorized to be issued for the purpose of advance refunding the Refunded Bonds. The principal amount of the Series 2020B Bond shall not exceed \$13,000,000. The Series 2020B Bond shall bear interest at the Interest Rate, calculated on the basis of a 360-day year of twelve 30-day months. Interest shall be payable semiannually commencing June 1, 2021, and on each June 1 and December 1 thereafter. Principal of the Series 2020B Bond will be payable annually, subject to prior redemption or exchange as permitted in this Resolution, commencing on June 1, 2021 and on each June 1 thereafter to June 1, 2032, as set forth on Schedule 1 attached to the Series 2020B Bond. Interest shall be due on the mandatory tender date as described in the Series 2020B Bond.

(B) No presentment shall be required for any payment of the Series 2020B Bond and, upon payment in full of all amounts due hereunder and under the Series 2020B Bond, at final maturity or upon redemption or tender thereof, shall be marked cancelled by the Purchaser and promptly returned to the Issuer.

(C) The Series 2020B Bond shall not be or constitute a general obligation or indebtedness of the Issuer as "bonds" within the meaning of the Constitution of the State of Florida, but shall be payable solely from and secured by a lien upon and a pledge of the Pledged Revenues equal and ratable to the lien thereon of the Parity Bonds, as herein provided. The Holder of the Series 2020B Bond issued hereunder shall never have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form of any real or personal property therein, or to compel the Issuer to pay such principal and interest from any other funds of the Issuer.

The payment of principal of and interest on the Series 2020B Bond shall be secured forthwith equally and ratably by an irrevocable lien on the Pledged Revenues, equal and ratable to the lien thereon of the Parity Bonds and any Additional Parity Obligations, all in the manner and to the extent provided in the Original Resolution. The Original Resolution, as hereby supplemented, creates a valid and binding pledge on such Pledged Revenues to the payment of the principal of, redemption premium, if any, and interest on the Series 2020B Bond, for the reserves therefor and for all other payments required hereunder. Such amounts hereby pledged and assigned shall immediately be subject to the lien of this pledge without any further physical delivery thereof or any further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer, irrespective of whether such parties have notice thereof. The Issuer has not heretofore made a pledge of or granted a lien on the Pledged Revenues which pledge or lien would be on parity with or would be senior to the lien securing the Series 2020B Bond and which remains in existence, except for security interests for the benefit of the Holders of the Parity Bonds and any Additional Parity Obligations in accordance with the Original Resolution, as supplemented. The Issuer will not grant hereafter a lien upon or pledge of the Pledged Revenues superior to the Series 2020B Bond, or, except as expressly permitted by the terms of the Original Resolution with respect to Additional Parity Obligations, on a parity with, that of the Series 2020B Bond.

SECTION 7. FORM OF BOND. The Series 2020B Bond shall be in substantially the form attached hereto as Exhibit "A", with such variations, omissions and insertions as shall be necessary, desirable and authorized or permitted by this Resolution and the Original Resolution.

SECTION 8. PROVISIONS FOR REDEMPTION. The Series 2020B Bond may be prepaid in whole or in part on any day subject to the terms hereof and upon at least two Business Days' prior written notice to the Purchaser specifying the amount of prepayment. The Issuer shall, at the time of any prepayment, whether optional or at any other time the Series 2020B Bond is paid earlier than its scheduled maturity, pay to the Purchaser the interest accrued to the date of prepayment on the principal amount being prepaid plus an additional fee or redemption premium equal to the present value of the difference between (1) the amount that would have been realized by the Purchaser on the prepaid amount for the remaining term of the loan at the ICE Benchmark Administration ("IBA") rate for fixed-rate payers in U.S. Dollar interest rate swaps for a term corresponding to the term of the Series 2020B Bond, interpolated to the nearest month, if necessary, that was in effect three Business Days prior to the issuance date of such Bond, and (2) the amount that would be realized by the Purchaser by reinvesting such prepaid funds for the remaining term of the loan at the IBA Index for rates for fixed-rate payers in U.S. Dollar interest rate swaps, interpolated to the nearest month, that was in effect three Business Days prior to the loan repayment date; both discounted at the same interest rate utilized in determining the applicable amount in (2). Should the present value have no value or a negative value, the Issuer may prepay with no additional fee or redemption premium. Should the IBA no longer release rates for fixed-rate payers in U.S. Dollar interest rate swaps, the Purchaser may substitute the IBA Index for rates for fixed-payers in U.S. Dollar interest rate swaps with another similar index as determined by Truist Bank (or an affiliate thereof). The Purchaser shall provide the Issuer with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding. The application of such fee or prepayment premium is not intended to, and shall not be deemed to be, an increase in the Interest Rate. Any partial prepayment shall be applied as determined by the Purchaser in its sole discretion.

