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**LOAN AGREEMENT**

**AMONG**

**FLORIDA LOCAL GOVERNMENT FINANCE COMMISSION**

**AND**

**THE CITY OF PORT ST. LUCIE, FLORIDA**

**AND**

**JPMORGAN CHASE BANK, N.A.**

**Dated as of \_\_\_\_\_, 2024**

**FLORIDA LOCAL GOVERNMENT FINANCE COMMISSION  
POOLED COMMERCIAL PAPER LOAN PROGRAM**

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## LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of \_\_\_\_\_, 2024 is entered into among the **FLORIDA LOCAL GOVERNMENT FINANCE COMMISSION** (the "Commission"), a legal entity and a public body corporate and politic created pursuant to Part I of Chapter 163, Florida Statutes (the "Interlocal Act"), and the **CITY OF PORT ST. LUCIE, FLORIDA** (the "Public Agency"), a duly constituted municipal corporation of the State of Florida (the "State") and **JPMORGAN CHASE BANK, N.A.** (the "Bank"), a national banking association.

**WHEREAS**, the Commission was created for the benefit of duly constituted counties, municipalities and other public agencies as described in the Interlocal Act (collectively, the "Public Agencies"), desiring to participate in a pooled commercial paper loan program in order to obtain cost effective, short-term financing for acquiring, constructing and equipping capital improvements and for other governmental needs; and

**WHEREAS**, the Commission has determined that there is substantial need within the State for a pooled commercial paper loan program (the "Program") which will allow loans to be made to Public Agencies in the State in order to provide funds to such Public Agencies to enable them to acquire, construct and equip capital improvements and to finance other governmental needs; and

**WHEREAS**, the Commission is authorized under the Interlocal Act to issue its obligations to make loans in order to provide funds for such purposes; and

**WHEREAS**, the Commission has determined that the public interest will best be served and that the purposes of the Interlocal Act can be satisfied by the Commission's issuance of commercial paper notes in order to make loans in order to provide funds to Public Agencies desiring to finance the cost of acquiring, constructing and equipping capital improvements and, to the extent permitted by the terms of this Loan Agreement, to finance other governmental needs; and

**WHEREAS**, in furtherance of the foregoing, the Commission shall issue, from time to time, commercial paper notes to be known as "Florida Local Government Finance Commission Pooled Commercial Paper Notes" (the "Notes"), pursuant to the terms of a certain Indenture of Trust, dated as of June 6, 2011 between the Commission and the Trustee (as defined herein) (such Trust Indenture, as amended or supplemented, is referred to herein as the "Indenture"); and

**WHEREAS**, such Notes may be issued under the Indenture as two separate series and shall be further designated as "Series A-1 (Governmental Issue)" and "Series B-1 (AMT Issue)"; and

**WHEREAS**, pursuant to the authority of the Interlocal Act, the Commission desires to loan, from time to time, to the Public Agency such amounts as shall be authorized herein in order to enable the Public Agency to finance various capital improvements and other governmental needs and to pay a pro rata share of the costs of issuing the aforementioned Notes, and the Public Agency desires to borrow various amounts from the Commission subject to the terms and conditions of and for the purposes set forth in this Loan Agreement; and

**WHEREAS**, the Bank desires to provide its Credit Facility for credit and liquidity support for the Program; and

**WHEREAS**, the Public Agency is authorized under and pursuant to Chapter 166, Florida Statutes, the Interlocal Act and other applicable provisions of law to enter into this Loan Agreement for the purposes set forth herein; and

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

**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 (or the meaning specified in the Section hereof or in the document herein referenced), and any other words and terms not otherwise defined herein which are defined in the Indenture shall have the meanings as therein defined.

**"Accountant"** or **"Accountants"** means an independent certified public accountant or a firm of independent certified public accountants as to whom neither the Commission nor the Bank makes a reasonable objection.

**"Act"** means, collectively, the Interlocal Act, Chapter 166, Florida Statutes, and all other applicable provisions of law.

**"Act of Bankruptcy"** means a petition filed by or against the Public Agency seeking relief as a debtor under the federal bankruptcy laws or under any other similar applicable law or statute of the United States of America or of the State relating to bankruptcy or insolvency.

**"Actual Monthly Interest"** means, with respect to all Loans of the Public Agency funded from Commercial Paper Notes of a Series, the sum of the Daily Loan Rate times the Daily Loan Balance for each actual day of the period with respect to which such calculation is made.

**"Additional Payments"** means the payments required to be made by the Public Agency pursuant to Sections 5.02(b), 5.02(c), 5.02(d), 5.05, 6.06(e) and 8.04 of this Loan Agreement.

**"Administration Agreement"** means that certain Program Administration Agreement, dated as of June 6, 2011, between the Commission and the Administrator, as amended and supplemented from time to time.

**"Administrator"** means the Florida Association of Counties, Inc., a Florida nonprofit corporation, or such other program administrator selected by the Commission and approved by the Bank in writing to administer the making, originating and administration of the Loans or any portion thereof and to act as the Commission's agent as set forth in the Administration Agreement.

**"Aggregate Monthly Investment Earnings"** means the aggregate amount of earnings credited to the applicable Interest Payment Account from the investment of the daily balances in the Accounts relating to a Series of Commercial Paper Notes for each day of the actual number of days of the period with respect to which such calculation is made.

**"Aggregate Note Interest"** means, with respect to a Series of Commercial Paper Notes, the aggregate amount of interest paid or accrued on all of the Commercial Paper Notes of such Series on the basis (year containing 365/366 days or actual number of days elapsed) set forth in such Commercial Paper Notes during the period with respect to which such calculation is made and if the principal of any Commercial Paper Note is paid with a draw on the Credit Facility which has not been reimbursed, the interest accruing on the Public Agency's Proportionate Share of such drawing in accordance with the provisions of the Credit Agreement until such drawing has been reimbursed.

**"Aggregate Portfolio Balance"** means the sum of Daily Loan Balances for the Public Agency and all other government entities participating in the Program under the same Series of Commercial Paper Notes for each day of the actual number of days of the period with respect to which such calculation is made.

**"Alternate Credit Facility"** has the meaning given such term in the Indenture.

**"Arbitrage Certificate"** means the Certificate as to Arbitrage and Certain Other Tax Matters of the Public Agency and any reaffirmations or renewals thereof or new Certificate as to Arbitrage and Certain Other Tax Matters, all as described in Section 6.06(j)(ii) hereof.

**"Authorized Officer"** means, when used with respect to the Commission, the Chairman of the Board of Directors thereof and such other designated member, agent or representative as may hereafter be selected by Commission resolution, when used with respect to the Administrator, shall mean the person or persons designated by the Administrator, and, when used with reference to a Public Agency, means the person or persons designated by the Public Agency in writing to the Administrator and the Commission 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.

**"Bank"** means JPMorgan Chase Bank, N.A., a national banking association, as issuer of the Letter of Credit, and any successor thereof, and any issuer or issuers of an Alternate Credit Facility with respect to the Commercial Paper Notes.

**"Bank Rate"** means the interest rate charged by the Bank to the Commission pursuant to Section 2.16(b) of the Credit Agreement for any draws made against the Credit Facility to pay maturing Commercial Paper Notes which could not be remarketed by the Dealer. Initially, the Bank Rate shall mean (1) for the first 120 days such Bank Rate is applicable with respect to a Loan, the Base Rate, (2) after the first 120 days such Bank Rate is applicable with respect to a Loan through the stated expiration date of the Credit Facility, the Base Rate plus 1.00%, and (3) thereafter, the Base Rate plus 2.00%. Notwithstanding the foregoing, the Bank and the Commission may amend the definition of Bank Rate under the Credit Agreement from time to time without the consent of the Public Agency.

**"Base Rate"** means the higher of (1) the Loan Rate, (2) the Prime Rate, and (3) 7.5%.

**"Bond Counsel"** means Nabors, Giblin & Nickerson, P.A., Tampa, Florida, or any other nationally recognized bond counsel acceptable to the Commission and the Administrator.

**"Business Day"** means any day excluding Saturday, Sunday, any other day on which banks in New York City or the cities in which the designated corporate trust office of the Trustee or the office of the Bank at which drawings may be presented under the Letter of Credit are located are lawfully closed and any day on which the Depository Trust Company is closed.

**"City Council"** means the governing body of the Public Agency.

**"City Manager"** means the duly appointed City Manager of the Public Agency or his designee.

**"Clerk"** means the City Clerk of the Public Agency and such other person as may be duly authorized to act on her or his behalf.

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

**"Commencement Date"** means \_\_\_\_\_, 2024 which is the date when the term of this Loan Agreement begins and the obligation of the Public Agency hereunder to make Loan Repayments, if any, commences.

**"Commercial Paper Notes"** or **"Notes"** means any Outstanding Florida Local Government Finance Commission Pooled Commercial Paper Notes issued from time to time pursuant to the Indenture. The term "Commercial Paper Notes" shall include both Series of Commercial Paper Notes issued pursuant to the Indenture, unless the context indicates otherwise.

**"Commission"** means the Florida Local Government Finance Commission, and any assigns or successors in function thereto.

**"Commitment"** shall have the meaning ascribed thereto in the Credit Agreement, as it may be modified from time to time pursuant to the Credit Agreement.

**"Cost"** or **"Costs,"** to the extent permitted by law, as the same relates to a Project, shall mean (1) the cost of physical construction, reconstruction or completion; (2) the cost of acquisition or purchase; (3) the cost of all labor, materials, machinery and equipment; (4) the cost of land and interests therein, property rights, easements and franchises of any nature whatsoever; (5) the cost of any indemnity and surety bonds and premiums for

insurance during construction; (6) all interest due to be paid on account of this Loan Agreement and other obligations relating to such Project during the period of construction and for such period of time subsequent to completion of acquisition and construction as the Public Agency deems appropriate; (7) engineering, financial, legal and other consultant fees and expenses; (8) the cost of plans and specifications, construction plans, surveys and estimates of costs; (9) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any interim or temporary indebtedness incurred for any portion of such Project; (10) amounts required for reserve funds; (11) costs and expenses related to the Loan Agreement, issuance of the Commercial Paper Notes or other indebtedness related to such Project, all financing charges, and any expenses related to any liquidity facility or credit facility; (12) Additional Payments; and (13) any other costs and expenses properly attributable to acquisition, construction or equipping of such Project, and such other expenses as may be necessary or incidental to this Loan Agreement and the issuance of the Commercial Paper Notes; and shall include reimbursement to the Public Agency for any moneys advanced for any costs incurred by the Public Agency in connection with any such items of cost.

**"Counsel"** means an attorney or firm of attorneys duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for the Commission, the Public Agency, the Trustee, the Dealer or the Bank.

**"Credit Agreement"** means that certain Reimbursement Agreement, dated as of June 6, 2011, between the Commission and the Bank, including any amendments and supplements thereto, and any agreement pursuant to which an Alternate Credit Facility is issued.

**"Credit Facility"** means the Letter of Credit issued by the Bank, or any Alternate Credit Facility.

**"Daily Investment Balance"** means that portion of the amounts on deposit in the Accounts relating to a Series of Commercial Paper Notes which are credited by the Trustee to each public agency in accordance with the provisions of Section 3.03(f) of the Indenture as of any day with respect to which such calculation is made.

**"Daily Investment Credit Rate"** means the quotient of: (1) the Aggregate Monthly Investment Earnings, divided by (2) the sum of Investment Balances with respect to loans funded from all Series of Commercial Paper Notes for the period with respect to which such calculation is made.

**"Daily Loan Balance"** means the principal balance of all Loans of the Public Agency funded from Commercial Paper Notes of a Series outstanding on the day with respect to which such calculation is made.

**"Daily Loan Rate"** means, with respect to a Series of Commercial Paper Notes, the quotient of: (1) the Aggregate Note Interest, divided by (2) the Aggregate Portfolio Balance for the period with respect to which such calculation is made.

**"Dealer"** means JPMorgan Chase Securities Inc. acting in its capacity as rate setting agent and dealer for the Commercial Paper Notes pursuant to the Dealer Agreement, or its successors and assigns or any other entity or entities designated by the Commission in writing.

**"Dealer Agreement"** means that certain Commercial Paper Dealer Agreement, dated as of June 6, 2011 between the Commission and the Dealer, and any and all modifications, alterations, amendments or supplements thereto, and any other Dealer Agreement entered into by the Commission and the Dealer with respect to the Commercial Paper Notes.

**"Debt"** of the Public Agency means at any date (without duplication) all of the following to the extent that they are general obligations of the Public Agency or are payable in whole or in part from Non-Ad Valorem Revenues: (1) all obligations of the Public Agency for borrowed money or evidenced by bonds, debentures, notes or other similar instruments; (2) all obligations of the Public Agency to pay the deferred purchase price of property or services, except trade accounts payable under normal trade terms and which arise in the ordinary course of business; (3) all obligations of the Public Agency as lessee under capitalized leases; and (4) all indebtedness of other Persons to the extent guaranteed by, or secured by Non Ad-Valorem Revenues of, the Public Agency.

**"Default"** means any of the events specified in Section 8.01 hereof which with the passage of time or giving of notice or both would constitute an Event of Default hereunder.

**"Default Rate"** means the Base Rate plus 4.00% per annum; provided, however, the Default Rate shall never exceed the Maximum Legal Rate.

**"Designated Revenues"** shall mean (1) Public Agency Moneys, (2) the proceeds of the Loans pending the application thereof, and (3) the Pledged Revenues, if any, which shall secure the Loan Repayments as provided in Section 6.03 hereof.

