

**RESOLUTION NO. R2015-1**

A RESOLUTION OF THE CITY OF WILDWOOD, FLORIDA ACCEPTING THE PROPOSAL OF REGIONS BANK TO PURCHASE THE CITY'S NOT TO EXCEED \$1,690,000 CAPITAL IMPROVEMENT REFUNDING REVENUE NOTE, SERIES 2015 TO PROVIDE THE CITY MONIES, TOGETHER WITH OTHER LEGALLY AVAILABLE MONIES OF THE CITY, TO RETIRE ALL OF THE CITY'S OUTSTANDING CAPITAL IMPROVEMENT REVENUE BOND, SERIES 2000 AND CAPITAL IMPROVEMENT REVENUE BOND SERIES 2000A; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH SAID BANK TO SECURE THE REPAYMENT OF SAID NOTE; PROVIDING FOR THE PAYMENT OF SUCH NOTE FROM THE HALF-CENT SALES TAX DISTRIBUTED TO THE CITY PURSUANT TO PART VI, CHAPTER 218, FLORIDA STATUTES, ALL AS PROVIDED IN THE LOAN AGREEMENT; AUTHORIZING THE PROPER OFFICIALS OF THE CITY TO DO ANY OTHER ADDITIONAL THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE EXECUTION OF THE LOAN AGREEMENT, THE NOTE, AND THE SECURITY THEREFOR; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS IN CONNECTION WITH SAID LOAN; DESIGNATING THE NOTE AS "BANK QUALIFIED;" PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WILDWOOD, FLORIDA, AS FOLLOWS:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of Chapter 166, Florida Statutes, the Florida Constitution, and other applicable provisions of law.

**SECTION 2. FINDINGS.** It is hereby ascertained, determined and declared:

(A) The City of Wildwood, Florida (the "City") deems it necessary, desirable and in the best interests of the City that the City refund all of the City's outstanding Capital Improvement Revenue Bond, Series 2000 and Capital Improvement Revenue Bond, Series 2000A (collectively, the "Refunded Bonds"), all as more particularly described in the Loan Agreement (as defined herein).

(B) Pursuant to Section 2(b), Article VIII of the State Constitution, and Section 166.021, Florida Statutes, municipalities have the governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except when

expressly prohibited by law. The issuance by the City of its Capital Improvement Refunding Revenue Note, Series 2015 (the "2015 Note") and the execution and delivery of the Loan Agreement for the purposes of refunding the Refunded Bonds is not prohibited by law.

(C) The 2015 Note will be secured solely by the Half-Cent Sales Tax as provided in the Loan Agreement pursuant to which the City will issue the 2015 Note to secure the repayment of the Loan (as defined in the Loan Agreement).

(D) The City has engaged Gollahon Financial Services, Inc. ("Gollahon") as the City's financial advisor. The City issued a request for bank loan to solicit responses from banks interested in providing the City with a fixed rate loan. Based on the responses received, the City, after consultation with Gollahon, determined that the response of Regions Bank (the "Bank") was the most favorable. Gollahon advises the City that due to the present volatility of the market for municipal debt, it is in the best interest of the City to issue the 2015 Note pursuant to the Loan Agreement by negotiated sale, allowing the City to issue the 2015 Note at the most advantageous time, rather than a specified advertised future date, thereby allowing the City to obtain the best possible price, interest rate and other terms for the 2015 Note and, accordingly, the City Commission of the City hereby finds and determines that it is in the best financial interest of the City that a negotiated sale of the 2015 Note to the Bank be authorized.

**SECTION 3. AUTHORIZATION OF REFUNDING OF REFUNDED BONDS.** The City hereby authorizes the refunding of the Refunded Bonds as more particularly described in the Loan Agreement.

**SECTION 4. ACCEPTANCE OF COMMITMENT LETTER WITH BANK.** Based on consultation with the City's financial advisor and bond counsel, the City hereby accepts the commitment letter of the Bank dated January 15, 2015 attached hereto as **Exhibit A** to provide the City with the Loan.

**SECTION 5. APPROVAL OF FORM OF AND AUTHORIZATION OF LOAN AGREEMENT AND EXECUTION OF LOAN AGREEMENT AND 2015 NOTE.** The repayment of the loan as evidenced by the 2015 Note shall be pursuant to the terms and provisions of the Loan Agreement and the 2015 Note. The City hereby approves the Loan Agreement by and between the City and the Bank in substantially the form attached hereto as **Exhibit B** (the "Loan Agreement") and authorizes the Mayor or the any other member of the City Commission of the City (collectively, the "Mayor") and the City Clerk or any deputy or assistant City Clerk of the City (collectively, the "City Clerk") to execute and deliver on behalf of the City the Loan Agreement and the 2015 Note in substantially the form attached to the Loan Agreement, with such changes, insertions and additions as they may approve, their execution thereof being evidence of such approval.

**SECTION 6. PAYMENT OF DEBT SERVICE ON 2015 NOTE.** Pursuant to the Loan Agreement, the 2015 Note will be secured by the Half-Cent Sales Tax distributed to the City pursuant to Part VI, Chapter 218, Florida Statutes all as more particularly described in the Loan Agreement.

**SECTION 7. AUTHORIZATION OF OTHER DOCUMENTS TO EFFECT TRANSACTION.** To the extent that other documents including but not limited to redemption notices, certificates, opinions, or other items are needed to effect any of the transactions referenced in this Resolution, the Loan Agreement, the 2015 Note, and the security therefore, the Mayor, the City Clerk, the City Manager, the City Clerk/Chief Financial Officer and the City Attorney are hereby authorized to execute and deliver such documents, certificates, opinions, or other items and to take such other actions as are necessary for the full, punctual, and complete

performance of the covenants, agreements, provisions, and other terms as are contained herein and in the documents included herein by reference.

**SECTION 8. PAYING AGENT AND REGISTRAR.** The City hereby accepts the duties to serve as registrar and paying agent for the 2015 Note.

**SECTION 9. LIMITED OBLIGATION.** The obligation of the City to repay amounts under the Loan Agreement and the 2015 Note are limited and special obligations, payable solely from the sources and in the manner set forth in the Loan Agreement and shall not be deemed a pledge of the faith and credit or taxing power of the City.

**SECTION 10. DESIGNATION OF 2015 NOTE AS BANK QUALIFIED.** The City designates the 2015 Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City does not reasonably anticipate that the City, any subordinate entities of the City, and issuers of debt that issue "on behalf" of the City, will during the calendar year 2015 issue more than \$10,000,000 of "tax-exempt" obligations, exclusive of those obligations described in Section 265(b)(3)(C)(ii) of the Code.

**SECTION 11. EFFECT OF PARTIAL INVALIDITY.** If any one or more provisions of this Resolution, the Loan Agreement, or the 2015 Note shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, the 2015 Note or the Loan Agreement, but this Resolution, the Loan Agreement, and the 2015 Note shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The 2015 Note shall be issued and Loan Agreement shall be executed and this Resolution is adopted with the intent that the laws of the State of Florida shall govern their construction.

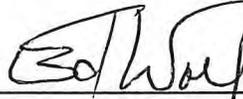
**SECTION 12. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.