SECTION 9. APPLICATION OF SERIES 2020B BOND PROCEEDS. The proceeds received from the sale of the Series 2020B Bond shall be applied by the Issuer simultaneously with the delivery of such Series 2020B Bond to the purchaser thereof, as follows:

(A) A sum as specified in the Escrow Deposit Agreement which, together with other funds described therein, will be sufficient to pay, on the date of redemption, the principal of, interest premium, if any, and other costs and obligations incurred with respect to the Refunded Bonds as the same shall become due or are redeemed and to pay the expenses, if any, specified in the Escrow Deposit Agreement, shall be deposited into the Escrow Account established in the Escrow Deposit Agreement.

(B) A sufficient amount of the Series 2020B Bond proceeds shall be applied to the payment of costs and expenses, including but not limited to costs and expenses as shown on Exhibit "F", relating to the issuance of the Series 2020B which must be paid upon delivery of the Series 2020B bond.

(C) Any remaining moneys from the Series 2020B Bond shall be used for the purposes permitted by law.

SECTION 10. COVENANTS OF THE ISSUER. (a) For so long as any of the principal of and interest on the Series 2020B Bond or any other amounts due hereunder shall be outstanding and unpaid or until the Issuer has made provision for payment of principal, interest and redemption or premium, if any, with respect to the Series 2020B Bond, the provisions of Section 20 of the Original Resolution shall apply to the Series 2020B Bond.

(b) All terms, conditions, covenants and agreements of the Original Resolution, except to the extent that the same are modified and/or amended and/or supplemented hereby or deemed to specifically apply to the Series 1998 Bonds, are ratified and confirmed and are declared to be and shall be and shall remain in full force and effect and shall apply in all respects to this Resolution and to the Series 2020B.

SECTION 11. SALE OF THE SERIES 2020B BOND; ENGAGEMENT OF FINANCIAL ADVISOR. (A) The offer of Truist Bank to purchase the Series 2020B Bond is hereby accepted, and the sale of the Series 2020B Bond is hereby awarded to the Purchaser. Sale of the Series 2020B Bond is subject to satisfaction of the conditions precedent of the Purchaser, the satisfaction of which shall be evidenced by acceptance of the Series 2020B Bond and payment therefor by the Purchaser.

(B) The engagement of PFM Financial Advisors LLC as Financial Advisor with respect to the issuance of the Series 2020B Bond, under the terms set forth in the engagement letter dated September 18, 2020, is hereby ratified and approved.

SECTION 12. EXECUTION AND DELIVERY OF BOND. (A) The Series 2020B Bond shall be signed by, or bear the facsimile signatures of the Mayor of the Issuer and the City Manager of the Issuer and shall be attested by, or bear the facsimile signature of, the Clerk and the official seal of the Issuer shall be impressed on the Series 2020B Bond. The City Clerk, as Registrar, shall manually authenticate the Series 2020B Bond. In case any officer whose signature or a facsimile of whose signature shall appear on the Series 2020B Bond shall cease to be such officer before the delivery of such Series 2020B Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such person has remained in office until such delivery. The Series 2020B Bond may bear the facsimile signature of or may be signed by such persons who, at the actual time of the execution of such Series 2020B Bond, shall be the proper officers to sign such Series 2020B Bonds although, at the date of such Series 2020B Bond, such persons may not have been such officers.

(B) The Series 2020B Bond shall be delivered to the Purchaser upon receipt from the Purchaser of (i) the purchase price therefor (viz., the par amount thereof, (ii) a Purchaser's Letter in substantially the form attached hereto as Exhibit "B", and (iii) a disclosure statement containing the information required by section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit "C".

SECTION 13. REDEMPTION OF REFUNDED BONDS. (A) The Issuer hereby irrevocably elects, effective upon and only upon the issuance of the Series 2020B Bond, that the Refunded Bonds shall be defeased and called for redemption in accordance with the Escrow Deposit Agreement.