**"Draw"** means the borrowing of money under this Loan Agreement in accordance with Article III hereof.

**"Draw Date"** means, with respect to Loans financed with proceeds of the Commercial Paper Notes, the date or dates upon which Draws are funded, which dates shall be agreed to by the Bank, the Administrator and the Public Agency prior to each Draw Date.

**"Draw Request"** means the request by the Public Agency to the Commission for a Draw under its Loan and the corresponding authentication and delivery of a Commercial Paper Note or Commercial Paper Notes of a particular Series.

**"Estimated Monthly Interest"** means, for each calendar month, (1) the Estimated Monthly Rate times the Daily Loan Balance of all Loans of the Public Agency funded from Commercial Paper Notes of a Series which are expected to be outstanding during the calendar month with respect to which such calculation is made, less (2) the sum of (a) the applicable Monthly Investment Credit, plus (b) the Monthly Excess Credit (based on the second prior calendar month). Notwithstanding the foregoing, the Administrator shall calculate the Estimated Monthly Interest for any period occurring before the first Interest Calculation Period as it shall determine in its sole discretion.

**"Estimated Monthly Rate"** means, for each calendar month, 110% of the sum of the Daily Loan Rates for Commercial Paper Notes of a Series during the immediately preceding Interest Calculation Period. Notwithstanding the foregoing, the Administrator may, at any time and from time to time, recalculate the Estimated Monthly Rate in accordance with the requirements of Section 3.03(b) of the Indenture.

**"Event of Default"** has the meaning given such term in Section 8.01 of this Loan Agreement.

**"Expiration Date"** means the scheduled date of expiration of the Credit Facility as the same may be extended from time to time pursuant to the terms thereof.

**"Holders"** or **"Noteholders"** means the registered owners of the Outstanding Commercial Paper Notes.

**"Indenture"** means that certain Indenture of Trust, dated as of June 6, 2011, between the Commission and the Trustee, as the same may be amended and supplemented from time to time.

**"Interest Calculation Period"** means the period commencing on the day (whether or not a Business Day) next succeeding the last day of the previous Interest Calculation Period and ending on the fifteenth (15th) day of the next succeeding calendar month; provided, however, that the first Interest Calculation Period shall be the period commencing on the first sixteenth (16th) day of a calendar month which occurs after the date of initial issuance of Commercial Paper Notes hereunder and ending on fifteenth (15th) day of the next succeeding calendar month.

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

**"Interlocal Agreement"** means that Interlocal Agreement, dated as of February 19, 1991, among Brevard County, Florida, Collier County, Florida and Sarasota County,

Florida, pursuant to which the Commission was created and the Pooled Commercial Paper Loan Program was authorized, as amended and supplemented from time to time.

**"Investment Balances"** means the sum of the daily balances in the Accounts relating to a Series of Commercial Paper Notes for each day of the actual number of days of the period with respect to which such calculation is made.

**"Letter of Credit"** means the irrevocable letter of credit issued by the Bank under the terms and conditions set forth in the Credit Agreement in order to secure the payment of principal of and interest on the Commercial Paper Notes.

**"Loan"** means the loan or loans made, from time to time, by the Commission to the Public Agency pursuant to Section 3.03 hereof. Each loan shall be made to finance or refinance a Project or to finance Public Agency Expenses approved by the Administrator and the Bank in accordance with Section 4.04 hereof.

**"Loan Agreement"** means this Loan Agreement, as the same may be amended and supplemented from time to time.

**"Loan Amounts"** means the amount of Loans Outstanding at any time of calculation.

**"Loan Note"** means a note of the Public Agency evidencing the obligations incurred hereunder by the Public Agency on account of a Draw made in regard to a Loan, which shall be in substantially the form provided in Exhibit D hereto.

**"Loan Rate"** means the rate of interest the Loan shall bear, which is described in Sections 5.01 and 5.02 hereof; provided, however, the Loan Rate shall never exceed the Maximum Legal Rate.

**"Loan Repayments"** or **"Repayments"** means the payments of principal and interest on the Loan Amounts payable by the Public Agency pursuant to the provisions of this Loan Agreement and all other payments, including Additional Payments, payable by the Public Agency pursuant to the provisions of this Loan Agreement.

**"Loan Term"** means the term of each Loan as provided in Sections 4.02 and 4.03 hereof.

**"Mayor"** means the duly elected Mayor of the Public Agency or, in his or her absence, the Deputy Mayor or such other person designated by the Mayor to act on his or her behalf in his or her absence.

**"Maximum Legal Rate"** means (1) in the case of a Loan Note, the maximum rate of interest such Loan Note may bear under applicable law and, (2) in the case of Commercial Paper Notes, the maximum rate of interest such Commercial Paper Notes may

bear under applicable law; provided, however, that the rate determined under clause (2) shall never be greater than the rate determined under clause (1).

**"Maximum Loan Amount"** means the maximum amount of Loans which at any time is permitted to be outstanding hereunder as provided in, and subject to the terms and conditions of, Section 3.03 hereof.

**"Monthly Excess Credit"** means, for a month, with respect to all Loans of the Public Agency funded from Commercial Paper Notes of a Series the difference (whether or not less than zero) between the Estimated Monthly Interest and the Actual Monthly Interest for the month with respect to which such credit is given.

**"Monthly Investment Credit"** means, for a month, with respect to the Public Agency, the sum of the Daily Investment Credit Rates times the Daily Investment Balance for each day of the actual number of days of the month with respect to which such calculation is made.

**"Non-Ad Valorem Revenues"** shall mean all legally available revenues of the Public Agency derived from any source whatsoever other than ad valorem taxation on real and personal property, which are legally available to make the Loan Repayments required herein.

**"Non-Current Loan"** means all of the Loans of the Public Agency funded from Commercial Paper Notes of a Series, during any period the Public Agency is in default in the payment, when due, of the principal of or interest on any Loan of the Public Agency, whether by acceleration or otherwise.

**"Outstanding,"** in the context of the Commercial Paper Notes, has the meaning given such term in the Indenture. "Outstanding," in the context of the Loans, means the aggregate Loan Amounts less any Loan Amounts for which moneys have been deposited with the Trustee for the repayment thereof.

**"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.

**"Pledged Revenues"** shall mean the revenues, if any, of the Public Agency designated as added security for the Loan Repayments pursuant to Section 6.03 hereof.

**"Pooled Commercial Paper Loan Program" or "Program"** means the pooled commercial paper loan program of the Commission authorized by the Interlocal Agreement and a resolution of the Commission.

**"Prime Rate"** means for any day the greater of:

(1) the rate of interest announced by the Bank from time to time as its prime commercial rate for U.S. dollar loans, or equivalent, as in effect on such day, with any change in the Prime Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate; or

(2) the sum of (a) the rate determined by the Bank to be the average (rounded upwards, if necessary, to the next higher 1/100 of 1%) of the rates per annum quoted to the Bank at approximately 10:00 a.m. (New York time) (or as soon thereafter as is practicable) on such day (of, if such day is not a Business Day, on the immediately preceding Business Day) by two or more Federal funds brokers selected by the Bank for the sale to the Bank at face value of Federal funds in an amount equal or comparable to the principal amount owed to the Bank for which such rate is being determined, *plus* (b) 1/2 of 1% (0.50%).

**"Program Termination Date"** shall have the meaning given such term in the Indenture.

**"Project"** or **"Projects"** shall refer to the development, acquisition, construction and equipping of certain improvements and public facilities in the Public Agency. The Project or Projects to be financed or refinanced by each Loan shall be described in the resolution or ordinance of the Public Agency authorizing such borrowing, as the same may be amended from time to time by the City Council.

**"Proportionate Share"** means, at any time of calculation, a fraction the numerator of which is the Outstanding unpaid principal balance of the Loan Amounts of the Public Agency under this Loan Agreement and the denominator of which is the sum of the Outstanding unpaid principal balance of all Loan Amounts of all Public Agencies under the loan agreements funded with the proceeds of the Commercial Paper Notes (whether such balances are unpaid because they are not then due or because they are past-due and in default).

**"Public Agency"** means the signatory to this Loan Agreement which is a duly constituted municipal corporation of the State, which Public Agency is using the Loan proceeds to finance, refinance and/or reimburse the Costs of Projects or Public Agency Expenses.

**"Public Agency Commitment"** means that portion of the Commitment which is allocable or attributable to Loans of the Public Agency.

**"Public Agency Expenses"** means, to the extent permitted by the terms of this Loan Agreement, expenses of the Public Agency which may include operating expenses or working capital of the Public Agency. Public Agency Expenses to be financed or refinanced by a Loan shall be described in the resolution or ordinance of the Public Agency

authorizing such borrowing, as the same may be amended from time to time by the City Council.

**"Public Agency Moneys"** shall mean the moneys budgeted and appropriated by the Public Agency from Non-Ad Valorem Revenues for payment of the Loan Repayments pursuant to the Public Agency's covenant to budget and appropriate such Non-Ad Valorem Revenues contained in Section 6.04 of this Loan Agreement.

**"Repayment Schedule"** means the schedule of repayments approved by the Administrator pursuant to Section 4.02 hereof, as the same may be modified from time to time in accordance with the terms of this Agreement, including Sections 3.04(c) and 5.01(c) hereof.

**"Series"** means the Series A Notes and the Series B Notes and any other series of Commercial Paper Notes authorized to be issued pursuant to the Indenture.

**"Series A Notes"** means the "Florida Local Government Finance Commission Pooled Commercial Paper Notes, Series A-1 (Governmental Issue)" issued pursuant to the Indenture.

**"Series B Notes"** means the "Florida Local Government Finance Commission Pooled Commercial Paper Notes, Series B-1 (AMT Issue)" issued pursuant to the Indenture.

**"State"** means the State of Florida.

**"Trustee"** means U.S. Bank Trust Company, National Association, acting in its capacity as Trustee under the Indenture, or any successor trustee or co-trustee.

**"Trust Estate"** has the meaning given such term in the Indenture.

**"Written"** or **"in writing"** shall mean any form of written communication or a communication by means of telex, facsimile transmission device, telegraph or cable.

**ARTICLE II  
REPRESENTATIONS AND WARRANTIES OF  
PUBLIC AGENCY**

**SECTION 2.01. REPRESENTATIONS AND WARRANTIES.** The Public Agency represents and warrants for the benefit of the Commission, the Administrator, the Trustee, the Bank and the Holders as follows:

(a) Organization and Authority. The Public Agency is located in the State, is duly organized and validly existing as a municipal corporation under the laws of the State and has all requisite power and authority to carry out the transactions contemplated hereby.

(b) Full Disclosure. There is no fact that the Public Agency has not specifically disclosed in writing to the Commission, the Administrator and the Bank, prior to the date of its execution hereof, that materially and adversely affects or, so far as the Public Agency can now foresee, that will materially adversely affect, the financial condition of the Public Agency, the Non-Ad Valorem Revenues, the Designated Revenues or the ability of the Public Agency to perform its obligations under this Loan Agreement. To the best knowledge of the Public Agency, the financial statements, and any other written statement furnished by the Public Agency to the Commission, the Administrator and the Bank, 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, and since the date of such financial statements there has been no material adverse changes in the financial condition of the Public Agency.

(c) Pending Litigation. Except as described in writing by the Public Agency to the Commission, the Administrator and the Bank, there are no proceedings pending, or to the best knowledge of the Public Agency threatened, against or affecting the Public Agency, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the financial condition of the Public Agency, the Non-Ad Valorem Revenues, the Designated Revenues or existence or powers or ability of the Public Agency 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 Loan Notes, the consummation of the transactions provided for in this Loan Agreement, the security for Loan Repayments provided for herein, and compliance by the Public Agency with the provisions of this Loan Agreement:

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

(ii) do not require approval by referendum of the qualified electors of the Public Agency (except to the extent such referendum has been heretofore held and has approved the same); and

(iii) do not and will not (A) conflict with or result in any 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 Public Agency (other than the liens created hereby) pursuant to any indenture, loan agreement or other agreement or instrument to which the Public Agency is a party or by which the Public Agency, its properties or operations may be bound, or (B) with the giving of notice or the passage of time or both, constitute a breach or default of any such loan agreement, indenture or other agreement or instrument or so result in the creation or imposition of any such lien, charge, or encumbrance (other than the liens created hereby), or (C) result in any violation of the provisions of the Act, or any laws, ordinances, governmental rules or regulations or court orders to which the Public Agency, its properties or its operations may be bound.

(e) No Defaults. No event has occurred and no condition exists that constitutes an Event of Default, or which with the passage of time or giving of notice, or both, would constitute an Event of Default.

(f) Governmental Consent. The Public Agency has obtained all permits, approvals and findings of non-reviewability required by any governmental body or otherwise for its participation in the Pooled Commercial Paper Loan Program. The Public Agency has complied with all applicable provisions of law requiring any notification, declaration, filing or registration with any court, agency or other governmental body or officer in connection with its participation in the Pooled Commercial Paper Loan Program. The Public Agency's participation in the Pooled Commercial Paper Loan Program and the execution and delivery of this Loan Agreement is consistent with, and does not violate or conflict with, the terms of any such court, agency or other governmental consent, order or other action which is applicable thereto.

(g) Binding Obligation. This Loan Agreement is, and each of the Loan Notes will be, a legal, valid and binding obligation and agreement of the Public Agency, enforceable against the Public Agency in accordance with its terms except that the enforceability hereof may be limited by laws relating to the bankruptcy or insolvency of the Public Agency or other similar laws affecting creditors' rights generally or by general principles of equity.