[Signatures on Following Page]

PASSED, APPROVED AND ADOPTED this 26<sup>th</sup> day of January, 2015.

CITY OF WILDWOOD, FLORIDA

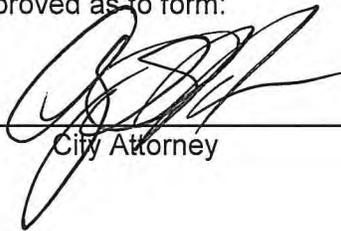
[SEAL]

By:   
Mayor

ATTEST:

By   
City Clerk

Approved as to form:

By   
City Attorney



**EXHIBIT A**

**Business Banking**  
1700 SE 17<sup>th</sup> Street  
Ocala, Florida 34471  
Off: (352) 854-4127  
Cell: (352) 598-3973  
Fax: (352) 854-4197

**Adam J. Lombardo**  
Vice President

January 15, 2015

Cassandra Lippincott  
City Clerk & Chief Financial Officer  
City of Wildwood  
100 N. Main Street  
Wildwood, Florida 34785

Jim Gollahon  
Financial Advisor  
Gollahon Financial Services, Inc.  
4125 Bayshore Blvd  
St. Petersburg, Florida 33703

**Reference: Up to \$1,690,000 Tax-Exempt, Bank Qualified Term Loan**

Dear Cassandra and Jim:

Thank you for providing Regions Bank (“**Bank**”) with the opportunity to offer a financing solution to the City of Wildwood, Florida (“**City**”) through an up to \$1,690,000 tax exempt fixed interest rate, bank-qualified, term loan facility (“**Loan**”) to refund the City’s 2000 and 2000A USDA loans.

We understand that the City intends to close the Loan on or before January 30, 2015 (“**Closing Date**”), and upon our designation as the selected financial institution we commit to working with you and your advisors to close the transaction in the most expeditious manner. Below, you will find the proposed set of terms and conditions associated with the proposed transaction:

<b>Borrower:</b>	City of Wildwood, Florida
<b>Facility Type:</b>	Tax Exempt, Bank Qualified, Fixed Interest Rate Term Loan
<b>Purpose:</b>	To refund the City’s 2000 and 2000A USDA loans
<b>Amount:</b>	Up to \$1,690,000
<b>Maturity Date:</b>	March 1, 2030
<b>Personnel:</b>	<p><b>Adam Lombardo</b> Vice President Business Banking 1700 SE 17<sup>th</sup> Street Ocala, FL 34471 <a href="mailto:Adam.lombardo@regions.com">Adam.lombardo@regions.com</a> (352) 854-4127 (office) / (352) 598-3973 (cell) / (352) 854-4107 (fax)</p> <p><b>Sheila Basile</b> Business Banking Assistant 800 W Main Street</p>

Adam J. Lombardo  
Business Banking  
1700 SE 17<sup>th</sup> Street, Ocala, Florida 34471  
Phone: (352) 854-4127 Fax: (352) 854-4197

	<p>Inverness, FL 34450  <a href="mailto:Sheila.basile@regions.com">Sheila.basile@regions.com</a>  (352) 637-0068 (office) / (352) 726-7616 (fax)</p> <p><b>Vicki Listebarger</b>  Senior Vice President / City President (Marion, Alachua, Sumter, Lake, Hernando, Citrus)  1700 SE 17<sup>th</sup> Street  Ocala, FL 34471  <a href="mailto:Vicki.listebarger@regions.com">Vicki.listebarger@regions.com</a>  (352) 854-4160 (office) / (352) 854-4176</p>
<b>Interest Rate:</b>	<p>This is a <b>Tax-Exempt, Bank Qualified</b> transaction. The rate on this borrowing would be fixed for the entirety of the Loan: <b>2.46%</b></p> <p>Interest payments on the Loan will be calculated on a 30/360-day basis and will be paid semiannually on March 1 and September 1 of each year, commencing on <b>March 1, 2015</b>.</p>
<b>Repayment:</b>	<p>The principal amount of the Loan will be payable semi-annually each year, commencing on <b>March 1, 2015</b> and through the final maturity of the Loan, following a mortgage amortization pattern. Any outstanding principal balance and accrued interest will be due on the Maturity Date.</p>
<b>Prepayment:</b>	<p>The City may prepay the outstanding principal amount of the Loan in whole or in part on any interest payment date, together with interest accrued through the prepayment date, <u>without penalty</u>.</p>
<b>Facility Fee:</b>	<b>Waived</b>
<b>Security:</b>	<p>The Loan will be secured by a senior lien pledge of the City's half cent sales tax as defined and described in Part VI, Chapter 218, Florida Statutes, as amended.</p>
<b>Legal Fees:</b>	<p>The City's bond counsel will provide documentation associated with this transaction. Documentation will be subject to the Bank's review and approval. The City agrees to pay all legal fees and expenses of the Bank associated with the review and closing of this transaction, which costs may be paid with proceeds of the Loan, and will be billed on a flat fee and <u>not to exceed \$2,500</u>.</p>
<b>Covenants &amp; Reporting Requirements:</b>	<p>Mutually agreeable covenants and requirements substantially similar to other credit facilities currently secured by legal non-ad valorem revenues of the City, including but not limited to the City's maintaining compliance with the following:</p> <p>(i) Annual Financial Statements: As soon as available, but in no event later than 365 days after the end of each fiscal year, Borrower's balance</p>

Adam J. Lombardo  
Business Banking  
1700 SE 17<sup>th</sup> Street, Ocala, Florida 34471  
Phone: (352) 854-4127 Fax: (352) 854-4197

	<p>sheet and income statement for the year ended, audited by a certified public accountant satisfactory to Lender.</p> <p>(ii) Future parity debt is permitted provided the pledged revenues produce at least 1.30 times minimum debt service coverage on all outstanding senior lien debt and proposed senior lien debt.</p>
<b>Other:</b>	<p>Prior to closing this financing, the Bank must be provided with an opinion, in form and substance satisfactory to the Bank and its counsel, from Bond Counsel with experience in the matters to be covered by the opinion, that (i) the debt instrument constitutes the legal, valid and binding obligation of the City and is enforceable in accordance with the terms thereof under the laws of the State of Florida, and (ii) interest on the debt instrument is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax (as defined for federal income tax purposes) imposed on individuals and corporations.</p> <p>Upon a potential occurrence of a <i>Determination of Taxability</i> of the Loan, the tax-exempt rate will automatically be adjusted to a taxable rate as of the taxability date.</p> <p>The Loan is to be governed by and subject to the formal documents setting forth terms and conditions typical and customary in conjunction with the above-described borrowing and consistent with prudent banking practices.</p>
<b>Disclaimer:</b>	<p>This letter describes some of the basic terms and conditions proposed to be included in the documents between the Bank and the City. This letter does not purport to summarize all the conditions, covenants, representations, warranties, events of default, cross default, acceleration events, remedies or other provisions that may be contained in documents required to consummate this financing.</p>
<b>Confidentiality:</b>	<p>The City agrees to keep this term sheet and all of its material terms <b>CONFIDENTIAL</b>. The City is not to disclose this term sheet or any of its material terms to anyone, without the prior consent of the Bank, except as such disclosure is required by law or regulation or as a result of any legal or administrative procedure.</p>
<b>Governing Law:</b>	State of Florida

**Contact Information:**

**Regions Bank  
Business Banking  
1700 SE 17<sup>th</sup> Street  
Ocala, FL 34471  
352-854-4127 (office)  
352-598-3973 (cell)  
352-854-4197 (fax)  
[Adam.lombardo@regions.com](mailto:Adam.lombardo@regions.com)**

Upon return by the City to the Bank of a fully executed copy of this commitment, by the time set forth below, this commitment will constitute an agreement of the City to accept the terms and conditions set out above regarding the aforementioned credit facilities. This includes payment of any fees/expenses noted above, regardless of whether the Loan is closed. **If accepted, this borrowing must close on or before the Closing Date.** Any extension of the validity of these terms beyond the Closing Date is subject to the Bank's sole consent.