(B) The Paying Agent for the Refunded Bonds is hereby authorized to provide written notice of defeasance and redemption to the registered owners of such Refunded Bonds and to any Bondholder whose name and address are on file with the Paying Agent for the Refunded Bonds. The Escrow Agent is hereby authorized and directed to publish the notice of redemption, if required.

(C) PFM Asset Management LLC is authorized to subscribe for United States Treasury Obligations – State and Local Government Series or to arrange for the purchase, from funds for such purpose pursuant to the terms hereof, of other United States Treasury obligations or obligations fully guaranteed by the United States of America to the extent necessary to accomplish the defeasance and refunding of the Refunded Bonds.

SECTION 14. TRANSFER OF FUNDS. On the date of issuance of the Series 2020B Bond, the Issuer may transfer moneys on deposit in the various funds and accounts created for the benefit of the Refunded Bonds to the Escrow Agent to be held on behalf of the Issuer and to be used pursuant to the terms of the Escrow Deposit Agreement, in such amounts as shall be approved by a certificate to be executed by the Mayor.

SECTION 15. APPOINTMENT OF ESCROW AGENT AND APPROVAL OF ESCROW DEPOSIT AGREEMENT. Regions Bank, is hereby appointed as Escrow Agent for the Refunded Bonds. Simultaneously with the delivery of the Series 2020B Bond, the Issuer shall enter into an Escrow Deposit Agreement in substantially the form attached hereto as Exhibit “C”. The Mayor and City Manager under the seal of the Issuer, attested by the Clerk, are hereby authorized to enter into any agreements with such Escrow Agent to accept and perform the respective duties imposed upon each and to effectuate the transactions contemplated by this Resolution, the Escrow Deposit Agreement and the Original Resolution.

SECTION 16. REGISTRATION AND TRANSFER OF BOND. The Registrar shall keep books for the registration of and for the registration of transfers of the Series 2020B Bond. The transfer of the Series 2020B Bond may be registered only upon such books and only upon surrender thereof to the Registrar together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such registration of transfer, the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for such Series 2020B Bond, a new Series 2020B Bond registered in the name of the transferee, and in an aggregate principal amount equal to the principal amount of such Series 2020B Bond so surrendered.

In all cases in which the Series 2020B Bond shall be exchanged, the Issuer shall execute and the Registrar shall authenticate and deliver, at the earliest practicable time, a new Series 2020B Bond of the same type in accordance with the provisions of this Resolution. The Series 2020B Bond surrendered in such exchange or registration of transfer shall forthwith be canceled by the Registrar. The Issuer or the Registrar may make a charge for every such exchange or registration of transfer of the Series 2020B Bond sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to the Bondholder for the privilege of exchanging or registering the transfer of the Series 2020B Bond under the provisions of this Resolution. The Series 2020B Bond shall only be transferred in whole and

upon the execution of a Purchaser's Letter, in substantially the form approved by the Resolution; provided, however, that the Series 2020B Bond may be transferred to an affiliate of the Purchaser without a new Purchaser's Letter.

In case the Series 2020B Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may in its discretion cause to be executed, and the Registrar shall authenticate and deliver, a new Series 2020B Bond of like date and tenor as the Series 2020B Bond so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Series 2020B Bond upon surrender and cancellation of such mutilated Series 2020B Bond or in lieu of and substitution for the Series 2020B Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and complying with such other reasonable regulations and conditions as the Issuer and the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. The Series 2020B Bond so surrendered shall be canceled by the Issuer. If the Series 2020B Bond shall have matured or be about to mature, instead of issuing a substitute Series 2020B Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Series 2020B Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2020B Bond issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Series 2020B Bond be at any time found by anyone, and such duplicate Series 2020B Bond shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as the Series 2020B Bond issued hereunder.

SECTION 17. PAYMENTS DUE ON DAYS OTHER THAN BUSINESS DAYS. In any case where the date for making any payment or the last date for performance of any act or the exercise of any right shall be other than a Business Day, then such payment or performance shall be made on the succeeding Business Day with the same force and effect as if done on the nominal date provided in this Resolution, provided that interest on any monetary obligation hereunder shall accrue at the applicable rate to and including the date of such payment.