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

(i) Certificates and Resolutions. All resolutions and certificates subsequently adopted or executed, as the case may be, by the Public Agency in connection with and pursuant to the provisions of this Loan Agreement shall be incorporated herein by reference. Any resolution subsequently adopted by the Public Agency authorizing the issuance of any Loan Note hereunder shall be deemed to be a contract between the Public Agency and the Commission with respect to such Loan Note.

**ARTICLE III  
LOAN TERM AND THE LOANS**

**SECTION 3.01. COMMENCEMENT OF LOAN TERM.** The Public Agency's obligations under this Loan Agreement shall commence on the Commencement Date.

**SECTION 3.02. TERMINATION OF LOAN TERM.** The Public Agency's obligations under this Loan Agreement shall terminate after (a) payment in full of all Loan Repayments, including Additional Payments and other payments due hereunder, and (b) the Public Agency shall provide notice to the Administrator, the Trustee, the Dealer and the Bank of its desire to terminate its obligations hereunder; provided, however, that all covenants and obligations hereunder specified to so survive shall survive the termination of this Loan Agreement and the payment in full of all amounts due hereunder. Upon termination of the Public Agency's obligations hereunder, the Commission, the Administrator, the Bank and the Trustee shall, upon request by the Public Agency, deliver, or cause to be delivered, to the Public Agency an acknowledgment thereof, subject to the proviso set forth in the preceding sentence. During such time as no Loans are Outstanding hereunder and all payments have been made hereunder, the covenants, agreements and representations made by the Public Agency shall not be binding, except as otherwise expressly provided herein.

**SECTION 3.03. THE LOANS.** (a) The Commission hereby agrees to make Loans to the Public Agency from time to time, in accordance with the terms hereof, in an aggregate amount not to exceed \$50,000,000; provided, however, such amount may be increased or decreased in accordance with the provisions hereof; provided, further, no Draws for a Loan shall be made after the Administrator determines that such Draw shall cause the aggregate principal amount of Commercial Paper Notes Outstanding and interest thereon to the stated maturity dates thereof to exceed the Commitment available under the Credit Facility. The Maximum Loan Amount may be increased by approval of the Commission and the Bank and shall be the aggregate amount of all Loans authorized by the Commission and the Bank to be Outstanding hereunder at any one time, subject to the terms and conditions set forth herein. The Maximum Loan Amount may be decreased at any time upon written notice delivered by the Bank to the Public Agency and the Administrator that, in the Bank's judgment, it has determined that it would not then approve a Draw by such Public Agency for any reason, including, but not limited to, a material decline of the financial condition of the Public Agency; provided, however, such decrease in the Maximum Loan Amount shall have no effect on the outstanding amount of Loans made to the Public Agency. Loans shall be subject to approval by the Administrator and the Bank in accordance with the provisions of Section 4.02 hereof. Draws which have been approved by the Administrator pursuant to Section 4.02 hereof and by the Bank pursuant to Section 3.03(b) hereof and for which all documentation has been submitted pursuant to Sections 4.03 and 4.04 hereof may be made by the Public Agency upon notice pursuant to

a Draw Request to the Administrator and the Bank as provided in Section 3.04 hereof. The proceeds of each Loan shall forthwith be used to finance, refinance or reimburse the Public Agency for the costs of a Project or Projects or for Public Agency Expenses, in each case as approved by the Administrator and the Bank in accordance with Section 4.02 hereof. A Loan which shall be used to finance Public Agency Expenses shall be made only if the Administrator and the Bank are in possession of an opinion of Bond Counsel to the effect that utilization of such Loan for such purposes is permitted by the Act. The Loan shall be repaid in accordance with the provisions of Articles IV and V hereof.

(b) The Maximum Loan Amount described in Section 3.03(a) hereof is not a commitment by the Bank to approve an increase in the amount of the Commitment or to approve any Draw hereunder. Each Draw which the Commission agrees to make to the Public Agency is subject to Bank review and an increase in the Commitment required in order to make the Draw may be rejected by the Bank in its sole discretion. No one shall have recourse against the Bank in the event (i) the Bank rejects a request to increase the Commitment available under the Credit Facility, (ii) the Public Agency receives any notice from the Bank pursuant to Section 3.03(a) hereof of a decrease of the Maximum Loan Amount or (iii) the Public Agency receives any notice from the Bank pursuant to Section 5.06 that the Expiration Date will not be extended or that any portion of the Public Agency Commitment will not be extended.

(c) In order to obtain an agreement from the Bank to approve all the Draws to be made under a Loan or Loans to be made by the Commission pursuant to the terms hereof and accordingly increase the Commitment under the Credit Facility, the Public Agency may enter into an agreement with the Bank whereby the Bank will agree to such increase in the Commitment upon payment, or agreement for payment, of a commitment fee or fees. The amount of the commitment fee or fees and the terms of the commitment shall be mutually agreed upon by the Bank and the Public Agency. The Administrator shall receive a copy of any such agreement. The amount of such commitment fee or fees shall be reflected in a certificate substantially in the form of Exhibit C hereto.

**SECTION 3.04. NOTICE OF DRAW.** (a) At least sixty (60) days (or such shorter period of time as may be agreed to by the Public Agency, the Bank and the Administrator) prior to a Draw Date on which the Public Agency desires to make the initial Draw on account of a Loan it shall submit to the Administrator and the Bank for review and approval pursuant to Section 4.02 hereof (i) a description of the Project or Projects (or the Public Agency Expenses) to be financed or refinanced by such Loan, (ii) the amount of the Loan, and (iii) the Repayment Schedule of the Loan. At or prior to the time of making the initial Draw for a Loan, the Public Agency shall also submit the documentation described in Section 4.03 hereof.

(b) In the case of Draws which have been approved in accordance with the provisions of Section 4.02 hereof, the Public Agency shall give the Administrator, the Bank and the Dealer a Draw Request at least forty-five (45) days prior to the Draw Date on which

it wants to make such Draw (or such shorter period of time as may be agreed to by the Public Agency, the Bank and the Administrator). The Draw shall be made in accordance with Section 4.02 hereof. Such Draw Request shall state (i) the amount of the Draw, (ii) the Draw Date, (iii) the purpose of the Draw, (iv) the Series of Commercial Paper Notes to be used to fund the Draw, (v) the information required by Section 4.04(f) hereof and any other information required by the Bank, and (vi) the Repayment Schedule for the Draw (which shall be in compliance with the Repayment Schedule approved by the Administrator pursuant to Section 4.02 hereof).

(c) Loan Repayments shall be made in accordance with the Repayment Schedule approved pursuant to Section 4.02 hereof; provided, however, the Public Agency may repay all or a portion of a Loan upon at least forty-five (45) days (or such shorter period of time as may be agreed to by the Public Agency, the Bank and the Administrator) written notice to the Administrator, the Dealer and the Bank, but only to the extent the Administrator determines that there will be sufficient Commercial Paper Notes coming due at such time of requested prepayment so as to permit such contemporaneous redemption of an equal principal amount of Commercial Paper Notes; and, provided further, each Loan or any portion thereof shall also be subject to mandatory prepayment pursuant to Section 5.06 hereof. The Repayment Schedule may be modified at any time upon written consent of the Administrator and the Bank. In the event of a failure to remarket Commercial Paper Notes, the Repayment Schedule shall be deemed to be modified to conform to the schedule of repayments required pursuant to the terms of Section 2.16(a)(iv)(C) of the Credit Agreement. In the event a Repayment Schedule shall be extended to a date later than the originally scheduled repayment date or dates, the Credit Facility fees and charges for that portion of the Commitment related to the Loan for which such Repayment Schedule was extended shall be as agreed to by the Bank and the Public Agency. Any changes to the Repayment Schedule, other than changes required by Section 2.16(a)(iv)(C) of the Credit Agreement, shall be reflected in a resolution adopted by the Public Agency approving the Loan relating thereto; provided, however, such changes shall take effect in accordance with the terms hereof and of the Credit Agreement.

(d) Draws on a Loan shall be made only to the extent such Draw shall not cause the aggregate principal amount of Commercial Paper Notes Outstanding and interest thereon to stated maturity to exceed the Commitment.

(e) A copy of all information relating to Draws submitted to the Administrator by the Public Agency pursuant to the terms hereof shall be sent by the Administrator to the Bank within five (5) Business Days of receipt thereof.

**ARTICLE IV  
LOAN TERM AND LOAN CLOSING  
REQUIREMENTS**

**SECTION 4.01. COMMENCEMENT DATE SUBMISSIONS.** On or before the execution of this Loan Agreement, the Public Agency shall have caused to be delivered to the Administrator, the Bank and Bond Counsel the following items in form and substance acceptable to the Administrator, the Bank and Bond Counsel:

(a) An opinion of the Public Agency's Counsel or Bond Counsel regarding the due authorization, validity and enforceability of this Loan Agreement and the due adoption of the resolution or ordinance of the Public Agency authorizing the execution and delivery of this Loan Agreement (enforceability may be subject to standard bankruptcy exceptions and the like); provided such opinion may be delivered at the time of the first Draw on the initial Loan;

(b) A certified resolution or ordinance of the Public Agency, authorizing the execution and delivery of this Loan Agreement;

(c) Approval of the Public Agency as a participant in the Pooled Commercial Paper Loan Program by the Bank and approval by the Bank of this Agreement and Designated Revenues; and

(d) Such other certificates, opinions, documents and information as the Administrator, the Bank or Bond Counsel may reasonably require.

**SECTION 4.02. CONDITIONS PRECEDENT TO LOANS AND DRAWS.** Each Loan made to a Public Agency pursuant to the terms hereof shall be subject to approval by the Commission or the Administrator, acting on behalf of the Commission, in its sole discretion, of (a) the Project or Projects or Public Agency Expenses to be funded from the proceeds of the Loan, (b) the Loan Amount applicable to such Loan, (c) the Series of Commercial Paper Notes to be used to make the Loan, and (d) the Repayment Schedule of such Loan. The Repayment Schedule and Loan Amount must be approved by the Bank. The Repayment Schedule may be amended from time to time subject to the provisions of Sections 3.04(c) and 5.01(b) and (c) hereof. The Repayment Schedule shall also be amended, by notice from the Administrator or the Bank to the Public Agency and the Trustee, to the extent necessary to amortize the Loan in accordance with Section 2.16(a) of the Credit Agreement. Approval by the Administrator shall be evidenced by the certificate of an Authorized Officer thereof. Each Draw shall be subject to the provisions of Section 3.03(b) hereof relating to Bank approval of the increase in the Commitment which is a condition precedent to each such Draw.

**SECTION 4.03. LOAN SUBMISSIONS.** At or before the time of making the initial Draw for each Loan, the Public Agency shall provide to the Administrator, the Bank and Bond Counsel the following documents each dated the date such Draw is made:

(a) A certified resolution or ordinance of the Public Agency, authorizing such Loan and authorizing the Project or Projects or Public Agency Expenses to be funded from proceeds of the Loan;

(b) An opinion of the Public Agency's Counsel and/or Bond Counsel in form and substance acceptable to the Administrator and the Bank substantially in the form of Exhibit A to this Loan Agreement; provided, however, that the Administrator may permit variances in such opinion from the form or substance of such Exhibit A, with the consent of the Bank, if, in the judgment of the Administrator, such variance is not to the material detriment of the interests of the holders;

(c) A certificate of the officials of the Public Agency who sign this Loan Agreement substantially in the form of Exhibit B to this Loan Agreement; provided, however, that the Administrator may permit variances in such certificate from the form or substance of Exhibit B, with the consent of the Bank, if, in the judgment of the Administrator, such variance is not to the material detriment of the interests of the holders;

(d) This executed Loan Agreement;

(e) An Arbitrage Certificate in form and substance satisfactory to Bond Counsel;

(f) Approval of the Administrator and the Bank required by Section 4.02 hereof;

(g) The Repayment Schedule for the Draw, as approved pursuant to Section 4.02 hereof; and

(h) Such other certificates, documents, opinions and information as the Administrator, the Bank or Bond Counsel may reasonably require.

The aforementioned opinions, documents and certificates need not be submitted to the extent they have been previously submitted by the Public Agency, except as the same are required by the Administrator or Bank to be updated. Provision of any of the above-described documents may be waived by the Administrator and the Bank.

**SECTION 4.04. DRAW SUBMISSIONS.** At or prior to the time of making any Draw for a Loan the Public Agency shall submit to the Administrator, the Bank and Bond Counsel:

(a) A copy of the Draw Request for such Draw;

(b) If applicable, a copy of a completed and executed Form 8038-G relating to the Draw to be filed with the Internal Revenue Service;

(c) A certificate of an Authorized Officer of the Public Agency to the effect that the representations and warranties contained in the Loan Agreement are true and correct as of the date of the Draw and that no Default or Event of Default exists at such date;

(d) A copy of a certificate substantially in the form of Exhibit C hereto indicating the Credit Facility fee applicable to such Draw;

(e) A Loan Note duly executed by the Public Agency reflecting the terms of the Draw, including the Repayment Schedule, in form and substance as provided in Exhibit D hereto;

(f) A certificate of an Authorized Officer of the Public Agency setting forth (i) any Debt incurred by the Public Agency since the last Draw, including Debt secured by any of the Designated Revenues, and (ii) any Debt which the Public Agency intends to incur within one year of the date of the Draw which pledges any of the Designated Revenues, and stating whether there has been any material adverse change in the financial condition of the Public Agency since the date the last financial statements were filed with the Bank;

(g) A new or amended Arbitrage Certificate; and

(h) Such other opinions, documents, certificates and information as the Administrator, the Bank or the Bond Counsel may reasonably require.