Thank you for providing the Bank with this opportunity to develop a financial partnership with the City. We are grateful for your consideration and remain available to promptly respond to any questions that you may have regarding this document. I look forward to hearing from you.

Sincerely,



**Adam J. Lombardo**  
Vice President  
Business Banking

Signed and accepted on this \_\_\_ day of \_\_\_\_\_, 2015.

**City of Wildwood, Florida**

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

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

**EXHIBIT B**

---

---

**LOAN AGREEMENT**

**Dated January 30, 2015**

**By and Between**

**THE CITY OF WILDWOOD, FLORIDA**  
**(the "City")**

**and**

**REGIONS BANK**  
**(the "Bank")**

---

---

## TABLE OF CONTENTS

(The Table of Contents for this Loan Agreement is for convenience of reference only and is not intended to define, limit or describe the scope or intent of any provisions of this Loan Agreement.)

	<u>Page</u>
ARTICLE I DEFINITION OF TERMS .....	1
Section 1.01. Definitions .....	1
Section 1.02. Interpretation .....	3
Section 1.03. Titles and Headings .....	4
ARTICLE II REPRESENTATIONS AND WARRANTIES OF THE PARTIES .....	4
Section 2.01. Representations and Warranties of City .....	4
Section 2.02. Covenants of the City .....	5
Section 2.03. Representations and Warranties of Bank .....	5
ARTICLE III THE NOTE .....	5
Section 3.01. Purpose and Use .....	5
Section 3.02. The Note .....	6
Section 3.03. Adjustments to 2015 Note Rate.....	6
Section 3.04. Conditions Precedent to Issuance of Note.....	7
Section 3.05. Registration of Transfer; Assignment of Rights of Bank.....	8
Section 3.06. Ownership of the Note.....	9
Section 3.07. Use of Proceeds of Note Permitted Under Applicable Law.....	9
Section 3.08. Authentication .....	9
ARTICLE IV COVENANTS OF THE CITY .....	9
Section 4.01. Performance of Covenants .....	9
Section 4.02. Payment of 2015 Note .....	10
Section 4.03. Tax Covenant.....	10
Section 4.04. Compliance with Laws and Regulations .....	10
Section 4.05. Additional Debt .....	10
Section 4.06. Covenant Regarding Pledged Revenues.....	10
ARTICLE V EVENTS OF DEFAULT AND REMEDIES .....	11
Section 5.01. Events Of Default .....	11
Section 5.02. Remedies .....	11
Section 5.03. Remedies Cumulative.....	12
ARTICLE VI MISCELLANEOUS PROVISIONS .....	12
Section 6.01. Covenants of City, Etc.; Successors .....	12
Section 6.02. Term of Agreement .....	12
Section 6.03. Amendments and Supplements .....	12
Section 6.04. Notices.....	12
Section 6.05. Benefits Exclusive.....	13
Section 6.06. Severability.....	13
Section 6.07. Payments Due on Saturdays, Sundays and Holidays .....	13
Section 6.08. Counterparts .....	13

Section 6.09. Defeasance of 2015 Note.....	13
Section 6.10. Applicable Law .....	14
Section 6.11. No Personal Liability.....	14
Section 6.12. Incorporation by Reference .....	14
Section 6.13. Waiver of Jury Trial .....	14
Exhibit A Form of 2015 Note Including Purchaser's Certificate.....	A-1

LOAN AGREEMENT

**THIS LOAN AGREEMENT** (the "Agreement"), made and entered into this 30<sup>th</sup> day of January, 2015, by and between **THE CITY OF WILDWOOD, FLORIDA** (the "City"), a municipal corporation of the State of Florida, and **REGIONS BANK** an Alabama banking corporation authorized to do business in Florida, and its successors and assigns (the "Bank").

**WITNESSETH:**

**WHEREAS**, capitalized terms used in these recitals and not otherwise defined shall have the meanings specified in Article I of this Agreement;

**WHEREAS**, the City, pursuant to the provisions of the Florida Constitution, Chapter 166, Florida Statutes, and other applicable provisions of law (all of the foregoing, collectively, the "Act"), and Resolution No. \_\_\_\_\_, adopted by the City on January 26, 2015 (the "Resolution"), is authorized to borrow money, and more particularly issue the Note described below for the City's public purposes; and

**WHEREAS**, in response to a request for proposal regarding an intended borrowing to refund the City's outstanding Capital Improvement Revenue Bond, Series 2000 and Capital Improvement Revenue Bond, Series 2000A (collectively, the "Refunded Bonds"), the Bank submitted its commitment, dated January 15, 2015, to the City (the "Commitment"); and

**WHEREAS**, pursuant to the Resolution, the City has accepted the Commitment and the Bank is willing to purchase the 2015 Note (as hereinafter defined), but only upon the terms and conditions of this Agreement;

**NOW, THEREFORE**, the parties hereto agree as follows:

**ARTICLE I**

**DEFINITION OF TERMS**

**Section 1.01. Definitions.** Capitalized terms used in this Agreement shall have the respective meanings assigned thereto by the Original Instrument (as hereinafter defined) and the following terms not otherwise defined shall have the respective meanings as follows unless the context clearly requires otherwise:

"Act" shall have the meaning assigned to that term in the recitals hereof.

"Agreement" shall mean this Loan Agreement and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Bank" shall mean Regions Bank, an Alabama banking corporation, and its successors and assigns.

"Bond Counsel" shall mean, Akerman LLP, or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of

interest on obligations issued by states and political subdivisions hired by the City to render an opinion on such matters with regard to the 2015 Note.

"Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which the office of the Holder at which payments on the 2015 Note are due or the offices of the City are lawfully closed.

"City" shall mean the City of Wildwood, Florida, a municipal corporation of the State of Florida.

"City Clerk" shall mean the City Clerk or any deputy or assistant city clerk of the City and such other person as may be duly authorized to act on his or her behalf.

"City Manager" shall mean the City Manager of the City and such other person as may be duly authorized to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the applicable rules and regulations promulgated thereunder.

"Debt Service" means principal and interest, and other debt-related costs, due in connection with the 2015 Note, as applicable.

