

RESOLUTION NO. 2022-__

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MARTIN COUNTY, FLORIDA AUTHORIZING THE ISSUANCE OF A NOT TO EXCEED \$12,000,000 CAPITAL IMPROVEMENT REFUNDING REVENUE NOTE, SERIES 2022 (TAXABLE) TO REFUND THE COUNTY'S OUTSTANDING CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2017D (TAXABLE) AND TO PAY ASSOCIATED TRANSACTIONAL COSTS; AUTHORIZING THE PRIVATE NEGOTIATED SALE OF SUCH NOTE TO JPMORGAN CHASE BANK, N.A. PURSUANT TO THE TERMS AND CONDITIONS DESCRIBED HEREIN; PROVIDING THAT SUCH NOTE SHALL BE A LIMITED OBLIGATION OF THE COUNTY PAYABLE SOLELY FROM NON-AD VALOREM REVENUES BUDGETED AND APPROPRIATED AS PROVIDED HEREIN; PROVIDING FOR THE RIGHTS, SECURITIES AND REMEDIES FOR THE OWNER OF SUCH NOTE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

IT IS HEREBY ADOPTED BY THE COUNTY COMMISSION OF MARTIN COUNTY, FLORIDA:

Section 1: Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Constitution and the laws of the State of Florida, Chapter 125, Florida Statutes, as amended, Chapter 159, Part VII, Florida Statutes, Chapter 29, Article 2, General Ordinances, Martin County Code, and other applicable provisions of law.

Section 2: Definitions. All capitalized undefined terms shall have the same meanings as set forth in this Resolution, as hereinafter defined. In addition, the following terms, unless the context otherwise requires, shall have the meanings specified in this section. Words importing the singular number shall include the plural number in each case and vice versa.

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

"*Board*" shall mean the Board of County Commissioners of the Issuer.

"*Bond Counsel*" shall mean Bryant Miller Olive P.A., or other nationally recognized bond counsel firm.

"Business Day" shall mean any day except any Saturday or Sunday or day on which the Principal Office of the Lender is lawfully closed.

"CB&A Obligations" shall mean 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 Issuer 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.

"Chairman" shall mean the Chairman of the County Commission, or his or her designee.

"Computation Period" shall mean (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.

"County Administrator" shall mean the County Administrator of the Issuer or his or her designee.

"County Attorney" shall mean the County Attorney or any Assistant County Attorney of the Issuer.

"Clerk" shall mean the Clerk of Circuit Court and Comptroller or any assistant or deputy Clerk of Circuit Court and Comptroller.

"Debt Service Fund" shall mean the Debt Service Fund established with respect to the Note pursuant to Section 10 hereof.

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

"Enterprise Fund Revenues" shall mean all revenues received by the Issuer within an Enterprise Fund which is not a Governmental Fund.

"Existing and Proposed CB&A Debt Service" shall mean 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.

"Financial Advisor" shall mean PFM Financial Advisors LLC, or any other financial advisor appointed from time to time by the Issuer.

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

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

"Issuer" shall mean Martin County, Florida, a political subdivision of the State of Florida.

"Lender" shall mean JPMorgan Chase Bank, N.A.

"Maturity Date" shall mean May 1, 2033.

"Non-Ad Valorem Revenues" shall mean all legally available revenues of the Issuer other than ad valorem tax revenues.

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

"Non-Enterprise Non-Ad Valorem Revenues" shall mean 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.

"Note" shall mean the Issuer's Capital Improvement Refunding Revenue Note, Series 2022 (Taxable) authorized by Section 4 hereof.

"Owner" shall mean the Person in whose name the Note shall be registered on the books of the Issuer kept for that purpose in accordance with provisions of this Resolution. The Lender is the initial Owner of the Note.

"Permitted Lender" shall mean an affiliate of the Lender, an "accredited investor" within the meaning of Rule 501 of the Securities Act 1933 (the "Securities Act"), as amended, or a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act.