Provision of any of the above-described documents may be waived by the Administrator and the Bank.

## ARTICLE V LOAN REPAYMENTS

**SECTION 5.01. PAYMENT OF LOAN REPAYMENTS.** (a) The Public Agency shall make all Loan Repayments in lawful money of the United States of America to the Trustee. All Loan Repayments shall be made by electronic or wire transfer or other method of immediate funds payment. The principal of each Loan shall be repaid in accordance with the Repayment Schedule relating thereto. The principal component of a Loan Repayment shall be paid on or before the date such amount is due, subject to the provisions of Sections 3.04(c) and 5.06 hereof; provided the Public Agency pays the Trustee moneys which are available not later than such due date. Unpaid interest on the Outstanding principal balance of the Loan Amounts shall be paid by the Public Agency to the Trustee, as follows:

(i) On or before the twenty-fifth (25th) day of each calendar month, the Administrator will determine the Estimated Monthly Rate and Estimated Monthly Interest for the Loan Amounts of each Series of Commercial Paper Notes from which such Loan Amounts are derived for the next succeeding calendar month.

(ii) No later than the twenty-fifth (25th) day of each month, the Administrator shall provide an invoice to the Public Agency setting forth the total amount (including without limitation, Loan Repayments and Additional Payments) due on the first Business Day of the next succeeding month. Such written notice shall state the amount of interest, Additional Payments, Monthly Investment Credits and Monthly Excess Credits relating to each Loan of the Public Agency. Such notice shall also state the amount of principal due, if any, in the next succeeding month. A copy of such notice shall be provided to the Trustee.

(iii) On or before the first Business Day of each month the Public Agency shall pay to the Trustee for deposit into the Interest Payment Account the Estimated Monthly Interest for such calendar month relating to each Series of Commercial Paper Notes together with the other amounts invoiced pursuant to clause (ii).

(iv) If, at any time and from time to time during a month, the Administrator determines that the amount on deposit in the Interest Payment Account will be insufficient to pay the interest due or to become due on Commercial Paper Notes in such month, the Administrator shall recalculate the Estimated Monthly Interest due from the Public Agency and require, on three (3) Business Days' notice to the Public Agency, the Public Agency to pay to the Trustee, as a part of the interest component of the Loan Repayment due in such month, an amount equal to the difference, if any, between the Estimated Monthly Interest as previously calculated and the Estimated Monthly Interest as so recalculated. Notwithstanding the definition of Estimated Monthly Rate and in accordance with the provisions of Section 3.03(b) of the Indenture, the Administrator, in its sole discretion, may

recalculate the Estimated Monthly Rate if necessary to ensure sufficient funds are on deposit in the applicable Interest Payment Account under the Indenture.

Upon full payment and discharge of the Loan, the Commission shall cause the Trustee to pay over to the Public Agency the Monthly Investment Credits and Monthly Excess Credits accrued during the calendar month in which the Loan is paid and discharged.

(b) Notwithstanding the foregoing, if the Public Agency fails to make a Loan Repayment on the due date thereof and an unreimbursed draw is made on the Letter of Credit as a result of such delinquency, interest will accrue on the unpaid portion of the Loan Repayment at the Default Rate from the original due date of such Loan Repayment to the date of payment of all due and unpaid Loan Repayments.

(c) The principal component of any Loan Repayments shall be paid by the Public Agency to the Trustee at such time and in such manner as provided in the Repayment Schedules, unless (i) the Loan Amounts are prepaid in accordance with the terms hereof, (ii) the Repayment Schedules are modified in accordance with the terms hereof, including, but not limited to Section 3.04(c) hereof, (iii) any portion of the Loan becomes subject to mandatory prepayment pursuant to Section 5.06 hereof, or (iv) the due dates of the Loan Repayments are accelerated pursuant to the terms of Section 8.03 hereof.

(d) In determining the Estimated Monthly Interest as described in Section 5.01(a) above, the Public Agency receives a credit against each Loan Repayment for investment earnings on moneys in the Accounts. The Public Agency shall receive a pro-rata share of such investment earnings based on the amount of money representing the interest component of Loan Repayments as described in Section 5.02(a) hereof made by each Public Agency participating in the Pooled Commercial Paper Loan Program.

(e) The Public Agency acknowledges that the Commission has agreed, pursuant to Section 3.03(g) of the Indenture, that upon the occurrence and continuance of any default under Section 8.01(a) hereof, or, upon the acceleration of the Loan, all Loan Repayments are to be deposited by the Trustee in a special escrow account pursuant to such Section 3.03(g) and held as a part of the Trust Estate for the sole benefit of and as security for the Noteholders and the Bank, pending the application of such moneys to pay, or to reimburse the Bank (including interest on unreimbursed amounts at the applicable rate or rates as set forth in the Credit Agreement) for L/C Payments made by the Bank to pay, Commercial Paper Notes and the interest thereon at their maturity; provided, that (i) any net earnings (or losses) derived from the investment of any portion of such moneys held in such special escrow account shall be credited to (or, in the case of losses, payable by) the Public Agency, and (ii) the Public Agency shall remain liable for its share of the amounts specified in subsections (a), (b), (c) and (d) of Section 5.02 hereof accruing during the period moneys are held by the Trustee in such special escrow account. The Public Agency agrees that it shall have no interest in or rights to such special escrow account, subject to clause (i) of

the proviso in the preceding sentence. The provisions of this Section 5.01(e) shall survive the payment in full of the Loan Repayments.

(f) The Public Agency shall make all Loan Repayments in lawful money of the United States of America to the Trustee as required hereby. All Loan Repayments shall be made by electronic or wire transfer or other method of immediate funds payment at or prior to 3:00 p.m. on the due date.

(g) Any amount not paid when due shall bear interest at the Default Rate until paid.

**SECTION 5.02. CALCULATION OF LOAN RATE.** Except as otherwise provided in Section 5.01 of this Loan Agreement, the Loan Rate shall equal the sum of subsections (a), (b), (c) and (d) minus (e) of this Section 5.02:

(a) Interest on the Commercial Paper Notes. A rate which reflects the Actual Monthly Interest on the Loan, payable in the amount of Estimated Monthly Interest, subject to Monthly Excess Credits and Monthly Investment Credits, as provided in Section 5.01 hereof; and, provided further, however, the Public Agency recognizes that when Commercial Paper Notes become due for payment and Commercial Paper Notes cannot be sold by the Dealer to repay such maturing Commercial Paper Notes, such Commercial Paper Notes must be paid with funds provided by the Bank under the Credit Agreement, and the interest rate on Loans or portions thereof will reflect the Bank Rate in accordance with the terms of the Credit Agreement.

(b) Proportionate Expenses. A rate which reflects the Public Agency's Proportionate Share of the following items, fees and expenses to the extent that such items are not paid as provided in Sections 5.05 and 6.06(e) hereof:

(i) the fees and expenses of the Administrator owed to it under the Administration Agreement;

(ii) the fees and expenses of the Trustee owed to it under the Indenture;

(iii) the expenses of the Commission, including legal and accounting fees;

(iv) the rating fees of Moody's Investors Service and/or Standard & Poor's Corporation;

(v) any loss on investments of the Trust Estate;

(vi) any fees or penalties related to terminating the Program or replacing the Credit Facility; and

(vii) such other reasonable fees and expenses in connection with the Commercial Paper Notes or this Loan Agreement as the Commission may determine.

Extraordinary expenses payable pursuant to this Section 5.02(b) shall be stated separately on the bill delivered by the Administrator to the Public Agency.

(c) Credit Facility Charges. A rate which reflects the Credit Facility fees or charges of the Bank owed to it under the Credit Agreement by the Public Agency, plus any commitment fees or other fees payable under Section 3.03(c) hereof. The letter of credit fees component of such Credit Facility charge or charges shall be provided in a certificate substantially in the form of Exhibit C hereto or in a resolution adopted by the Public Agency approving the Loan relating thereto, as the same may be amended from time to time. In addition, the Public Agency shall be responsible for payment of a Proportionate Share of any other amounts owing the Bank under the Credit Agreement.

(d) Proportionate Dealer Fees. A rate which reflects the Public Agency's Proportionate Share of the fees and expenses of the Dealer owed to it under the Dealer Agreement.

(e) Credits. The Public Agency shall receive the credits referred to in Sections 5.01(a) and 5.01(d) hereof (without duplication), applied as set forth in Section 5.02(a) above.

**SECTION 5.03. LOAN REPAYMENTS.** The obligation of the Public Agency to make Loan Repayments or payment of any other amounts required hereunder and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events. Notwithstanding any dispute between the Public Agency and the Commission, the Trustee, the Bank, the Administrator or any Noteholder, the Public Agency shall pay Loan Repayments or any other amounts when due and shall not withhold any Loan Repayments or any other amounts payable hereunder pending final resolution of such dispute nor shall the Public Agency assert any right of setoff or counterclaim against its obligation to make such payments required under this Loan Agreement. The Public Agency's obligation to make payment of Loan Repayments or any other amounts due shall not be abated through accident or unforeseen circumstances. The Commission, the Bank and the Public Agency agree that the Public Agency shall bear all risk of damage or destruction in whole or in part to the Projects or any part thereof, including without limitation any loss, complete or partial, or interruption in the use, occupancy or operation of such Projects, or any manner or thing which for any reason interferes with, prevents or renders burdensome the use or occupancy of the Projects or the compliance by the Public Agency with any of the terms of this Loan Agreement. Notwithstanding the foregoing, this Section shall not limit the rights of the Public Agency to recover amounts owing to it, except as specifically set forth herein.

**SECTION 5.04. MAXIMUM LEGAL INTEREST RATE.** Notwithstanding the calculation of interest pursuant to Section 5.02 hereunder, the Commission and the Public Agency acknowledge that it is their intent to contract hereunder in strict compliance with the usury laws of the State. In furtherance thereof, the Commission and the Public Agency stipulate and agree that none of the terms and provisions contained herein or under any instruments held as security hereunder, shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the Maximum Legal Rate. The Public Agency shall never be liable for interest on any Loan Note at a rate in excess of the Maximum Legal Rate applicable thereto. The provisions of this Section shall control over all other provisions of this Loan Agreement and any other instruments executed in connection herewith which may be in apparent conflict herewith. If a court of competent jurisdiction shall make a final determination that the performance of any provision of this Loan Agreement shall result in a payment of an amount for such use, forbearance or detention in excess of the Maximum Legal Rate, then (a) such provision shall be deemed to be appropriately modified to the extent necessary to reduce such interest to an amount not in excess of such Maximum Legal Rate, and (b) any such excess amounts theretofore received by the Commission or its assignees shall be deemed to have been a prepayment of a like principal amount of said Loan Notes, and all necessary reallocations of subsequent payments with respect to said Loan Notes shall be made. In addition, if the rate of interest payable under Section 5.02 hereof shall exceed the Maximum Legal Rate for any period for which interest is payable (i) interest at the Maximum Legal Rate shall be due and payable with respect to such interest period, and (ii) to the extent permitted by applicable law, interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Legal Rate (the "Excess Interest") shall be deferred until such date as the rate of interest, calculated in accordance herewith, ceases to exceed the Maximum Legal Rate, at which time the Public Agency shall pay the Commission such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Commission to equal the Maximum Legal Rate, which payments of deferred Excess Interest shall continue until all such deferred Excess Interest is fully paid to the Commission.

**SECTION 5.05. COSTS OF ISSUANCE.** (a) At the time of each Draw hereunder, the Public Agency agrees to pay the Administrator an amount equal to \$2,000 for each \$1,000,000 of Loan Amounts then Outstanding (including the proposed Draw) to the extent not previously paid with respect to such Outstanding amounts. The maximum aggregate amount payable pursuant to this Section 5.05(a) shall be \$40,000. Such fees shall represent the Public Agency's share of the costs of structuring the Commercial Paper Loan Program.

(b) The Public Agency shall also pay the Administrator, the Bank, Bank's Counsel and Bond Counsel, as the case may be, all reasonable fees and expenses associated with approving and administering the Loans and the Draws pursuant to the provisions of this Loan Agreement.

**SECTION 5.06. MANDATORY PREPAYMENT.** (a) All Loans of the Public Agency will become due and payable in full on the Expiration Date at a prepayment price of 100% of the principal amount Outstanding plus accrued interest to the prepayment date.

(b) If (i) in connection with any extension of the Expiration Date, the Bank notifies the Administrator that the Bank will not extend the Public Agency Commitment beyond the then-current Expiration Date, or will extend the Public Agency Commitment but only at a reduced amount or (ii) the Administrator determines that the Bank will not be extending the Public Agency Commitment or will be reducing the amount of the Public Agency Commitment, a principal amount of all Outstanding Loans of the Public Agency will become due and payable on the then applicable Expiration Date at a prepayment price of 100% of the principal amount to be prepaid plus accrued interest to the prepayment date. The principal amount of Loans required to be prepaid under this Section 5.06(b) shall be (A) 100% of the Outstanding principal amount in the event the Bank is not extending the Public Agency Commitment, or (B) the amount by which the Bank is reducing the amount of the Public Agency Commitment. The Administrator will promptly provide the Public Agency with notice of any such required prepayment.