"Default Rate" shall mean five percent (5%) provided such rate shall not exceed the highest rate of interest allowed by applicable law.

"Determination of Taxability" shall mean, with respect to the 2015 Note, any determination, decision or decree by the Commissioner or any District Director of the Internal Revenue Service, as such officers are identified by the Code, or any court of competent jurisdiction, that the interest payable under the 2015 Note is includable in the gross income (as defined in Section 61 of the Code) of the Holder as a consequence of any act or omission of the City.

"Event of Default" shall mean an Event of Default as defined in Section 5.01 of this Agreement.

"Finance Director" shall mean the City's City Clerk and Chief Financial Officer or such other person as may be duly authorized to act on his or her behalf.

"Financial Advisor" shall mean Gollahon Financial Services, Inc.

"Fiscal Year" shall mean the 12-month period commencing October 1 of each year and ending on the succeeding September 30, or such other 12-month period as the City may designate as its "fiscal year" as permitted by law.

"Government Obligations" shall mean the following:

(a) bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the full and timely payment of the principal of

and interest on which are fully and unconditionally guaranteed by, the United States of America; and

(b) evidences of direct ownership of a proportionate or individual interest in future interest or principal payments on specified direct obligations of, or obligations for which the full and timely payment of the principal and interest is unconditionally guaranteed by, the United States of America, issued by or through the Federal Reserve Bank, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian in form and substance satisfactory to the City.

"Half-Cent Sales Tax" means any and all moneys distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund, as defined and described in Part VI, Chapter 218, Florida Statutes, as amended.

"Interest Payment Date" shall mean each March 1 and September 1, commencing March 1, 2015 until the Note has been paid in full.

"Loan" shall refer to an amount equal to the outstanding principal of the 2015 Note, together with unpaid interest and penalties, if any, which have accrued.

"Maturity Date" shall mean the date on which all principal and all unpaid interest accrued on the 2015 Note shall be due and payable in full, which date shall be, if not sooner due to prepayment, March 1, 2030.

"Noteholder" or "Holder" shall mean the Bank as the holder of the 2015 Note and any subsequent registered holder of the 2015 Note.

"Pledged Revenues" means the Half-Cent Sales Tax.

"Refunded Bonds" shall have the meaning set forth in the "Whereas" clauses to this Agreement.

"Resolution" shall mean Resolution No. \_\_\_\_\_, adopted at a meeting of the City Commission on January 26, 2015, which, among other things, authorized the execution and delivery of this Agreement and the issuance of the 2015 Note.

"2015 Note Rate" shall mean the rate of interest to be borne by the 2015 Note which shall be a fixed rate equal to 2.46% per annum calculated on the basis of a 360-day year of 12, 30-day months.

"2015 Note" shall mean the City of Wildwood, Florida Capital Improvement Refunding Revenue Note, Series 2015.

**Section 1.02. Interpretation.** Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

**Section 1.03. Titles and Headings.** The titles and headings of the Articles and Sections of this Agreement, which have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF THE PARTIES

**Section 2.01. Representations and Warranties of City.** The City represents and warrants to the Bank as follows:

(a) Existence. The City is a municipal corporation of the State of Florida, duly created and validly existing under the laws of the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to issue and deliver the 2015 Note to the Bank. The making, execution and performance of this Agreement on the part of the City and the issuance and delivery of the 2015 Note has been duly authorized by all necessary action on the part of the City and will not violate or conflict with the Act, or any agreement, indenture or other instrument by which the City or any of its material properties is bound.

(b) Validity, Etc. This Agreement, the 2015 Note and the Resolution are valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) No Financial Material Adverse Change. No material adverse change in the financial condition of the City or the Pledged Revenues has occurred since the audited financial statements of the City for its year ended September 30, 2013.

(d) Powers of City. The City has the legal power and authority to pledge the Pledged Revenues to the repayment of the 2015 Note as described herein and following the issuance of the 2015 Note none of the Pledged Revenues are pledged to any other obligation of the City.

(e) Authorizations, etc. No authorization, consent, approval, license, exemption of or registration or filing with any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, has been or will be necessary for the valid execution, delivery and performance by the City of this Agreement, the 2015 Note and the related documents, except such as have been obtained, given or accomplished.

(f) Pledge of Pledged Revenues. Following the issuance of the 2015 Note the City will have no debt to which the Pledged Revenues have been pledged. The City understands that it may not in the future pledge the Pledged Revenues other than as provided in Section 4.05 hereof.

**Section 2.02. Covenants of the City.** The City covenants as follows:

(a) At no costs to the Bank, the City will furnish to the Bank (i) within 365 days following the end of each Fiscal Year, a comprehensive annual financial report of the City for such Fiscal Year prepared in accordance with generally accepted accounting standards, which shall include a balance sheet and income statement as of the end of such Fiscal Year, and an audit report of an independent certified public accountant or firm thereof, (ii) any other financial information, including but not limited to the City's annual budget, which the Bank may reasonably request.

(b) The City shall take all necessary actions and will not omit taking any actions to continue to be eligible to receive the Pledged Revenues during the period that the 2015 Note remains outstanding.

**Section 2.03. Representations and Warranties of Bank.** The Bank represents and warrants to the City as follows:

(a) Existence. The Bank is an Alabama State banking corporation, authorized to do business in the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to make the Loan. The performance of this Agreement on the part of the Bank and the making of the Loan have been duly authorized by all necessary action on the part of the Bank and will not violate or conflict with applicable law or any material agreement, indenture or other instrument by which the Bank or any of its material properties is bound.

(b) Validity. This Agreement is a valid and binding obligation of the Bank enforceable against the Bank in accordance with its terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights (and specifically creditors' rights as the same relate to banks) and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) Knowledge and Experience. The Bank (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of making the Loan and investing in the 2015 Note, (ii) has received and reviewed such financial information concerning the Pledged Revenues as it has needed in order to fairly evaluate the merits and risks of making the Loan and investing in the 2015 Note; and (iii) is purchasing the 2015 Note as an investment for its own account and not with a current view toward resale to the public.

**ARTICLE III**

**THE NOTE**

**Section 3.01. Purpose and Use.** On the date of this Agreement, the Bank shall make available to the City the Loan in the principal amount of One Million Six Hundred Eighty-Four Thousand Nine Hundred Sixty-Three and 52/100 Dollars (\$1,684,963.52). The Loan will be

evidenced by the 2015 Note. The proceeds of the 2015 Note shall be used, together with other legally available moneys, solely to retire on the date hereof all of the Refunded Bonds.

**Section 3.02. The Note.** The Note shall be substantially in the form set forth as **Exhibit A** to this Agreement. The general terms of the Note shall be as follows:

(a) Amount of Note. The aggregate principal amount of the 2015 Note shall be (\$1,684,963.52).

(b) Interest. The 2015 Note shall bear interest at the 2015 Note Rate payable on each Interest Payment Date. The 2015 Note Rate shall be subject to adjustment as provided in Section 3.03 hereof. The Noteholder shall promptly notify the City in writing of any adjustments in a 2015 Note Rate. Notwithstanding any provision hereof the contrary, in no event shall the interest rate on the Note exceed the maximum rate permitted by law. Interest on the 2015 Note shall be computed on the basis of 12, 30-day months and a 360-day year.