"Person" shall mean natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

"Pledged Revenues" shall mean the Non-Ad Valorem Revenues budgeted, appropriated and deposited in the Debt Service Fund as provided herein.

"Principal Office" shall mean with respect to the Lender, 450 South Orange Avenue, Suite 1000, Orlando, Florida 32801, or such other office as the Lender may designate to the Issuer in writing.

"Refunded Note" shall mean the Issuer's Capital Improvement Revenue Note, Series 2017D (Taxable).

"Resolution" shall mean this Resolution, pursuant to which the Note is authorized to be issued, including any supplemental resolution(s).

"State" shall mean the State of Florida.

"Total Non-Enterprise Fund Revenues" shall mean all revenues received by the Issuer during the Computation Period, excluding Enterprise Fund Revenues.

Section 3: Findings.

(A) The Issuer deems it beneficial and in its best financial interest to provide for the refunding of the Refunded Note through the issuance of the Note in a more favorable interest rate environment to generate net present value debt service savings. Issuance of the Note to refinance the Refunded Note satisfies a public purpose.

(B) Debt service on the Note will be secured by a covenant to budget, appropriate and deposit Non-Ad Valorem Revenues as provided herein. The Pledged Revenues will be sufficient to pay the principal and interest on the Note herein authorized, as the same become due, and to make all deposits required by this Resolution.

(C) The Issuer shall never be required to levy ad valorem taxes or use the proceeds thereof to pay debt service on the Note or to make any other payments to be made hereunder or to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees or any Non-Ad Valorem Revenues. The Note shall not constitute a lien on any property owned by or situated within the county limits of the Issuer other than the Pledged Revenues.

(D) It is estimated that the Non-Ad Valorem Revenues will be available after satisfying funding requirements for obligations having an express lien on or pledge thereof and after satisfying funding requirements for essential governmental services of the Issuer, in amounts sufficient to provide for the payment of the principal of and interest on the Note and all other payment obligations hereunder.

(E) The Issuer, after soliciting proposals in response to a request for loan proposals distributed by the Issuer on April 7, 2022 for the purpose of refunding the Refunded Note and receiving multiple responses complying with the structure described in such request, has selected the Lender to make the loan as evidenced by the Note.

Section 4: Authorization of Note and Refunding. Subject and pursuant to the provisions of this Resolution, an obligation of the Issuer to be known as the “Martin County, Florida Capital Improvement Refunding Revenue Note, Series 2022 (Taxable)” is hereby authorized to be issued under and secured by this Resolution in the principal amount of not to exceed \$12,000,000 for the purpose of refunding the Refunded Note and paying the costs of issuing the Note. The refunding of the Refunded Note with proceeds of the Note and other legally available moneys of the Issuer, if any, is hereby authorized and approved.

Because of the characteristics of the Note, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Note, it is in the best interest of the Issuer to accept the offer of the Lender to purchase the Note at a private negotiated sale, which was based upon a competitive selection process. Prior to the issuance of the Note, the Issuer shall receive from the Lender a Lender’s Certificate, in substantially the form attached hereto as Exhibit B and a Disclosure Letter containing the information required by Section 218.385, Florida Statutes, in substantially the form attached hereto as Exhibit C.

Section 5: This Resolution to Constitute Contract. In consideration of the acceptance of the Note authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Owner.

Section 6: Description of the Note. The Note shall be dated the date of its execution and delivery, which shall be a date agreed upon by the Issuer and the Lender, subject to the following terms:

- (A) **Interest Rate.** The Note shall have an initial fixed interest rate equal to 3.14% per annum (subject to adjustment upon the occurrence of certain events as provided in the Note) calculated on a 30/360-day basis.
- (B) **Principal and Interest Payment Dates.** Interest on the Note shall be paid semi-annually on each May 1 and November 1, commencing November 1, 2022. Principal on the Note shall be paid in the amounts and on the dates set forth in the Note with a final maturity date of the Maturity Date.
- (C) **Prepayment of the Note.** The Note shall be subject to prepayment as described in the Note.