**SECTION 5.07. OBLIGATIONS UNCONDITIONAL.** Except as provided in Section 5.01 hereof, the obligation of the Public Agency to make Loan Repayments and payment of any other amounts required hereunder from Designated Revenues and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events. Notwithstanding any dispute between the Public Agency and the Commission, the Trustee, the Bank, the Administrator or any Noteholder, the Public Agency shall pay the Loan Repayments or any other amounts when due and such obligations shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed, or otherwise modified in any manner or to any extent whatsoever and the Public Agency shall not withhold any such payments pending final resolution of such dispute nor shall the Public Agency assert any right of setoff, recoupment, abatement, or counterclaim against its obligation to make such payments required under this Loan Agreement. Subject to the foregoing, the Public Agency shall have the right to litigate any issue that cannot be amicably resolved with the Commission.

**ARTICLE VI**  
**SECURITY FOR LOANS AND PUBLIC AGENCY**  
**COVENANTS**

**SECTION 6.01. STATUS OF LOAN OBLIGATIONS.** Anything in this Loan Agreement to the contrary notwithstanding, it is understood and agreed that the ad valorem taxing power and the full faith and credit of the Public Agency has not been pledged to secure the obligations of the Public Agency hereunder, except to the extent ad valorem taxes are pledged pursuant to Section 6.03 hereof. Neither the Commission, the Bank, the Administrator, the Trustee nor the Holders of the Notes shall have any right to compel the exercise of any ad valorem taxing power of the Public Agency to pay the obligations owing hereunder except to the extent ad valorem taxes are pledged pursuant to Section 6.03 hereof. The obligations of the Public Agency under this Loan Agreement, including Loan Repayments and all other payments, shall be payable solely from Designated Revenues in accordance with the terms hereof. The provisions of this Section shall survive the termination and/or assignment of this Loan Agreement.

**SECTION 6.02. SECURITY FOR LOAN REPAYMENTS.** The Public Agency's obligation to repay the Loan Repayments shall be secured by a pledge of and lien on the Designated Revenues. The Pledged Revenues, which are part of the Designated Revenues, shall be pledged to the payment of the Loan Repayments in accordance with Section 6.03 hereof. The Public Agency hereby irrevocably pledges and grants a lien upon the Designated Revenues to the payment of the Loan Repayments in accordance with the provisions hereof.

**SECTION 6.03. PLEDGED REVENUES.** The Public Agency may, in its sole discretion, pledge certain of its funds to the payment of the Loan Repayments. Such Pledged Revenues shall be described in a resolution adopted by the Public Agency approving the Loan relating thereto. The pledge of and lien on such Pledged Revenues shall commence and terminate at such times and in accordance with the provisions of such resolution. The Public Agency may provide for the termination and defeasance of the pledge of and lien on such Pledged Revenues in accordance with the terms of any such resolution. The terms and provisions of any resolution shall be subject to the approval of the Administrator and the Bank. At or prior to the pledge of any Pledged Revenues the Public Agency shall submit to the Administrator and the Bank (a) a certified copy of the resolution or ordinance of the Public Agency pledging such Pledged Revenues and (b) an opinion of Counsel to the Public Agency or Bond Counsel to the effect that the resolution or ordinance pledging such Pledged Revenues has been duly adopted and is enforceable in accordance with its terms (subject to standard bankruptcy exceptions and the like).

**SECTION 6.04. COVENANT TO BUDGET AND APPROPRIATE.** (a) Until all Loan Repayments and other amounts owing hereunder are paid or deemed paid pursuant to the provisions of this Loan Agreement, the Public Agency hereby covenants to appropriate in its annual budget, by amendment if necessary, from Non-Ad Valorem

Revenues lawfully available in each fiscal year of the Public Agency in which principal or interest on the Loan Repayments and other amounts owing hereunder becomes due and payable, amounts sufficient, together with other available moneys, to pay the Loan Repayments and other amounts owing hereunder, as the same become due (whether by redemption, at maturity or otherwise). Such covenant and agreement on the part of the Public Agency to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments hereunder shall have been budgeted, appropriated and actually paid. Once such Non-Ad Valorem Revenues are so budgeted and appropriated, the same shall constitute "Public Agency Moneys" hereunder. Notwithstanding the foregoing covenant of the Public Agency, the Public Agency does not covenant to maintain any services or programs, now provided or maintained by the Public Agency, which generate Non-Ad Valorem Revenues.

(b) Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor does it preclude the Public Agency from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Public Agency to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Bank, the Commission, the Administrator, the Trustee or the Noteholders a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the Public Agency. Such covenant to appropriate Non-Ad Valorem Revenues is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into (including the payment of debt service on bonds and other debt instruments). Such covenant to budget and appropriate Non-Ad Valorem Revenues shall not in any way detract from the pledge of and lien on the Pledged Revenues, if any, provided herein. However, the covenant to budget and appropriate in its general annual budget for the purposes and in the manner stated herein shall have the effect of making available for the payment of the Loan Repayments and other amounts owing hereunder in the manner described herein Non-Ad Valorem Revenues and placing on the Public Agency a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations hereunder; subject, however, to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Public Agency or which are legally mandated by applicable law; and subject, further, to the provisions of Section 166.241(2), Florida Statutes, insofar as there are not sufficient Non-Ad Valorem Revenues to comply with such covenant to budget and appropriate after the satisfaction of the funding requirements for obligations having an express lien on or pledge of such revenues and the funding requirements for legally mandated or essential governmental services and programs of the Public Agency.

(c) During such time as any Loan Amounts are outstanding hereunder (including but not limited to at the time of issuance or incurrence of additional indebtedness which is secured by any Non-Ad Valorem Revenues or is payable from a covenant to budget and

appropriate legally available Non-Ad Valorem Revenues that is similar to the one set forth herein) which are secured by the covenant to budget and appropriate legally available Non-Ad Valorem Revenues, the Public Agency agrees and covenants with the Commission and the Bank that: (i) Non-Ad Valorem Revenues (average of actual receipts over the prior two years) must cover projected maximum annual debt service on Debt secured by and/or payable from any 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 from any Non-Ad Valorem Revenues will not exceed 20% of Governmental Fund Revenues (defined as general fund, special fund, debt service fund and capital projects funds), exclusive of (i) ad valorem revenues restricted to payment of debt service on any Debt and (ii) any Debt proceeds, and based on the Public Agency's audited financial statements. For the purposes of these covenants maximum annual debt service means the lesser of the actual maximum annual debt service on all Debt or 15% of the original par amount of the Debt, in each case, secured by or payable from Public Agency Non-Ad Valorem Revenues. The Public Agency agrees that, as soon as practicable after the end of each fiscal year, it shall deliver to the Bank a certificate setting forth the calculations of the financial ratios provided in this Section 6.04(c) and certifying that it is in compliance with the provisions of this Section 6.04(c).

For purposes of the foregoing covenant, all Debt (including Loans hereunder) bearing interest at a variable rate shall be assumed to bear interest at the higher of 6.00% per annum or the actual interest rate borne during the month immediately preceding the date of calculation and shall be assumed to amortize on a level basis over 20 years. Notwithstanding the foregoing covenant, for purposes of calculating annual debt service on any Loan hereunder for which a Draw has been funded, such Loan shall be assumed to be fully funded.

(d) The covenant to budget and appropriate provided in this Section may, with the consent of the Administrator and the Bank, be released in lieu of the pledge of Pledged Revenues as provided in Section 6.02 hereof. The release of such covenant shall be evidenced by a certificate executed by the Public Agency and approved in writing by the Bank and the Administrator.

**SECTION 6.05. PAYMENT COVENANT.** The Public Agency covenants that it shall duly and punctually pay from Designated Revenues the Loan Repayments and other amounts owing hereunder at the dates and place and in the manner provided herein.

**SECTION 6.06. ADDITIONAL COVENANTS.** The Public Agency makes the following additional covenants and representations as of the date first above written and such covenants shall continue in full force and effect until all amounts due hereunder have been paid in full:

(a) Books and Records. The Public Agency will keep books and records of the receipt of the Designated Revenues in accordance with generally accepted accounting

principles, and the Administrator, the Bank and the Trustee shall have the right at all reasonable times to inspect the records, accounts and data of the Public Agency relating thereto.

(b) Annual Audit and Other Information. The Public Agency shall (i) furnish or cause to be furnished to the Bank upon request, as soon as available, and in any event not less than forty-five (45) days after the beginning of each fiscal year, a copy of its budget for such fiscal year, (ii) cause the financial statements of the Public Agency for each fiscal year to be audited by an Accountant, (iii) furnish or cause to be furnished to the Bank and the Administrator, as soon as available and in any event not less than ten (10) days after the issuance thereof, a copy of any final official statement relating to Debt of the Public Agency, and (iv) additional information as reasonably requested by the Bank. Such annual financial statements shall contain, but not be limited to, a balance sheet, a statement of revenues, expenditures and changes in fund balance, and any other statements as required by law or accounting convention. The annual financial statement shall be prepared in conformity with generally accepted accounting principles, and shall be furnished to the Bank as soon as available and in any event not more than 180 days after the end of the applicable fiscal year. The Public Agency shall also provide a certificate to the Bank each year with the audited financial statements certifying that it is in compliance with all of the provisions herein and is not in default hereunder. Such certificate may also include the certification required under Section 6.04(c) hereof.

(c) Right of Inspection. The Commission, the Bank, the Trustee, and their designated agents shall have the right at all reasonable times during normal business hours to enter into and upon the property of the Public Agency for the purpose of inspecting books and records of the Public Agency relating to this Loan Agreement, the Designated Revenues and the transactions contemplated hereby and by the Indenture.

(d) Information. The Public Agency's chief financial officer shall, at the reasonable request of the Trustee or the Bank, discuss the Public Agency's financial matters with the Bank and the Trustee. In addition, the Public Agency shall furnish the Administrator all necessary information relating to its financial condition to enable the Commission and the Administrator to make all disclosures to the Noteholders required by State or Federal law. The Public Agency shall immediately inform the Administrator of any material adverse change in its financial condition.

(e) Agreement to Reimburse Certain Amounts.

(i) To the extent allowed by law, the Public Agency will pay to, reimburse or indemnify the Commission, the Administrator, the Bank, the Trustee, each member, officer, commissioner, employee and agent of the Commission, the Administrator, the Bank, the Trustee and each other Person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Commission, the Administrator, the Bank and the Trustee for any

and all liabilities, losses, damages, costs, expenses (including reasonable attorneys' fees), suits, claims and judgments of whatsoever kind and nature, arising or resulting from, or in connection with, this Loan Agreement, the Credit Agreement or the Projects or the breach or violation of any agreement, covenant, representations or warranty of the Public Agency set forth in this Loan Agreement or any document delivered pursuant hereto or in connection herewith.

(ii) In addition, to the extent allowed by law, the Public Agency will reimburse all other Public Agencies participating in the Pooled Commercial Paper Program to the extent the Public Agency has committed any act or failed to commit an act and the result of such action or failure to act is that the cost of participating in the Pooled Commercial Paper Program of such Public Agencies is increased. Such reimbursement includes, without limitation, any increased costs incurred by other participating Public Agencies as a result of the Public Agency failing to make a Repayment or any other payment hereunder when due.

(iii) The provisions of this Section 6.06(e) shall survive the termination of this Loan Agreement.

(f) Further Assurance. The Public Agency shall execute and deliver to the Commission, the Administrator, the Bank or the Trustee, as the case may be, all such documents and instruments and do all such other acts and things as may be necessary or reasonably required by the Trustee, the Administrator, the Bank or the Commission to enable the Trustee, the Administrator, the Bank or the Commission to exercise and enforce its rights under this Loan Agreement, and to validate, preserve and protect the position of the Trustee, the Administrator, the Bank and the Commission under this Loan Agreement.

(g) Use of the Projects. The Public Agency will not use the Projects or suffer or permit the Projects to be used in any manner or to any extent which would result in the loss of the exclusion of interest on the Commercial Paper Notes from gross income for federal income tax purposes pursuant to the Code.

(h) Special Covenants. The Public Agency agrees to fully comply with any additional covenants required by the Bank or the Commission with respect to a particular Loan which shall be provided in a certificate or in a resolution adopted by the Public Agency approving the Loan relating thereto, the terms of which are incorporated herein by reference. Such covenants may be established, terminated or modified at any time with the written consent of the Bank.

(i) Compliance with Laws, etc. The Public Agency shall comply with the requirements of all applicable laws, the terms of all grants, rules, regulations and orders of any governmental authority, non-compliance with which would, singly or in the aggregate, materially adversely affect its business, properties, earnings, prospects or credit, unless the

same shall be contested by it in good faith and by appropriate proceedings which shall operate to stay the enforcement thereof.

(j) Tax Exempt Status of Commercial Paper Notes.

(i) The Commission and the Public Agency understand that it is the intention hereof that the interest on the Commercial Paper Notes be excluded from the gross income of the Holders thereof for federal income tax purposes. In furtherance thereof, the Public Agency agrees that so long as any Loans are Outstanding under this Agreement it will take all action within its control which is necessary in order for the interest on the Commercial Paper Notes to be excluded from gross income for purposes of federal income taxation (other than those Series B Notes held by a person who is deemed a "substantial user" of a Project or a "related person" to a "substantial user" of a Project within the meaning of Section 147(a) of the Code) and shall refrain from taking any action which results in such interest becoming so taxable.