(c) Prepayments and Principal Payments. The 2015 Note shall be subject to prepayment in whole and in part at the option of the City, as provided in the 2015 Note. Any prepayment shall be made on a prepayment date as shall be specified by the City in a written notice delivered to the Noteholder not less than ten (10) days prior to the specified prepayment date. Any prepayment shall be applied first to accrued interest, then to other amounts owed the Holder, and finally to principal as directed by the City in inverse order of sinking fund payments if paid in part.

Principal on the 2015 Note is payable on each March 1 and September 1 commencing March 1, 2015 as set forth in Schedule I to the 2015 Note.

**Section 3.03. Adjustments to 2015 Note Rate.** The 2015 Note Rate shall be subject to adjustment by the Bank as hereinafter described and as provided in the 2015 Note.

In the event of a Determination of Taxability, the 2015 Note Rate shall be adjusted to cause the yield on the 2015 Note to equal what the yield on the 2015 Note would have been absent such Determination of Taxability (the "Taxable Rate") effective retroactively to the date on which such Determination of Taxability is effective. Immediately upon a Determination of Taxability, the City agrees to pay to the Noteholder subject to such Determination of Taxability the Additional Amount (as defined herein). "Additional Amount" means (i) the difference between (a) interest on the 2015 Note for the period commencing on the date on which the interest on the 2015 Note (or portion thereof) loses its "tax-exempt" status and ending on the earlier of the date such 2015 Note ceased to be outstanding or such adjustment is no longer applicable to the 2015 Note (the "Taxable Period") at a rate equal to the Taxable Rate and (b) the aggregate amount of interest payable on the 2015 Note for the Taxable Period under the provisions of the 2015 Note without considering the Determination of Taxability, plus (ii) any penalties and interest paid or payable by such Noteholder to the Internal Revenue Service by reason of such Determination of Taxability.

If the 2015 Note ceases to be a "qualified tax-exempt obligation" then the 2015 Note Rate shall be adjusted to cause the yield on the 2015 Note to equal what the yield on the 2015 Note would have been in the absence of such change.

The Noteholder shall promptly notify the City in writing of any adjustments pursuant hereto. Such adjustments shall become effective as of the effective date of the event causing such adjustment. Adjustments pursuant hereto may be retroactive. The Noteholder shall certify to the City in writing the additional amount, if any, due to the Noteholder as a result of an adjustment pursuant hereto. Notwithstanding any provision hereto the contrary, in no event shall the interest rate on the 2015 Note exceed the maximum rate permitted by law.

**Section 3.04. Conditions Precedent to Issuance of Note.** Prior to or simultaneously with the delivery of the 2015 Note, there shall be filed with the Bank the following, each in form and substance reasonably acceptable to the Bank:

(a) an opinion of legal counsel to the City addressed to the Bank substantially to the effect that (i) the Resolution has been duly adopted, and this Agreement and the 2015 Note have been duly authorized, executed and delivered by the City and each constitutes a valid, binding and enforceable agreement of the City in accordance with their respective terms, except to the extent that the enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally or by usual equity principles; (ii) the City's execution, delivery and performance of this Agreement and execution and issuance of the 2015 Note are not subject to any authorization, consent, approval or review of any governmental body, public officer or regulatory authority not heretofore obtained or effected; (iii) the execution, issuance and delivery of the 2015 Note and this Agreement has been duly and validly authorized by the City, and the 2015 Note and this Agreement constitute a valid and binding special obligation of the City enforceable in accordance with their terms; (iv) the City (A) is a municipal corporation duly organized and validly existing under the laws of the State of Florida, and (B) has power and authority to adopt the Resolution, to execute and deliver this Agreement, to execute and deliver the 2015 Note, and to consummate the transactions contemplated by such instruments; (v) the execution, delivery and performance of the 2015 Note and this Agreement, and compliance with the terms thereof and hereof, under the circumstances contemplated hereby, do not and will not in any material respect conflict with, or constitute on the part of the City a breach or default under, any indenture, mortgage, deed of trust, agreement or other instrument to which the City or to which its properties are subject or conflict with, violate or result in a breach of any existing law, administrative rule or regulation, judgment, court order or consent decree to which the City or its properties are subject; (vi) there is no claim, action, suit, proceeding, inquiry, investigation, litigation or other proceeding, at law or in equity, pending or, to the best of such counsel's knowledge, threatened in any court or other tribunal, state or federal (A) restraining or enjoining, or seeking to restrain or enjoin, the issuance, sale, execution or delivery of the 2015 Note, (B) in any way questioning or affecting the validity or enforceability of any provision of this Agreement, the 2015 Note, or the Resolution, (C) in any way questioning or affecting the validity of any of the proceedings or authority for the authorization, sale, execution or delivery of the 2015 Note and this Agreement or of any provision made or authorized for the payment thereof, or (D) questioning or affecting the organization or existence of the City or the right of any of its officers to their respective offices; (vii) the City has the legal authority to refund the Refunded Bonds, to grant a lien on the Pledged Revenues as described herein and in the Resolution; and (viii) all conditions contained in the ordinances and resolutions of the City precedent to the issuance of the 2015 Note have been complied with;

(b) an opinion of Bond Counsel (who may rely on opinion of legal counsel to the City) addressed to the Bank, substantially to such effect that such counsel is of the opinion that: (i) this Agreement constitutes a valid and binding obligation of the City enforceable upon the City in accordance with its terms; (ii) the 2015 Note is a valid and binding special obligation of the City enforceable in accordance with its terms, payable solely from the sources provided therefor in this Loan Agreement; (iii) assuming compliance by the City with certain covenants relating to requirements contained in the Code interest on the 2015 Note is excluded from gross income for purposes of federal income taxation; (iv) the lien of the Refunded Bonds on the revenues pledged thereto has been discharged; and (v) the 2015 Note is a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code;

(c) a copy of a completed and executed Form 8038-G to be filed with the Internal Revenue Service by the City;

(d) the original executed 2015 Note and Agreement; and

(e) such other documents as the Bank reasonably may request (including, without limitation, Florida Division of Bond Finance forms).

When the documents and items mentioned in clauses (a) through (e), inclusive, of this Section shall have been filed with the Bank, and when the 2015 Note shall have been executed as required by this Agreement, the City shall deliver the 2015 Note to or upon the order of the Bank upon receipt of the purchase price therefor.

**Section 3.05. Registration of Transfer; Assignment of Rights of Bank.** The City shall keep at the office of the City Clerk in the City's records the registration of the 2015 Note and the registration of transfers of the 2015 Note as provided in this Agreement. The transfer of the 2015 Note may be registered only upon the books kept for the registration of the 2015 Note and registration of transfer thereof upon surrender thereof to the City together with an assignment duly executed by the Noteholder or its attorney or legal representative in the form of the assignment set forth on the form of the 2015 Note attached as **Exhibit A** to this Agreement; provided, however, that the 2015 Note may be transferred only in whole and not in part. In the case of any such registration of transfer, the City shall execute and deliver in exchange for the 2015 Note a new Note registered in the name of the transferee. In all cases in which the 2015 Note shall be transferred hereunder, the City shall execute and deliver at the earliest practicable time a new 2015 Note in accordance with the provisions of this Agreement. The City may make a charge for every such registration of transfer of the 2015 Note sufficient to reimburse it for any tax or other governmental charges required to be paid with respect to such registration of transfer, but no other charge shall be made for registering the transfer hereinabove granted. The 2015 Note shall be issued in fully registered form and shall be payable in any lawful coin or currency of the United States.