SECTION 18. DEFAULTS; EVENTS OF DEFAULT AND REMEDIES. (A) If any representation or warranty made in writing by or on behalf of the Issuer in this Resolution, the Original Resolution or the Series 2020B Bond shall prove to have been false or incorrect in any material respect on the date made or reaffirmed shall be deemed to be an Event of Default.

(B) Failure by the Issuer to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Resolution or the Original Resolution for period of thirty (30) days after the earlier of (i) the date written notice specifying such failure and requesting that it be remedied is given to the Issuer by the Purchaser, or (ii) the date the Issuer was required to given notice of the event or condition to the Purchaser pursuant to Section 18(C) hereof, unless in either case the Purchaser shall agree in writing to an extension of such time prior to its expiration shall be deemed an Event of Default.

(C) The Issuer shall within five (5) days after it acquires knowledge thereof, notify the Purchaser in writing (a) of any change in any material fact or circumstance represented or warranted

by the Issuer in this Resolution or the Original Resolution or in connection with the issuance of the Series 2020B Bond; (b) upon the happening, occurrence, or existence of any Event of Default, and (c) any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Purchaser with such written notice, a detailed statement by a responsible officer of the Issuer of all relevant facts and the action being taken or proposed to be taken by the Issuer with respect thereto. Regardless of the date of receipt of such notice by the Purchaser, such date shall not in any way modify the date of occurrence of the actual Event of Default.

(E) If after the date hereof the Issuer shall, under the terms of an ordinance or resolution or other document or instrument authorizing the issuance of Additional Parity Obligations grant other Bondholders a right of acceleration, then such right of acceleration shall also apply with respect to the Series 2020B Bond.

SECTION 19. AMENDING AND SUPPLEMENTING OF RESOLUTION. The provisions of Section 23 of the Original Resolution shall apply to the Series 2020B Bond; provided, however, that no modification or amendment of this Resolution or of any resolution amendatory hereof or supplemental hereto may be made except with the written consent of the Purchaser, and no modification or amendment to Sections 20, 21, 22 and 26 of the Original Resolution may be made without the written consent of the Purchaser.

SECTION 20. AUTHORIZATION OF PURCHASE AND EXCHANGE AGREEMENT. Simultaneously with the issuance of the Series 2020B Bond the Issuer shall enter into the Purchase and Exchange Agreement in order to provide for the possible exchange, at the option of the Issuer, of the Series 2022 Bond for the Series 2020B Bond under the terms and conditions provided therein. The Purchase and Exchange Agreement shall be in substantially the form attached to this Resolution as Exhibit "B", with such changes as shall be approved by the Mayor or other officer of the Issuer executing such Agreement.

SECTION 21. COSTS OF ISSUANCE. For purposes of this Resolution, "Costs of Issuance" includes, legal, financial advisory and all other miscellaneous costs associated with the issuance of the Series 2020B Bonds, without limitation. The Costs of Issuance shall be approved by the Mayor in such amounts as shall be necessary and appropriate and shall be set forth in the Purchase and Exchange Agreement. The City Clerk is hereby authorized to make such payments with no further authorization needed from the City Council.

SECTION 22. ADDITIONAL COVENANTS AND AGREEMENTS.

(A) No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereunder (including in connection with any amendment, waiver or other modification hereof or of any other documents related hereto), the Issuer acknowledges and agrees, that: (a) (i) it has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, (ii) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and any other loan documents, (iii) the Purchaser is not acting as a municipal advisor or financial advisor to the Issuer and (iv) the Purchaser has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Issuer with respect to

the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the Issuer on other matters); (b) (i) the Purchaser is and has been acting solely as a principal in an arm's length commercial lending transaction and has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Issuer, or any other person and (ii) the Purchaser has no obligation to the Issuer, with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other documents with respect to the Series 2020B Bond; (c) notwithstanding anything herein to the contrary, it is the intention of the Issuer and the Purchaser that the loan documents represent a commercial loan transaction not involving the issuance and sale of a municipal security, and that any bond, note or other debt instrument that may be delivered to the Purchaser is delivered solely to evidence the repayment obligations of the Issuer under the loan document; and (d) the Purchaser may be engaged in a broad range of transactions that involve interests that differ from those of the Issuer, and the Purchaser has no obligation to disclose any of such interests to the Issuer. To the fullest extent permitted by law, the Issuer hereby waives and releases any claims that it may have against the Purchaser with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, the Issuer is free to engage a municipal advisor to serve in that capacity. The transactions contemplated herein and the Series 2020B Bond is delivered, pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq, to the extent that such rules apply to the transactions contemplated hereunder.

