

**FIRST AMENDMENT TO
LOAN AGREEMENT**

between

MARTIN COUNTY, FLORIDA

and

SUNTRUST BANK

Dated as of September 27, 2018

Relating to

Martin County, Florida
\$3,045,000
Capital Improvement Revenue Note, Series 2010

FIRST AMENDMENT TO LOAN AGREEMENT

THIS FIRST AMENDMENT TO LOAN AGREEMENT (hereinafter referred to as the "First Amendment") made and entered into as of September 27, 2018, by and between **MARTIN COUNTY, FLORIDA** (the "County") and **SUNTRUST BANK** (the "Bank"), for the purpose of amending the hereinafter described Loan Agreement.

WITNESSETH:

WHEREAS, the County and the Bank previously entered into that certain Loan Agreement dated as of October 27, 2010, (the "Original Loan Agreement"), pursuant to which the Bank extended a loan to the County in an amount to equal to \$3,045,000 (the "Loan"); and

WHEREAS, the County and the Bank wish to make certain amendments and modifications to the terms and conditions contained in the Original Loan Agreement, subject to the conditions, limitations and requirements as hereinafter set forth in this First Amendment.

NOW, THEREFORE, for and in consideration of the mutual premises contained herein and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Amendments to Original Loan Agreement.

Section 4.07 of the Original Loan Agreement is hereby amended and restated as follows:

Anti-Dilution Test. The County will not issue any Non-Enterprise Non-Ad Valorem Revenue Obligations unless, for the Computation Period, (i) the total Non-Enterprise Non-Ad Valorem Revenues, less (ii) the product of (a) Non-Enterprise Non-Ad Valorem Revenues divided by Total Non-Enterprise Fund Revenues times (b) Governmental Expenses, and less (iii) principal and interest payments on Non-Enterprise Non-Ad Valorem Revenue Obligations equals or exceeds one hundred twenty-five percent (125%) of Existing and Proposed CB&A Debt Service.

For purposes of this covenant, annual debt service means, with respect to debt that bears interest at a fixed interest rate, the actual annual debt service, and, with respect to debt which bears interest at a variable interest rate, annual debt service shall be determined assuming that such obligations 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; provided, however, annual debt service on debt that constitutes Balloon Indebtedness, whether bearing interest at a fixed or variable interest rate, shall be determined assuming such debt is amortized over 20 years on an approximately level annual debt service basis, such amortization commencing on the date of issuance of such debt. The foregoing notwithstanding, for purposes of calculating annual debt service, any debt which bears interest at a variable rate with respect to which the County has entered into an interest rate swap or interest rate cap for a notional amount equal to the principal amount of such variable rate indebtedness shall be treated for purposes of this covenant as

bearing interest at a fixed rate equal to the fixed rate payable by the County under the interest rate swap, or the capped rate provided by the interest rate cap.

For purposes of this Section, and notwithstanding anything herein to the contrary, the following terms shall have the following meanings:

"Balloon Indebtedness" means debt 25% or more of the original principal amount of which matures during any one Fiscal Year.

"CB&A Obligations" means obligations secured by a covenant to budget and appropriate from Non-Enterprise Non-Ad Valorem Revenues, and excludes obligations as to which the covenant to budget and appropriate Non-Enterprise Non-Ad Valorem Revenues either (i) backs up a lien on Enterprise Fund Revenues as the source of security, but only to the extent that the County does not expect to apply Non-Enterprise Non-Ad Valorem Revenues to the payment of such debt service in the future, or (ii) relates to payments into a debt service reserve account or reimbursement under a debt service reserve fund surety policy reimbursement agreement.

"Computation Period" means (i) the period of 12 consecutive months out of the 24 months, or (ii) the complete Fiscal Year immediately preceding the date of issuance of the proposed CB&A Obligations.

"Direct Pledge Obligations" means obligations secured by a lien on and pledge of one or more Non-Enterprise Non-Ad Valorem Revenues.

"Enterprise Fund Revenues" means all revenues received by the County within an Enterprise Fund which is not a Governmental Fund.

"Existing and Proposed CB&A Debt Service" means the maximum amount that is due and payable in any Fiscal Year for principal and interest on the Non-Enterprise Non-Ad Valorem Revenue Obligations outstanding at the time or proposed to be issued plus the proposed Non-Enterprise Non-Ad Valorem Revenue Obligations.

"Governmental Expenses" means expenditures for general governmental and public safety services provided by the County in the General Fund, as itemized in the audited financial statements of the County.

"Non-Enterprise Non-Ad Valorem Revenue Obligations" means Direct Pledge Obligations and CB&A Obligations.

"Non-Enterprise Non-Ad Valorem Revenues" means all Non-Ad Valorem Revenues received during the Computation Period (a) without regard to any restriction upon the

use of such Non-Ad Valorem Revenues or any existing future liens on such Non-Ad Valorem Revenues and (b) excluding Enterprise Fund Revenues.

"Total Non-Enterprise Fund Revenues" means all revenues received by the County during the Computation Period, excluding Enterprise Fund Revenues.

2. Representations and Warranties.

A. In order to induce the Bank to execute and deliver this First Amendment, the County represents and warrants that the representations and warranties contained in the Original Loan Agreement are true and correct on the date hereof and are hereby incorporated by reference into the body of this First Amendment as if set forth herein in their entirety, except for those representations and warranties given as of a specific date, and shall remain in effect until all obligations of the County hereunder are discharged.

B. In addition to the foregoing, the County represents and warrants as follows:

(i) The execution, delivery and performance by the County of this First Amendment and the Original Loan Agreement, as amended hereby, are within its powers, have been duly authorized by all necessary action and do not contravene any law or any contractual restriction binding on or affecting the County.

(ii) This First Amendment and the Original Loan Agreement, as amended hereby, constitute legal, valid and binding obligations of the County, enforceable against the County, in accordance with their respective terms.

(iii) No Default or Event of Default under the Original Loan Agreement has occurred or is continuing.

3. Covenants. The County hereby reaffirms its Original Loan Agreement to observe and perform each of the respective covenants and obligations of the County contained in the Original Loan Agreement, except as may be modified by this First Amendment.

4. Provisions of Original Loan Agreement Not Otherwise Modified.

Except as expressly modified or amended hereby, the Original Loan Agreement shall remain in full force and effect. To the extent of any conflict between the terms of this First Amendment and the Original Loan Agreement, the terms hereof shall control.

5. Counterparts.

This First Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties, their successors and permitted assigns.

6. Complete Agreement.

This First Amendment constitutes the complete agreement between the parties hereto and incorporates all prior discussions, agreements and representations made in regard to the matters set forth herein.

7. Capitalized Terms.

Capitalized terms used in this First Amendment shall have the meanings assigned to them in the Original Loan Agreement unless the context hereof clearly dictates otherwise.

IN WITNESS WHEREOF, the Bank and the County have caused this First Amendment to be executed by their respective duly authorized officers as of the date first above written.

"COUNTY"

(SEAL)

MARTIN COUNTY, FLORIDA

By: _____
Edward V. Ciampi, Chairman
Board of County Commissioners

ATTEST:

By: _____
Carolyn Timmann, Clerk of the Circuit
Court and Comptroller

**APPROVED AS TO FORM &
LEGAL SUFFICIENCY:**

Sarah W. Woods, County Attorney

"BANK"

SUNTRUST BANK

By: _____

Name: W. Dane Sheldon

Title: Senior Vice President