The registration of transfer of the 2015 Note on the registration books of the City shall be deemed to effect a transfer of the rights and obligations of the Bank under this Agreement to the transferee. Thereafter, such transferee shall be deemed to be the Bank under this Agreement and shall be bound by all provisions of this Agreement that are binding upon the Bank. The City and the transferor shall execute and record such instruments and take such other actions as the City

and such transferee may reasonably request in order to confirm that such transferee has succeeded to the capacity of Bank under this Agreement and the 2015 Note.

The Holder of the 2015 Note is hereby granted power to transfer absolute title thereof by assignment thereof to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against such owner's assignor or any person in the chain of title and before the maturity of the 2015 Note; provided, however, that no transfer shall be permitted absent the City's receipt of a purchaser's certificate in form and substance similar to the one included as part of **Exhibit A** hereto from such proposed transferee. Every prior Holder of the 2015 Note shall be deemed to have waived and renounced all of such owner's equities or rights therein in favor of every such bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

In the event the 2015 Note is mutilated, lost, stolen, or destroyed, the City shall execute a new 2015 Note of like date and denomination as that mutilated, lost, stolen or destroyed, provided that, in the case of any mutilated 2015 Note, such mutilated 2015 Note shall first be surrendered to the City, and in the case of any lost, stolen, or destroyed 2015 Note, there first shall be furnished to the City evidence of such loss, theft or destruction together with an indemnity satisfactory to it.

**Section 3.06. Ownership of the Note.** The person in whose name the 2015 Note is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the 2015 Note shall be made only to the Holder thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the 2015 Note, and interest thereon, to the extent of the sum or sums so paid.

**Section 3.07. Use of Proceeds of Note Permitted Under Applicable Law.** The City represents, warrants and covenants that the proceeds of the 2015 Note will be used as provided in Section 3.01 hereof, and that such use is permitted by applicable law.

**Section 3.08. Authentication.** Until the 2015 Note shall have endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A, duly executed by the manual signature of the registrar as authenticating agent, it shall not be entitled to any benefit or security under this Loan Agreement. The 2015 Note shall not be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the registrar, and such certificate of the registrar upon the 2015 Note shall be conclusive evidence that such 2015 Note has been duly authenticated and delivered under this Loan Agreement.

## ARTICLE IV

### COVENANTS OF THE CITY

**Section 4.01. Performance of Covenants.** The City covenants that it will perform faithfully at all times its covenants, undertakings and agreements contained in this Agreement and the 2015 Note and in any proceedings of the City relating to the Loan provided that any payments due hereunder shall be paid solely from the Pledged Revenues.

**Section 4.02. Payment of 2015 Note.**

(a) The City does hereby irrevocably pledge the Pledged Revenues as security for the repayment of the 2015 Note.

(b) The 2015 Note is a special obligation of the City secured solely by the Pledged Revenues as provided in this Agreement. The 2015 Note will not constitute a general debt, liability or obligation of the City or the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the City or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or interest on the Note and the Noteholder shall never have the right to compel any exercise of any ad valorem taxing power of the City or of the State of Florida or any political subdivision thereof, directly or indirectly to enforce such payment. The Note shall not constitute a lien upon any property of the City except upon the Pledged Revenues.

**Section 4.03. Tax Covenant.** The City covenants to the Noteholder that the City will not make any use of the proceeds of the 2015 Note at any time during the term of such 2015 Note which, if such use had been reasonably expected on the date the 2015 Note was issued, would have caused such 2015 Note to be an "arbitrage bond" within the meaning of the Code. The City will do all acts including complying with the requirements of the Code and any valid and applicable rules and regulations promulgated thereunder necessary to insure the exclusion of interest on the 2015 Note from the gross income of the Holders thereof for purposes of federal income taxation.

**Section 4.04. Compliance with Laws and Regulations.** The City shall maintain compliance with all federal, state and local laws and regulations applicable to the refunding of the Refunded Bonds and the Loan.

**Section 4.05. Additional Debt.** As long as the 2015 Note is outstanding, the City shall not issue any debt payable from the Pledged Revenues on a parity with the 2015 Note (the "Additional Debt") unless there shall have been obtained and filed with the City and the Holder of the 2015 Note a certificate of the City's Finance Director (i) setting forth the amount of Pledged Revenues for the Fiscal Year immediately preceding the issuance of such Additional Debt; (ii) stating that such Pledged Revenues equal at least 1.30 times the maximum debt service for all outstanding debt secured by and payable from a first lien on such Pledged Revenues and such additional proposed debt; and (iii) stating either that no Event of Default has occurred or if such Event of Default has occurred that it shall have been cured. For purposes of such calculation if the interest rate on the proposed additional debt will be a variable interest rate, the rate for purposes hereof shall be calculated at the initial rate. Any debt of the City payable from any of the Pledged Revenues not meeting the test for Additional Debt set forth above shall contain an express statement that such obligations are junior, inferior and subordinate in all respects to the 2015 Note herein authorized, as to lien on and source and security for payment from such Pledged Revenues.

**Section 4.06. Covenant Regarding Pledged Revenues.** As long as the 2015 Note is outstanding the City covenants that the pledging of the Pledged Revenues shall not be subject to

repeal, modification or impairment by any subsequent ordinance, resolution, or other proceedings of the City.

## ARTICLE V

### EVENTS OF DEFAULT AND REMEDIES

**Section 5.01. Events Of Default.** The following events shall each constitute an "Event of Default:"

(a) The City defaults in the payment of the principal of or interest on the 2015 Note when due.

(b) There shall occur the dissolution or liquidation of the City, or the filing by the City of a voluntary petition in bankruptcy, or the commission by the City of any act of bankruptcy, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of its creditors, or appointment of a receiver for the City, or the entry by the City into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(c) The City shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the 2015 Note or in this Agreement on the part of the City to be performed, and such default shall continue for a period of thirty days after written notice of such default shall have been received from the Holders of the 2015 Note. Notwithstanding the foregoing, the City shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the City in good faith institutes curative action and diligently pursues such action until the default has been corrected.

(d) The City shall default in the payment of any other obligation that is payable from Pledged Revenues on a parity with the 2015 Note.

Upon the occurrence of an Event of Default the Note Rate shall be the Default Rate and the Pledged Revenues shall continue to be pledged as security for the 2015 Note and any and all amounts due and owing under this Agreement until all such amounts are paid in full, notwithstanding the passage of the Maturity Date for the 2015 Note.