(ii) In order to maintain the exclusion from gross income for purposes of federal income taxation of interest on the Commercial Paper Notes the Public Agency shall comply with each requirement of the Code applicable to the Loan Amounts. In furtherance of the covenant contained in the preceding sentence, the Public Agency shall execute an Arbitrage Certificate for each Loan and shall comply with all the terms and conditions thereof. Such Arbitrage Certificate shall be deemed to be reexecuted and reaffirmed as of the date of each subsequent delivery of Series A Notes or Series B Notes, the proceeds of which are used to pay the principal of Series A Notes or Series B Notes, which financed or refinanced such Loan unless and until the Public Agency shall furnish the Administrator and Bond Counsel a new Arbitrage Certificate or a supplement or modification to the existing one. The Public Agency shall set forth in each of its Arbitrage Certificates its reasonable expectations on the date of delivery of such Arbitrage Certificate as to compliance with the relevant requirements of Section 103 and Sections 141 through 150 of the Code and as to the relevant facts, estimates and circumstances relating to the use of proceeds of a Loan, and any other matters deemed relevant by Bond Counsel. The facts, estimates and circumstances set forth in each such Arbitrage Certificate will be, to the best knowledge of an Authorized Officer of the Public Agency, true and correct as of the date thereof. The Public Agency shall inform Bond Counsel of any change in the facts, estimates and circumstances contained in any Arbitrage Certificate.

(iii) So long as necessary in order to maintain the exclusion, if any, from gross income of interest on the Commercial Paper Notes for federal income tax purposes (other than those Series B Notes held by a person who is deemed a "substantial user" of a Project or a "related person" to a "substantial user" of a Project within the meaning of Section 147(a) of the Code), the covenants contained

in this Section shall survive the payments of the Commercial Paper Notes and the interest thereon, including any payment or defeasance thereof.

(iv) The Public Agency shall not take or permit any action or fail to take any action so long as any Loans are Outstanding under this Agreement which would cause the Commercial Paper Notes to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(v) The Public Agency covenants to provide the Administrator with all material and information necessary to enable the Administrator to file all reports required under the Code.

(vi) The Public Agency shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Loan Amounts pursuant to Section 148(f) of the Code.

(k) Agreement Re: Contingency Account. The Public Agency agrees on the Commencement Date to execute the Agreement Re: Contingency Account substantially in the form attached hereto as Exhibit E. The Public Agency agrees to comply with the terms of the aforementioned Agreement and to make such amendments to the Agreement as shall be reasonably requested to ensure the prompt payment of the Loan Repayments; provided, however, no amendment may be made without the prior written consent of the Bank.

**ARTICLE VII**  
**ASSIGNMENT AND PAYMENT BY THIRD PARTIES**

**SECTION 7.01. ASSIGNMENT BY COMMISSION.** This Loan Agreement and the obligations of the Public Agency to make payments hereunder may be assigned and reassigned by the Commission in whole or in part to one or more assignees or subassignees at any time subsequent to its execution without the necessity of obtaining the consent of the Public Agency. Any assignment by the Commission shall be subject to the prior written consent of the Bank, except in the case of an assignment to the Trustee. The Public Agency expressly acknowledges that this Loan Agreement and the obligations of the Public Agency to make payments hereunder (with the exception of the Commission's rights to reimbursement, indemnification, fees and expenses), have been pledged and assigned to the Trustee and the Bank under the Indenture as security for the holders of the Commercial Paper Notes and the Bank and that the Trustee shall be entitled to act hereunder in the place and stead of the Commission whether or not any of the Commercial Paper Notes or this Loan Agreement are in default. In addition, the Public Agency acknowledges that the Commission has appointed an Administrator which shall be entitled to act hereunder in the place and stead of the Commission, but only to the extent of such appointment.

**SECTION 7.02. ASSIGNMENT BY PUBLIC AGENCY.** This Loan Agreement may not be assigned by the Public Agency for any reason without the express prior written consent of the Commission, the Administrator, the Bank and the Trustee, except in the case of an assignment to the Bank in accordance with Section 8.03 hereof and Section 10.05 of the Indenture. After receipt of notice of any such assignment of this Loan Agreement to the Bank, the Public Agency will make all payments required under Article V hereof directly to the Bank, in accordance with the terms hereof and of the Credit Agreement.

**ARTICLE VIII  
EVENTS OF DEFAULT AND REMEDIES**

**SECTION 8.01. EVENTS OF DEFAULT DEFINED.** The following shall be "Events of Default" under this Loan Agreement and the terms "Event of Default" shall mean (except where the context clearly indicates otherwise), whenever such term is used in this Loan Agreement, any one or more of the following events:

- (a) Failure by the Public Agency to timely pay any Loan Repayment;
- (b) Failure by the Public Agency to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in Section 8.01(a) or 8.02 hereof, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied, is given to the Public Agency by the Commission, the Bank, the Administrator or the Trustee, unless the Commission, the Bank, the Administrator and the Trustee 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 Commission, the Noteholders, the Bank or the Trustee, as the case may be, but cannot be cured within the applicable 30-day period, the Commission, the Bank, the Administrator and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Public Agency within the applicable period and diligently pursued until the failure is corrected;
- (c) Any warranty, representation or other statement by the Public Agency or by an officer or agent of the Public Agency 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 adverse respect;
- (d) A petition is filed against the Public Agency under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and an order for relief is entered or such petition is not dismissed within sixty (60) days of such filing;
- (e) The Public Agency 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;
- (f) The Public Agency 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 Public

Agency 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 60 days; or

(g) Any Debt of or assumed by the Public Agency (i) is not paid when due nor within any applicable grace period in any agreement or instrument relating to such Debt, (ii) becomes due and payable before its normal maturity by reason of a default or event of default, however described, or (iii) becomes subject to a moratorium.

**SECTION 8.02. NOTICE OF DEFAULT.** (a) The Public Agency agrees to give the Trustee, the Bank, the Administrator and the Commission prompt written notice if any petition, assignment, appointment or possession referred to in Sections 8.01(d), 8.01(e) and 8.01(f) hereof is filed by or against the Public Agency or of the occurrence of any other event or condition which constitutes an Event of Default, or an event or condition which, with the passage of time or the giving of notice or both, would constitute an Event of Default, immediately upon becoming aware of the existence thereof.

(b) The Commission or Administrator will notify the Bank on the same Business Day as the Commission becomes aware of the existence of an Event of Default, specifying the nature thereof.

**SECTION 8.03. REMEDIES ON DEFAULT.** Whenever any Event of Default referred to in Section 8.01 hereof shall have happened and be continuing, the Commission, the Bank or the Trustee 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, but subject to the right of the Bank to direct the enforcement of remedies pursuant to the Indenture, to (a) declare all Loan Repayments and all other amounts due hereunder (i) to be immediately due and payable without further notice or demand in the case of an Event of Default occurring under Sections 8.01(a), 8.01(d), 8.01(e) or 8.01(f) hereof, and (ii) to be due and payable without further notice or demand on a date which shall be no sooner than ninety (90) days of the date notice is given to the Public Agency in the case of an Event of Default occurring under Sections 8.01(b), 8.01(c) or 8.01(g) hereof, or (b) take such steps and exercise such remedies as provided in Article V of the Indenture, and take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its or their rights hereunder.

Upon the occurrence of an Event of Default, the Public Agency agrees that the Bank may notify the Commission and the Trustee prior to 1:00 p.m. (New York City time) on the proposed date of issuance of any Notes pursuant to Section 2.06(c)(iv)(A) of the Indenture to discontinue issuing and delivering Notes for the purpose of repaying maturing Notes in an amount equal to the aggregate principal amount of the outstanding Loans to the Public Agency pursuant to Section 3.03(g) of the Indenture; provided, that notwithstanding any such notice, the obligation of the Bank to permit drawings under the Credit Facility shall not terminate with respect to any Notes issued prior to the time

provided in this sentence. In connection therewith, the Trustee shall draw on the Credit Facility to repay such maturing Notes and upon the Bank honoring such draw, the Bank may direct the Commission and the Trustee to cause this Loan Agreement to be assigned solely to the Bank. The Bank may also instruct the Trustee to draw on the Credit Facility in an amount equal to the aggregate principal amount of the outstanding Loans to the Public Agency, plus the interest to accrue thereon through the earliest date on which the Trustee will be able to apply the amount drawn to discharge a principal amount of Commercial Paper Notes equal to the principal amount of such Loans and, upon the Bank honoring such draw, the Bank may direct the Commission and the Trustee to cause this Loan Agreement to be assigned solely to the Bank.

**SECTION 8.04. ATTORNEY'S FEES AND OTHER EXPENSES.** The Public Agency shall on demand pay to the Commission, the Bank, the Administrator and the Trustee the reasonable fees and expenses of attorneys (including in connection with any appeal) and other reasonable expenses incurred by any of them in collection of Loan Repayments or any other sums due hereunder or in the enforcement of performance of any other obligations of the Public Agency hereunder upon an Event of Default. The provisions of this Section shall survive the termination and/or assignment of this Loan Agreement and the payment in full of the Public Agency's obligations hereunder.

**SECTION 8.05. APPLICATION OF MONEYS.** Any moneys collected by the Commission, the Bank, the Administrator or the Trustee pursuant to Section 8.03 hereof shall be subject to Section 5.01(e) hereof and Section 3.03(g) of the Indenture and shall be applied (a) first, to pay any attorneys' fees or other expenses owed by the Public Agency to the Trustee or the Bank pursuant to Section 8.04 hereof, (b) second, to pay any interest due on the Loan Amounts, (c) third, to pay principal due on the Loan Amounts, (d) fourth, to pay any other amounts due hereunder, (e) fifth, to pay interest and principal on the Loan Amounts 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 clauses (a) through (d) in this Section), and (f) sixth, to pay any attorneys' fees owed by the Public Agency to the Commission or the Administrator pursuant to Section 8.04 hereof, pro rata based on the amount of such expenses owed.

**SECTION 8.06. NO REMEDY EXCLUSIVE; WAIVER, NOTICE.** No remedy herein conferred upon or reserved to the Commission, the Bank, the Administrator or the Trustee 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 accruing upon any Default shall impair any such right, remedy or power or 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 Commission, the Bank, the Administrator or the Trustee to exercise any remedy reserved

to it in this Article VIII, it shall not be necessary to give any notice other than such notice as may be required in this Article VIII.

**SECTION 8.07. ASSIGNMENT TO BANK.** After receipt of notice of any such assignment of this Loan Agreement to the Bank pursuant to Section 8.03 hereof, the Public Agency will make all payments required under Article V hereof directly to the Bank, in accordance with the terms hereof and of the Credit Agreement.

**ARTICLE IX  
EXCESS FUNDS**

**SECTION 9.01. EXCESS FUNDS.** Any amounts remaining in the Trust Estate after (a) full payment of the Commercial Paper Notes or provision for payment thereof so that no Commercial Paper Notes are deemed Outstanding under the Indenture, (b) all amounts owed to the Bank under the Credit Agreement have been paid and the Credit Facility terminated, and (c) all fees, charges and expenses required to be paid pursuant to the Indenture have been paid, shall, after being held for one hundred twenty-three (123) days after such full payment or provision shall have been made and no claim shall have been made thereon, be rebated by the Trustee to Public Agency in an amount certified by the Administrator as being equal to the amount remaining in the Trust Estate (as defined in the Indenture) multiplied by the result of (i) the dollar amount of interest (other than any interest representing that portion of an interest payment reflecting the Bank Rate) theretofore received by the Trustee hereunder, divided by (ii) the total dollar amount of all interest payments theretofore received by the Trustee on all loan agreements outstanding under the Pooled Commercial Paper Loan Program (other than any interest representing that portion of an interest payment reflecting the Bank Rate).

**ARTICLE X  
MISCELLANEOUS**

**SECTION 10.01. NOTICES.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, or provided by electronic mail to the appropriate parties:

Commission: Florida Local Government Finance Commission  
c/o Florida Association of Counties, Inc.  
100 South Monroe Street  
Tallahassee, Florida 32301  
Attention: Director of Commercial Paper Program  
Telephone: 850/922-4300  
Telecopy: 850/488-7501

Public Agency: City of Port St. Lucie, Florida  
121 SW Port St. Lucie Blvd.  
Port St. Lucie, Florida 34984  
Telephone: 772/871-5163  
Telecopy: 772/871-5248

Administrator: Florida Association of Counties, Inc.  
100 South Monroe Street  
Tallahassee, Florida 32301  
Attention: Director of Commercial Paper Program  
Telephone: 850/922-4300  
Telecopy: 850/488-7501

Dealer: JPMorgan Chase Securities Inc.  
450 South Orange Ave., Suite 1000  
Orlando, Florida 32801  
Telephone: (407) 236-5434  
Telecopy: (407) 235-5444

Trustee: U.S. Bank Trust Company, National Association  
Mail Code EX-FL-UORT  
225 E. Robinson Street, Suite 250  
Orlando, Florida 32801  
Attention: Corporate Trust Services  
Telephone: 407/835-3807  
Telecopy: 407/835-3814

Bank: JPMorgan Chase Bank, N.A.  
450 South Orange Avenue, Suite 1000  
Orlando, Florida 32801  
Attention: Government, Non-Profit & Healthcare  
Telephone Number: 407/236-5464  
Facsimile Number: 407/218-5355

Bond Counsel: Nabors, Giblin & Nickerson, P.A.  
2502 Rocky Point Drive, Suite 1060  
Tampa, Florida 33607  
Telephone: 813/281-2222  
Telecopy: 813/281-0129

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. Notices to the Trustee shall be effective only upon the receipt thereof by the Trustee.