(B) Financial Statements and Information. For so long as the Series 2020B Bond remains outstanding the Issuer shall provide to the Purchaser: (i) not later than 270 days after the end of each fiscal year of the Issuer, its annual financial statements for such fiscal year accompanied by an audit report in regular form; (ii) not later than 30 days after its adoption, the adopted budget for each fiscal year; and (iii) such other reports, schedules or other information (financial or otherwise) as the Purchaser shall reasonably request.

(C) Permission to Use Information. The Issuer agrees and consents that the Purchaser shall be permitted to use information related to the loan transaction in connection with marketing, press releases or other transactional announcements or updates provided to investors or trade publications, including, but not limited to, the placement of the logo or other identifying name on marketing materials or of "tombstone" advertisements in publications of its choice at its own expense.

(D) Patriot Act Notice. The Purchaser hereby notifies the Issuer that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001), the Purchaser may be required to obtain, verify and record information that identifies the Issuer, which information includes the name and address of the Issuer and other information that will allow the Purchaser to identify the Issuer in accordance with the Act.

(E) Documentary and Intangible Taxes. In the event that any intangible tax or documentary stamp tax is due from the Purchaser to any state or other governmental agency or authority because of the execution or holding of the Series 2020B Bond, the Issuer shall, upon demand, reimburse the Purchaser for any such tax paid.

(F) Waiver of Jury Trial. The Issuer knowingly, voluntarily, and intentionally waives any right it may have to a trial by jury, with respect to any litigation or legal proceedings based on or arising out of the Original Resolution, this Resolution or the Bond, including any course of conduct, course of dealings, verbal or written statement or actions or omissions of any party which in any way relates to the Bond, the Original Resolution or this Resolution.

(G) Account Debit Agreement. The Issuer will enter into and will maintain in effect so long as the Series 2020B Bond is outstanding an agreement with Truist Bank authorizing the Purchaser to debit an account maintained with the Purchaser or a banking institution selected by the Issuer and approved by the Purchaser.

SECTION 23. RESERVE FUND. Pursuant to the Original Resolution, the Issuer is authorized to establish a separate account within the Reserve Fund for the benefit of the Series 2020B Bond. The Issuer hereby elects to establish such account. The Reserve Requirement for the Series 2020B Bond shall be zero, therefore no Reserve Account would be required for the Series 2020B Bond.

SECTION 24. GENERAL AUTHORITY. The members of the City Council of the Issuer and the Issuer's officers, attorneys and other agents and employees are hereby authorized to perform all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Series 2020B Bond and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel.

SECTION 25. NO THIRD PARTY BENEFICIARIES. Except such other Persons as may be expressly described herein or in the Series 2020B Bond, nothing in this Resolution, or in the Series 2020B Bond, expressed or implied, is intended or shall be construed to confer upon any Person other than the Issuer and the Holder any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Series 2020B Bond, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Persons who shall from time to time be the Holder.

SECTION 26. NO PERSONAL LIABILITY. Neither the members of the City Council of the Issuer nor any person executing the Series 2020B Bond shall be personally liable therefor or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 27. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid or shall in any manner be held to adversely affect the validity of the Series 2020B Bond, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Resolution or of the Series 2020B Bond issued hereunder.

SECTION 28. APPLICABLE LAW AND VENUE. The Series 2020B Bond shall be governed by applicable federal law and the internal laws of the State of Florida. Unless applicable law provides otherwise, in the event of any legal proceeding arising out of or related the Series 2020B Bond the Issuer consents to the jurisdiction and venue of any court located in the State of Florida.

SECTION 29. EFFECTIVE DATE. The provision of this Resolution shall take effect immediately upon its passage.

ADOPTED this 12th day of November, 2020.

(SEAL)

ATTEST

By: Lynne Fasone
Lynne Fasone
Clerk

By: Mark Sheldon
Mark Sheldon
Mayor

By: Tony O'Rourke
Tony O'Rourke
City Manager