**Section 5.02. Remedies.** A Holder of the 2015 Note or any trustee or receiver acting for such Holder may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in this Agreement, and may enforce and compel the performance of all duties required by this Agreement or by any applicable statutes to be performed by the City or by any officer thereof. However, acceleration of payments due on the 2015 Note shall not be a remedy hereunder. The City shall pay the Holder the reasonable fees and costs incurred by the Holder and its attorneys and agents in pursuing such remedies.

**Section 5.03. Remedies Cumulative.** No remedy herein conferred upon or reserved to the Holder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

**Section 6.01. Covenants of City, Etc.; Successors.** All of the covenants, stipulations, obligations and agreements contained in this Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time, and upon any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

**Section 6.02. Term of Agreement.** This Agreement shall be in full force and effect from the date hereof until the 2015 Note and all other sums payable to the Holder hereunder have been paid in full.

**Section 6.03. Amendments and Supplements.** This Agreement may be amended or supplemented from time to time only by a writing duly executed by each of the City and the Noteholders.

**Section 6.04. Notices.** Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to or filed with the City or the Bank, shall be deemed to have been sufficiently given or filed for all purposes of this Agreement if and when sent by certified mail, return receipt requested:

(a) As to the City:

City of Wildwood, Florida  
City Hall  
100 N. Main Street  
Wildwood, Florida 34785  
Attention: City Clerk and Chief Financial Officer

(b) As to the Bank:

Regions Bank  
1700 SE 17<sup>th</sup> Street  
Ocala, Florida 34471  
Attention: Adam J. Lombardo, Vice President

or at such other address as shall be furnished in writing by any such party to the other, and shall be deemed to have been given as of the date so delivered or deposited in the United States mail.

Either party may, by notice sent to the other, designate a different or additional address to which notices under this Agreement are to be sent.

**Section 6.05. Benefits Exclusive.** Except as herein otherwise provided, nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the City and the Noteholder, any right, remedy or claim, legal or equitable, under or by reason of this Agreement or any provision hereof, this Agreement and all of its provisions being intended to be and being for the sole and exclusive benefit of the City and the Noteholder.

**Section 6.06. Severability.** In case any one or more of the provisions of this Agreement, any amendment or supplement hereto or of the 2015 Note shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement, any amendment or supplement hereto or the 2015 Note, but this Agreement, any amendment or supplement hereto and the 2015 Note shall be construed and enforced at the time as if such illegal or invalid provisions had not been contained therein, nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof from time to time. In case any covenant, stipulation, obligation or agreement contained in the 2015 Note or in this Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation, or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the City to the full extent from time to time permitted by law.

**Section 6.07. Payments Due on Saturdays, Sundays and Holidays.** In any case where the date of maturity of interest on or principal of the 2015 Note or the date fixed for prepayment of the 2015 Note shall be other than a Business Day, then payment of such interest or principal shall be made on the next succeeding Business Day with the same force and effect as if paid on the date of maturity or the date fixed for prepayment, and no interest on any such principal amount shall accrue for the period after such date of maturity or such date fixed for prepayment.

**Section 6.08. 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, and, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

**Section 6.09. Defeasance of 2015 Note.** The 2015 Note will be deemed to be paid and discharged and no longer Outstanding under this Agreement if the City shall pay or provide for the payment of such 2015 Note in any one or more of the following ways:

(a) by paying or causing to be paid the principal of (including redemption premium, if any) and all interest on such 2015 Note, as and when the same become due and payable; or

(b) by depositing or causing moneys and/or Government Obligations to be deposited in irrevocable escrow in an amount, together with the income or increment to accrue

thereon, without consideration of any reinvestment thereof, sufficient to pay or redeem and discharge the indebtedness on such 2015 Note at or before its maturity date or redemption date.

**Section 6.10. Applicable Law.** This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Florida.

**Section 6.11. No Personal Liability.** Notwithstanding anything to the contrary contained herein or in the 2015 Note, or in any other instrument or document executed by or on behalf of the City in connection herewith, no stipulation, covenant, agreement or obligation of any present or future member of the City Commission, officer, employee or agent of the City, officer, employee or agent of a successor to the City, in any such person's individual capacity, shall cause such person to be liable personally for any breach or non-observance of or for any failure to perform, fulfill or comply with any such stipulations, covenants, agreements or obligations, nor shall any recourse be had for the payment of the principal of or interest on the 2015 Note or for any claim based thereon or on any such stipulation, covenant, agreement or obligation, against any such person, in his or her individual capacity, either directly or through the City or any successor to the City, under any rule or law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise and all such liability of any such person, in his or her individual capacity, is hereby expressly waived and released.

**Section 6.12. Incorporation by Reference.** All of the terms and obligations of the Resolution are hereby incorporated herein by reference as if all of the foregoing were fully set forth in this Agreement. All recitals appearing at the beginning of this Agreement are hereby incorporated herein by reference.

**Section 6.13. Waiver of Jury Trial.** THE BANK AND THE CITY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE RESOLUTION, THIS AGREEMENT, THE 2015 NOTE OR ANY OTHER AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF EITHER PARTY.

*Signature Page for LOAN AGREEMENT  
dated January 30, 2015 between  
the City of Wildwood, FL and Regions Bank*

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

**CITY OF WILDWOOD, FLORIDA**

ATTEST:

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

\_\_\_\_\_  
City Clerk

Approved as to form:

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

**REGIONS BANK**

By: \_\_\_\_\_  
Title: Vice President, Business Banking

**EXHIBIT A**

**FORM OF NOTE**

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

**CITY OF WILDWOOD, FLORIDA  
CAPITAL IMPROVEMENT REFUNDING REVENUE NOTE,  
SERIES 2015**

<u>Principal Sum</u>	<u>Maturity Date</u>	<u>2015 Note Rate</u>	<u>Date of Issuance</u>
\$1,684,963.52	March 1, 2030	2.46%	January 30, 2015

The CITY OF WILDWOOD, FLORIDA (the "City"), for value received, hereby promises to pay, solely from the sources described in the within mentioned Agreement, to the order of Regions Bank, an Alabama State banking corporation, or its assigns (the "Holder"), the Principal Sum, such principal to be payable on March 1 and September 1 in the years and in the amounts set forth on Schedule "I" hereto, with all unpaid principal and interest due in full on the above referenced Maturity Date, and to pay interest on the outstanding principal amount hereof from the most recent date to which interest has been paid or provided for, or if no interest has been paid, from the Date of Issuance shown above, on March 1 and September 1 of each year (each, an "Interest Payment Date"), commencing on March 1, 2015, until payment of said principal sum has been made or provided for, at the above referenced 2015 Note Rate calculated on the basis of 12, 30-day months and a 360-day year. Payments due hereunder shall be 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, which payments shall be made to the Holder hereof by check mailed to the Holder at the address designated in writing by the Holder for purposes of payment or by bank wire or bank transfer as such Holder may specify in writing to the City or otherwise as the City and the Holder may agree.

The 2015 Note Rate may be adjusted in accordance with Section 3.03 of that certain Loan Agreement by and between the Holder and the City, dated January 30, 2015 (the "Agreement"). Such adjustments may be retroactive. The 2015 Note Rate is also subject to adjustment as provided in Section 5.01 of the Agreement.