**SECTION 10.02. BINDING EFFECT.** To the extent provided herein, this Loan Agreement shall be binding upon the Public Agency and the Commission and shall inure to the benefit of the Public Agency, the Commission, the Bank, the Administrator and the Trustee 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 by the Commission and the Public Agency, with the prior written consent of the Bank, as provided in Section 8.05 of the Indenture.

**SECTION 10.05. EXECUTION IN COUNTERPARTS.** This Loan Agreement may be simultaneously executed in several counterparts, each of which 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. WAIVER OF JURY TRIAL.** To the extent permitted by applicable law, each of the Public Agency, the Commission and the Bank, knowingly, voluntarily and intentionally waives any right each may have to a trial by jury in respect of any litigation based on, or arising out of, under or in connection with this Loan Agreement, the Loans or any agreement contemplated to be executed in connection with this Loan Agreement, or any course of conduct, course of dealing, statements (whether verbal or

written) or actions of any party with respect hereto. This provision is a material inducement to the Bank agreeing to provide credit and liquidity support to Loans hereunder.

**SECTION 10.08. BENEFIT OF NOTEHOLDERS; COMPLIANCE WITH INDENTURE.** This Loan Agreement is executed in part to induce the purchase of the Commercial Paper Notes. Accordingly, all covenants, agreements and representations on the part of the Public Agency and the Commission, as set forth in this Loan Agreement, are hereby declared to be for the benefit of the Holders, from time to time, of the Commercial Paper Notes and of the Bank.

**SECTION 10.09. CONSENTS AND APPROVALS.** Whenever the written consent or approval of the Commission shall be required under the provisions of this Loan Agreement, such consent or approval may be given by an Authorized Officer of the Commission or such other additional person provided by rules, regulations or resolutions of the Commission.

**SECTION 10.10. IMMUNITY OF OFFICERS, EMPLOYEES AND MEMBERS OF COMMISSION.** No recourse shall be had for any representation, obligation, covenant or agreement in this Loan Agreement against any past, present or future officer, member, employee, director or agent of the Commission, as such, and all such liability of any such officers, members, 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 10.11. 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 or sections of this Loan Agreement.

**SECTION 10.12. NO PECUNIARY LIABILITY OF COMMISSION.** No provision, covenant or agreement contained in this Loan Agreement on behalf of the Commission, or any obligation herein imposed upon the Commission, or the breach thereof, shall constitute an indebtedness or liability of the State or any political subdivision of the State (excluding the participating public agencies to the extent of their obligations under their respective loan agreements) or any public corporation or governmental agency existing under the laws thereof other than the Commission. In making the agreements, provisions and covenants set forth in this Loan Agreement, the Commission has not obligated itself except with respect to the Trust Estate.

**SECTION 10.13. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS.** 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, as provided in this Loan Agreement, 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 Loan Agreement, provided that interest on any monetary obligation hereunder shall accrue at the applicable rate to and including the date of such payment.

**SECTION 10.14. RIGHT OF OTHERS TO PERFORM PUBLIC AGENCY'S COVENANTS.** If the Public Agency shall fail to make any payment or perform any act required to be performed hereunder, then and in each such case the Commission, the Bank, the Administrator or the Trustee or any of them, may (but shall not be obligated to) remedy such default for the account of the Public Agency and make advances for that purpose. No such performance or advance shall operate to release the Public Agency from any such default and any sums so advanced by the Commission or the Trustee shall bear interest at the Default Rate from the date of the advance until repaid as provided herein.

**IN WITNESS WHEREOF,** the Commission 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 as of the date first above written.

**FLORIDA LOCAL GOVERNMENT  
FINANCE COMMISSION**

(SEAL)

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

Attest:

\_\_\_\_\_  
Secretary-Treasurer

**IN WITNESS WHEREOF**, the Public Agency has caused this Loan Agreement to be executed in its name with its seal hereunto affixed and attached by its duly authorized officers as of the date first above written.

**CITY OF PORT ST. LUCIE, FLORIDA**

(SEAL)

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

Attest:

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

Approved as to form and correctness:

\_\_\_\_\_  
City Attorney

**IN WITNESS WHEREOF**, the Bank has caused this Loan Agreement to be executed in its name by its duly authorized officer as of the date first above written.

**JPMORGAN CHASE BANK, N.A.**

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A**

**OPINION OF PUBLIC AGENCY'S COUNSEL  
IN CONNECTION WITH LOAN**

[Letterhead of Counsel to Public Agency]

[Date of the Draw]

Florida Local Government  
Finance Commission  
Tampa, Florida

U.S. Bank Trust Company, National  
Association, as Trustee  
Orlando, Florida

JPMorgan Chase Bank, N.A.,  
as Letter of Credit Provider  
Orlando, Florida

Nabors, Giblin & Nickerson, P.A.  
Tampa, Florida

Ladies and Gentlemen:

I am counsel to the City of Port St. Lucie, Florida (the "Public Agency"), and have been requested by the Public Agency to give this opinion in connection with a loan in the principal amount of \$ \_\_\_\_\_ (the "Loan") by the Florida Local Government Finance Commission (the "Commission") to the Public Agency of funds to finance, refinance or reimburse the cost of \_\_\_\_\_ (the "Project") [the Public Agency Expenses (as defined in the hereinafter defined Loan Agreement)] pursuant to the terms and conditions of the Loan Agreement, dated as of \_\_\_\_\_ (the "Loan Agreement"), among the Commission, the Public Agency and JPMorgan Chase Bank, N.A.

In this connection, I have reviewed such records, certificates and other documents as I have considered necessary or appropriate for the purposes of this opinion, including Chapter 166, Florida Statutes, Chapter 163, Florida Statutes, and other applicable provision of law, the relevant resolutions or ordinances adopted by the City Council of the Public Agency approving the Loan (collectively, the "Resolution"), the Loan Agreement and the Trust Indenture, dated as of June 6, 2011, (the "Indenture"), between the Commission and U.S. Bank Trust Company, National Association, as Trustee. Based on such review and such investigation as I have deemed necessary and such other consideration of law and fact as I believe to be relevant, I am of the opinion that:

1. The Public Agency is a duly constituted municipal corporation of the State of Florida ("State"), validly existing and in good standing under the laws of the State, is not in violation of any provision of law material to the transactions contemplated by the

Loan Agreement and the Loan, and has all requisite power and authority to execute and deliver the Loan Agreement and the Loan Note or Notes (as defined in the Loan Agreement) related to the Project [Public Agency Expenses], to enter into the Loan and to acquire, construct and equip the Project [finance the Public Agency Expenses].

2. No approval, authorization, consent or other order of any governmental entity or of any court, public board or body (other than those already obtained), and no approving referendum of the qualified electors of the Public Agency, is legally required for the Public Agency to enter into and perform its obligations under the Loan Agreement and the Loan Note related to the Project [Public Agency Expenses].

3. The Public Agency has the requisite power to acquire, construct and equip the Project [finance the Public Agency Expenses] and to enter into the Loan Agreement and the Loan and has duly authorized the execution and delivery of the Loan Agreement and the Loan Note related to the Project [Public Agency Expenses] and receipt of the Loan. The Public Agency is duly authorized to use the proceeds of the Loan to finance, refinance or reimburse the costs of acquiring, constructing and equipping the Project [finance the Public Agency Expenses].

4. The Loan Agreement creates a valid pledge of and lien upon the Designated Revenues (as defined in the Loan Agreement).

5. Neither the execution and delivery of the Loan Agreement, receipt of the Loan nor the consummation of the transactions contemplated thereby, nor the fulfillment of or compliance with the terms and conditions of the Loan Agreement conflicts with or results in a breach of any of the terms, conditions or provisions of the Constitution or laws of the State (including any limit on indebtedness), or any corporate restriction or any agreement, instrument or governmental or court order to which the Public Agency is now a party or by which it is bound or constitutes a default under any of the foregoing.

6. The Public Agency has obtained all permits and approvals required by any court, governmental body or officer for the execution and delivery of the Loan Agreement and the Loan Note related to the Project [Public Agency Expenses] and receipt of the Loan; the Public Agency has complied with any applicable provisions of law requiring any notification, declaration, filing or registration with any court, governmental body or officer in connection with the execution, delivery and performance of the Loan Agreement, the Loan Note related to the Project [Public Agency Expenses] and the Loan.

7. The Loan Agreement and the Loan Note related to the Project [Public Agency Expenses] have been duly and validly authorized, executed and delivered, are in full force and effect, and each is a valid and legally binding obligation of the Public Agency, enforceable in accordance with its respective terms, except to the extent that the enforceability thereof may be limited by laws relating to the bankruptcy or insolvency of

the Public Agency or other similar laws affecting creditors' rights generally or by general principles of equity.

8. To the best of my knowledge (based upon due inquiry and investigation), there is no litigation or legal or governmental action, proceeding, inquiry or investigation pending or threatened by judicial or governmental authorities to which the Public Agency is a party or any property of the Public Agency is subject, which, if determined adversely to the Public Agency, would individually or in the aggregate (a) adversely affect the validity or the enforceability of the Loan Agreement, the Loan Note related to the Project [Public Agency Expenses] or the Loan, (b) otherwise materially and adversely affect the ability of the Public Agency to comply with its obligations under the Loan Agreement or the Loan Note related to the Project [Public Agency Expenses], or (c) materially and adversely affect the acquisition, construction and equipping of the Project [financing of the Public Agency Expenses].

9. The Public Agency is subject to suit in a court of competent jurisdiction by the Trustee or the Commission for the failure to pay any amounts due and owing by the Public Agency under, or the failure to perform any obligation required by, the Loan Agreement and the Public Agency is not entitled to the defense of sovereign immunity or any other comparable defense in any such suit.

10. The Resolution has been duly adopted and is valid and binding upon the Public Agency in accordance with the terms thereof, except to the extent that the enforceability thereof may be limited by laws relating to bankruptcy or insolvency of the Public Agency or other similar laws affecting creditors' rights generally or by general principles of equity.

[Additional opinions regarding the Pledged Revenues, if any, including the validity, enforceability and priority thereof as may be required by the Administrator, the Bank or the Trustee.]

All capitalized terms used in this opinion but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement.

Very truly yours,

## EXHIBIT B

### CERTIFICATE OF PUBLIC AGENCY IN CONNECTION WITH LOAN TO FINANCE PROJECT

The undersigned, Mayor and Clerk of the City of Port St. Lucie, Florida (the "Public Agency"), acting for and on behalf of the Public Agency, hereby certify as of the date hereof as follows:

1. That the representations and warranties of the Public Agency set forth in the Loan Agreement, dated as of \_\_\_\_\_ among the Public Agency, the Florida Local Government Finance Commission (the "Commission") and JPMorgan Chase Bank, N.A., are true and correct in all material respects on the date hereof; the Public Agency is in compliance with all terms, covenants and conditions of the Loan Agreement on the date hereof; and no Event of Default (as defined in the Loan Agreement) or condition, event or act which with notice or lapse of time or both would become an Event of Default exists on the date hereof.

2. That the Public Agency has incurred, since the date of its last draw under the Loan Agreement, the Debt incurred in Schedule A attached hereto.

3. That, to the best of our knowledge, within one year from the date hereof the Public Agency intends to incur the debt pledging the Designated Revenues as described in Schedule B attached hereto.

4. That there has not been any material adverse change in the financial condition of the Public Agency since the date the last financial statements were filed with the Bank.

5. That we did heretofore cause to be officially executed the Revenue Note described in Schedule C attached hereto (the "Loan Note") of the Public Agency and the Loan Agreement.

6. That the Mayor of the Public Agency has caused to be executed the Loan Note by [her/his] manual signature, and that said Mayor was on the date [she/he] signed the Loan Note and is now the duly elected, qualified and acting Mayor of the Public Agency.

7. That we have caused the official seal of the Public Agency to be imprinted on the Loan Note, said seal imprinted hereon being the official seal of the Public Agency, and that said Clerk was on the date [she/he] signed the Loan Note and is now the duly appointed, qualified and acting Clerk of the Public Agency.

8. That the seal which has been impressed on or otherwise reproduced on the Loan Note and upon this certificate is the legally adopted, proper and only seal of the Public Agency.

9. That there is no litigation pending or, to our knowledge, threatened to restrain or enjoin the issuance or delivery of the Loan Note or in any way contesting or affecting any authority for the issuance of the Loan Note, or the validity of the Loan Note, or in any way contesting the existence or the powers of the Public Agency.

10. That the Public Agency has the power and authority to enter into the Loan Agreement as authorized by resolution of the Public Agency. Such resolution was duly adopted by the City Council, has not been modified or amended in any manner, and is in full force and effect as of the date hereof.

11. That no obligation issued or guaranteed by the Public Agency is in default or has been in default any time after December 31, 1975, as to principal and interest.

12. The computation of the interest rate on the Loan Note issued by the Public Agency on the date hereof is in compliance with the requirements of Section 215.84(3), Florida Statutes.

13. To the knowledge of the Public Agency, but without independent investigation, the Public Agency hereby represents that: (a) it is in compliance with all applicable provisions of the Anti-Corruption Laws (as defined below) and all applicable Sanctions (as defined below) in all material respects; (b) none of the Public Agency, any of its officers or employees, or any agent of the Public Agency that will act in any capacity in connection with or benefit from the transaction evidenced by the Loan Note, is a Sanctioned Person (as defined below); and (c) no borrowing, use of proceeds or other transaction evidenced by the Loan Note will violate any Anti-Corruption Law or applicable Sanctions.

14. The Public Agency will not knowingly use any of the proceeds derived from the Loan Note: (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any applicable Anti-Corruption Laws; (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned County (as defined below); or (c) in any manner that would result in the violation of any Sanctions applicable to the Public Agency.

For purposes of paragraphs 13 and 14 herein, the following definitions shall apply:

"*Anti-Corruption Laws*" means, as of the date hereof, the Foreign Corrupt Practices Act of 1977, as amended, 15 U.S.C. §§ 78dd-1, *et seq.*, and thereafter, during any period that the Loan Note is outstanding, all similar laws, rules, and regulations of any jurisdiction

applicable to the Public Agency, if any, from time-to-time concerning or relating to bribery or corruption.

"Person" means any governmental and other entities, in addition to natural persons, corporations, partnerships or other legal entity.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government pursuant to (i) regulations promulgated by the Office of Foreign Assets Control Department of the Treasury (or any successor United States government office); (ii) the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 *et seq.*, (iii) the Trading with the Enemy Act, 50 U.S.C. App. 1 *et seq.*; and (iv) the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism.

"Sanctioned Country" means, at any time, a country or territory which is itself the subject or target of any Sanctions and is named on the list of "Consolidated Sanctions" maintained by the Office of Foreign Assets Control, Department of the Treasury (or any successor United States government office or list), or any similar list maintained by the United States Department of State (or any successor United States government office or list).

"Sanctioned Person" means, at any time, (a) any Person that is named on the list of "Special Designated Nationals or Blocked Persons" maintained by the Office of Foreign Assets Control, Department of the Treasury (or any successor United States government office or list), or any similar list maintained by the United States Department of State (or any successor United States government office or list), (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons in the foregoing clauses (a) or (b).

Any terms not otherwise defined herein shall have the meanings assigned such terms in the Loan Agreement.

**IN WITNESS WHEREOF**, we have hereunto set our hands and affixed the official seal of the Public Agency as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

(SEAL)	<u>Title of Office</u>	<u>Term of Office Commences</u>	<u>Term of Office Expires</u>
_____	Mayor	_____	_____
_____	Clerk	_____	_____

I, Clerk to the City of Port St. Lucie, Florida, do hereby certify that each of the above-described individuals are now and have continuously been since the dates of beginning of their respective current terms of office shown above, the duly elected, qualified and acting officers of the Public Agency.

---

Clerk

**EXHIBIT C**

**FORM OF CREDIT FACILITY FEES CERTIFICATE**

The following shall constitute the letter of credit fees for the [Loan] [Draw] made by the Commission to the Public Agency on \_\_\_\_\_: \_\_\_\_\_ Basis Points per annum

Pursuant to the Credit Agreement and the Fee Letter between the Commission and the Bank, dated as of June 6, 2011, the letter of credit fees will increase by 10 basis points for each ratings downgrade of the Public Agency and by 100 basis points upon an Event of Default under the Loan Agreement.

The letter of credit fee applicable to each Draw shall be calculated pursuant to Section 5.02(c) of the Loan Agreement.

Accepted and Approved:

**PUBLIC AGENCY**

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

**ADMINISTRATOR**

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

**BANK**

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

**EXHIBIT D**

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF PORT ST. LUCIE, FLORIDA  
REVENUE NOTE, DRAW NO. \_\_\_\_  
(JPMorgan Chase Bank)**

Principal Sum                      Date of Issuance                      Final Maturity Date

**KNOW ALL MEN BY THESE PRESENTS**, that the City of Port St. Lucie, Florida (the "Public Agency"), for value received, hereby promises to pay, solely from the Designated Revenues described in the within-mentioned Loan Agreement, to the order of the Florida Local Government Finance Commission, Tallahassee, Florida, or its successors or assigns (the "Noteholder"), the Principal Sum stated above advanced pursuant to that certain Loan Agreement by and among the Florida Local Government Finance Commission, the Public Agency and JPMorgan Chase Bank, N.A., dated as of \_\_\_\_\_ (the "Loan Agreement"), and to pay interest on such Principal Sum from the Date of Issuance identified above or from the most recent date to which interest has been paid at the interest rate per annum identified in the Loan Agreement commencing on the Date of Issuance until such Principal Sum shall have been paid. The Principal Sum hereof shall be payable upon the Final Maturity Date or earlier prepayment in accordance with the terms of the Loan Agreement and this Note. The Public Agency agrees to make all Loan Repayments in accordance with the terms of the Loan Agreement. This Note is subject to optional and mandatory prepayment in accordance with the Loan Agreement. Such Principal Sum and interest is payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

[Insert Repayment Schedule.]

This Note is issued under the authority of and in full compliance with the Constitution and statutes of the State of Florida, including, particularly, Chapter 166, Florida Statutes, and other applicable provisions of law, a resolution duly adopted by the Public Agency on \_\_\_\_\_ (the "Resolution"), as such resolution may be amended and supplemented from time to time, and is subject to all terms and conditions of the Resolution and the Loan Agreement. Any term used in this Note and not otherwise defined shall have the meaning ascribed to such term in the Loan Agreement.

This Note is being issued to finance or refinance the costs of \_\_\_\_\_. This Note is secured by and shall be payable from the Designated Revenues as described in the Loan Agreement.

Notwithstanding any provision in this Note to the contrary, in no event shall the interest contracted for, charged or received in connection with this Note (including any other costs or considerations that constitute interest under the laws of the State of Florida which are contracted for, charged or received) exceed the maximum rate of interest allowed under the State of Florida as presently in effect.

This Note, when delivered by the Public Agency pursuant to the terms of the Loan Agreement and the Resolution, shall not be or constitute an indebtedness of the Public Agency or of the State of Florida, within the meaning of any constitutional, statutory or charter limitations of indebtedness, but shall be payable solely from the Designated Revenues, as provided in the Loan Agreement and the Resolution. No Noteholder shall ever have the right to compel the exercise of the ad valorem taxing power of the Public Agency or the State, or taxation in any form of any property therein to pay the Note or the interest thereon, except to the extent otherwise specifically provided in the Loan Agreement.

All terms and provisions of the Loan Agreement are hereby incorporated by reference herein.

**IN WITNESS WHEREOF**, the Public Agency caused this Note to be signed by the manual signature of the Mayor of the Public Agency and the seal of the Public Agency to be affixed hereto or imprinted or reproduced hereon, and attested by the manual signature of the Clerk of the Public Agency, and this Note to be dated the Date of Issuance set forth above.

**CITY OF PORT ST. LUCIE, FLORIDA**

(SEAL)

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

ATTEST:

\_\_\_\_\_  
Clerk

## EXHIBIT E

### FORM OF AGREEMENT RE: CONTINGENCY ACCOUNT

THIS AGREEMENT, dated as of \_\_\_\_\_ is entered into between the City of Port St. Lucie, Florida (the "Public Agency"), a duly constituted municipal corporation under the laws of the State of Florida and U.S. Bank Trust Company, National Association, as Trustee.

**WHEREAS**, the Florida Local Government Finance Commission (the "Commission") is a legal entity and a public body corporate and politic formed pursuant to Part I, Chapter 163, Florida Statutes (the "Interlocal Act"), which Commission was created for the benefit of duly constituted counties, municipalities and other public agencies as described in the Interlocal Act, desiring to participate in a pooled commercial paper loan program in order to obtain the most cost effective, short-term financing for acquiring, constructing and equipping capital improvements and for other governmental needs; and

**WHEREAS**, in furtherance of the foregoing, the Commission shall issue, from time to time, commercial paper notes to be known as "Florida Local Government Finance Commission Pooled Commercial Paper Notes, Series A-1 (Governmental Issue)" (the "Series A Notes"), pursuant to the terms of a certain Trust Indenture, dated as of June 6, 2011 (the "Indenture"), between the Commission and the Trustee; and

**WHEREAS**, the Public Agency has entered into a Loan Agreement with the Commission and JPMorgan Chase Bank, N.A., dated as of \_\_\_\_\_ (the "Loan Agreement"), pursuant to which the Commission shall loan, from time to time, to the Public Agency certain proceeds of the Series A Notes to enable the Public Agency to finance various capital improvements and other governmental needs; and

**WHEREAS**, the Public Agency has agreed to repay the above-described loans upon the terms specified in the Loan Agreement; and

**WHEREAS**, such loan repayments shall be made monthly by the Public Agency to the Trustee; and

**WHEREAS**, in order to ensure that adequate moneys shall be on deposit with the Trustee to meet the obligations of the Public Agency incurred under the Loan Agreement, the Commission shall require the Public Agency to establish a contingency account with the Trustee;

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

**SECTION 1. ESTABLISHMENT OF CONTINGENCY ACCOUNT.**

The Trustee agrees to establish and hold for the Public Agency an account entitled the "City of Port St. Lucie, Florida Commercial Paper Note Contingency Account" (the "Contingency Account"). The Public Agency agrees to maintain a balance in the Contingency Account at least equal to 175 basis points (1.75%) times the Loan Amounts outstanding under the Loan Agreement times one-twelfth (the "Contingency Account Requirement"). In the event moneys in the Contingency Account are less than the Contingency Account Requirement, the Trustee shall notify the Administrator of the amount of such deficiency, which, in turn, shall notify the Public Agency. The Public Agency agrees to cure such deficiency at the time its next monthly Loan Repayment becomes due in accordance with the terms of the Loan Agreement. Moneys in the Contingency Account in excess of the Contingency Account Requirement shall be used as a credit on the next Loan Repayment due or, if no Loan Repayment shall thereafter be due, such moneys shall be returned to the Public Agency. No later than the 20th day of each month, the Trustee shall notify the Administrator of the amounts in the Contingency Account on the 15th day of such month.

**SECTION 2. USE OF MONEYS IN CONTINGENCY ACCOUNT.**

The moneys in the Contingency Account shall be used solely for the purpose of making the Public Agency's Loan Repayments arising under the Loan Agreement when the other moneys received by the Trustee from the Public Agency are insufficient for such purpose. Moneys in the Contingency Account shall be transferred by the Trustee to the accounts established by the Indenture in such amounts as shall be owing in relation thereto by the Public Agency pursuant to the Loan Agreement. Any moneys received by the Trustee as Loan Repayments made by the Public Agency which are in excess of the amounts required to be paid by the Public Agency pursuant to the Loan Agreement shall be deposited by the Trustee into the Contingency Account.

**SECTION 3. INVESTMENTS.**

The moneys in the Contingency Account shall be invested by the Trustee at the written direction of the Administrator in the securities described in clause (1), (2), (6), (7) and (8) of the definition of Investment Obligations (as defined in the Indenture). All investment earnings shall be retained in the Contingency Account and be utilized in accordance with the terms of this Agreement, including such earnings being used as a credit toward the next Loan Repayment due. The Trustee shall not be liable for any loss incurred with respect to any purchase or sale.

**SECTION 4. ACCOUNT NOT PART OF TRUST ESTATE.**

Moneys in the Contingency Account shall not be part of the Trust Estate established pursuant to the Indenture. Moneys in the Contingency Account are not pledged to the payment of the principal of and interest on the Series A Notes. Moneys in the Contingency Account shall not be used to make the loan repayments of any other public agency participating in the Pooled Commercial Paper Loan Program.

**SECTION 5. REMEDIES.** In the event the Public Agency violates any provision of this Agreement, the Trustee, the Commission and/or the Administrator may take any action and enforce any remedy as shall be provided by law.

**SECTION 6. NOTICE.** The Trustee shall immediately notify the Administrator of any violation of this Agreement by the Public Agency to which the Trustee becomes aware.

**SECTION 7. AMENDMENTS.** This Agreement may be amended at any time by the parties hereto provided the Administrator and the Bank (as defined in the Indenture) have agreed in writing to such amendment. The Trustee agrees not to refuse to execute any amendment hereto which does not materially adversely affect it.

**SECTION 8. THIRD PARTY BENEFICIARIES.** The Commission and the Administrator shall be third party beneficiaries to this Agreement.

**SECTION 9. TERMINATION.** This Agreement shall terminate simultaneously with the termination of the Loan Agreement; provided, however, if the Commission and the Public Agency agree upon an earlier termination date, this Agreement shall terminate on such date.

**SECTION 10. DEFINITIONS.** Unless the context or use indicates another meaning or intent, terms not otherwise defined herein shall have the meanings assigned thereto by the Loan Agreement.

**SECTION 11. APPLICABLE LAW.** The laws of the State of Florida shall govern the construction of this Agreement.

**SECTION 12. COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

**SECTION 13. NOTICES.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

Public Agency: City of Port St. Lucie, Florida  
121 SW Port St. Lucie Blvd.  
Port St. Lucie, Florida 34984  
Attention: City Manager  
Telephone: 772/871-5163  
Telecopy: 772/871-5248

Administrator: Florida Association of Counties, Inc.  
100 South Monroe Street  
Tallahassee, Florida 32301  
Attention: Director of Commercial Paper Program  
Telephone: (850) 922-4300  
Telecopy: (850) 488-7501

Trustee: U.S. Bank Trust Company, National Association  
Mail Code EX-FL-UORT  
225 E. Robinson Street, Suite 250  
Orlando, Florida 32801  
Attention: Corporate Trust Services  
Telephone: (407) 835-3807  
Telecopy: (407) 835-3814

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. Notices to the Trustee shall be effective only upon the receipt thereof by the Trustee.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed as of the date first written hereon.

**CITY OF PORT ST. LUCIE, FLORIDA**

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

ATTEST:

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

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION**

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

ACCEPTED AND ACKNOWLEDGED AS OF  
THE DATE FIRST WRITTEN HEREON

**FLORIDA ASSOCIATION OF COUNTIES,  
INC.**

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