This 2015 Note is issued for the purpose of refunding the City's outstanding Capital Improvement Revenue Bond, 2000 and Series 2000A, 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, City Resolution No. \_\_\_\_\_ as, adopted by the City Commission (the "Commission") on January 26, 2015, and the Agreement.

This 2015 Note is a limited, special obligation of the City, payable from and secured solely by a lien upon and pledge of the Pledged Revenues, as defined and described and in the manner provided in the Agreement.

All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

This 2015 Note may be prepaid by the City in whole and in part, on any payment date as provided in the Agreement from any legally available monies at a prepayment price of 100% of the principal amount to be redeemed without any prepayment penalty or fee, plus accrued interest to the prepayment date. Any prepayments shall be applied as provided in Section 3.02(c) of the Agreement.

Notice having been given as aforesaid, the principal amount to be prepaid shall become due and payable on the prepayment date stated in such notice, together with interest accrued and unpaid to the prepayment date on such principal amount; and the amount of principal and interest then due and payable shall be paid to the Holder upon such date identified in the notice of redemption. If, on the prepayment date, funds for the payment of the principal amount, together with interest to the prepayment date on such principal amount, shall have been given to the Holder, as above provided, then from and after the prepayment date interest on such principal amount of this 2015 Note shall cease to accrue.

Notwithstanding any provision in this 2015 Note to the contrary, in no event shall the interest contracted for, charged or received in connection with this 2015 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 nonusurious interest allowed under the State of Florida as presently in effect and to the extent an increase is allowable by such laws, but in no event shall any amount ever be paid or payable by the City greater than the amount contracted for herein.

THIS 2015 NOTE SHALL NOT BE OR CONSTITUTE AN INDEBTEDNESS OF THE CITY OR THE STATE OF FLORIDA (THE "STATE"), WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATIONS OF INDEBTEDNESS, BUT SHALL BE PAYABLE SOLELY FROM THE PLEDGED REVENUES, AS PROVIDED IN THE AGREEMENT AND THE RESOLUTION. THE HOLDER SHALL NEVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY, OR TAXATION IN ANY FORM OF ANY PROPERTY THEREIN TO PAY THIS 2015 NOTE OR THE INTEREST HEREON.

Upon the occurrence of an Event of Default the Holder of the 2015 Note shall also have such remedies as described in the Agreement.

The City hereby waives presentment, demand, protest and notice of dishonor. This 2015 Note is governed and controlled by the Agreement and reference is hereby made thereto regarding interest rate adjustments and other matters.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City has caused this 2015 Note to be signed by its Mayor by his manual signature, and the seal of the City to be affixed hereto or imprinted or reproduced hereon, and attested by a City Clerk of the City manually, and this 2015 Note to be dated the Date of Issuance set forth above.

**CITY OF WILDWOOD, FLORIDA**

[SEAL]

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

ATTEST:

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

Approved as to form:

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

FORM OF CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This 2015 Note is being delivered pursuant to the within mentioned Agreement.

**CITY OF WILDWOOD, FLORIDA,**  
as Registrar

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

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto \_\_\_\_\_ (please print or typewrite name, address and tax identification number of assignee) \_\_\_\_\_ the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Name of Noteholder: \_\_\_\_\_

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

**SCHEDULE I**

**2015 NOTE - PRINCIPAL REPAYMENT SCHEDULE**

<u>Year</u>	<u>Amount</u>
March 1, 2015	\$7,261.37
September 1, 2015	46,578.04
March 1, 2016	47,150.94
September 1, 2016	47,730.90
March 1, 2017	48,317.99
September 1, 2017	48,912.30
March 1, 2018	49,513.92
September 1, 2018	50,122.94
March 1, 2019	50,739.46
September 1, 2019	51,363.55
March 1, 2020	51,995.32
September 1, 2020	52,634.87
March 1, 2021	53,282.27
September 1, 2021	53,937.65
March 1, 2022	54,601.08
September 1, 2022	55,272.67
March 1, 2023	55,952.53
September 1, 2023	56,640.74
March 1, 2024	57,337.42
September 1, 2024	58,042.67
March 1, 2025	58,756.60
September 1, 2025	59,479.31
March 1, 2026	60,210.90
September 1, 2026	60,951.50
March 1, 2027	61,701.20
September 1, 2027	62,460.12
March 1, 2028	63,228.38
September 1, 2028	64,006.09
March 1, 2029	64,793.37
September 1, 2029	65,590.33
March 1, 2030	66,397.09

## PURCHASER'S CERTIFICATE

(Dated Date)

Akerman LLP ("Note Counsel")  
Orlando, Florida

Hunt Law Firm ("City Attorney")  
Leesburg, Florida

City of Wildwood, Florida (the "City")

Ladies and Gentlemen:

The undersigned, as a purchaser of the City of Wildwood, Florida Capital Improvement Refunding Revenue Note, Series 2015 (the "Note") dated January 30, 2015, consisting of one typewritten Note, hereby makes the following representations, which representations may be relied upon by the addressees:

- A We are aware:
- (i) that investment in the Note involves various risks;
  - (ii) that the Note is not a general obligation of the City of Wildwood (the "City"); and
  - (iii) that the principal or premium, if any, and interest on the Note is payable solely from the sources specified in the Loan Agreement dated the date hereof between us and the City (the "Agreement") and that the Note is not secured by any reserve fund or account.
- B We understand that no official statement, offering memorandum or other form of offering document has been prepared or is being used in connection with the offering or sale of the Note (collectively, "Disclosure Documents"), but we have been afforded access to all information we have requested in making our decision to make the loan evidenced by the Note. We have not requested any Disclosure Documents in connection with the sale of the Note. We also understand that the Note is not rated or credit enhanced. We do not require any further information or data incident to our purchase of the Note.
- C In making the loan evidenced by the Note, we have relied solely upon our own investigation, examination, and evaluation of the City, the Pledged Revenues and other relevant matters.
- D We have knowledge and experience in financial and business matters related to making the loan evidenced by the Note and are capable of evaluating the merits

and risks of our investment in the Note and have determined that we can bear the economic risk of our investment in the Note.

- E We acknowledge that the Note is not being registered under the Securities Act of 1933 (the "1933 Act"), as amended or Chapter 517, Florida Statutes, and that the Resolution is not being qualified under the Trust Indenture Act of 1939, as amended, and that the City shall have no obligation to effect any such registration or qualification.
- F We are not acting as a bondhouse, broker or other intermediary, and are purchasing the Note with our own capital as an investment for our own account and not with a present view to a resale or other distribution to the public. Although we retain the right to transfer the Note in the future, subject to the limitations set forth therein, we understand that the Note may not be readily tradable.
- G We acknowledge that we are an "accredited investor" within the meaning of United States Securities Act of 1933, as amended and Regulation D thereunder.
- H We acknowledge that Note Counsel and the City Attorney have not represented us on this transaction and that we are relying on them solely for the matters stated in their respective legal opinions of even date.
- I We have received all documents requested by us incident to our purchase of the Note.
- J We have not asked that the Note bear a CUSIP and we do not intend to seek a CUSIP for the Note.

Capitalize terms not defined here have the meaning ascribed to them in the Agreement.

[ ]

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