- (D) Form of the Note. The Note is to be in substantially the form set forth in Exhibit A attached hereto, together with such non-material changes as shall be approved by the Chairman, such approval to be conclusively evidenced by the execution thereof by the Chairman.
- (E) Original Denomination of the Note. The Note shall originally be issued in a single denomination equal to the original principal amount authorized hereunder.

Section 7: Execution and Delivery of Note. The Note shall be executed in the name of the Issuer by its Chairman, and attested by its Clerk, and the corporate seal of the Issuer or a facsimile thereof shall be affixed thereto or reproduced thereon. In case any one or more of the officers of the Issuer who shall have signed or sealed the Note shall cease to be such officer or officers of the Issuer before the Note so signed and sealed shall have been actually sold and delivered, such Note may nevertheless be sold and delivered as if the persons who signed or sealed such Note had not ceased to hold such offices. The Note may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Note shall hold the proper office, although at the date of such Note such person may not have held such office or may not have been so authorized.

Section 8: Registration and Exchange of the Note; Persons Treated as Owner. The Note is initially registered to the Lender. So long as the Note shall remain unpaid, the Issuer will keep books for the registration and transfer of the Note. The Note shall be transferable only upon such registration books. Notwithstanding anything herein to the contrary, the Lender may in the future make transfers, in whole but not in part; provided, however, such transfer shall be only to a Permitted Lender and the Note may not be transferred in a denomination of less than \$100,000.

The Person in whose name the Note shall be registered shall be deemed and regarded as the absolute Owner thereof for all purposes, and payment of principal and interest on such Note shall be made only to or upon the written order of the Owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

Section 9: Payment of Principal and Interest; Limited Obligation. The Issuer promises that it will promptly pay the principal of and interest on the Note at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and thereof. The Note is secured by a pledge of and lien upon the Pledged Revenues in the manner and to the extent described herein. The Note shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable solely from the Pledged Revenues in accordance with the terms hereof. No Owner of the Note issued hereunder shall ever have the right to compel the exercise of any ad valorem taxing power or the use of ad valorem tax revenues to

pay the Note, or be entitled to payment of the Note from any funds of the Issuer except from the Pledged Revenues as described herein.

Section 10: *Covenant to Budget and Appropriate.* (A) Subject to the next paragraph, the Issuer covenants and agrees and has a positive and affirmative duty to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues, and to deposit into the Debt Service Fund hereinafter created, amounts sufficient to pay principal of and interest on the Note not being paid from other amounts as the same shall become due. Such covenant and agreement on the part of the Issuer to budget, appropriate and deposit 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 shall have been budgeted, appropriated, deposited and actually paid. No lien upon or pledge of such budgeted Non-Ad Valorem Revenues shall be in effect until such monies are budgeted, appropriated and deposited as provided herein. The Issuer further acknowledges and agrees that the obligations of the Issuer to include such amount in each of its annual budgets and to pay such amounts from Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein.

Until such monies are budgeted, appropriated and deposited as provided herein, 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 Issuer from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Issuer to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Owner prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the Issuer. Such covenant to budget and appropriate Non-Ad Valorem Revenues is subject in all respects to the prior payment of obligations secured by a lien on and pledge of specific components of the Non-Ad Valorem Revenues heretofore or hereafter entered into (including the payment of debt service on bonds and other debt instruments) and funding requirements for essential government services of the Issuer. Anything in this Resolution to the contrary notwithstanding, it is understood and agreed that all obligations of the Issuer hereunder shall be payable solely from the portion of Non-Ad Valorem Revenues budgeted, appropriated and deposited as provided for herein and nothing herein shall be deemed to pledge ad valorem tax power or ad valorem taxing revenues or to permit or constitute a mortgage or lien upon any assets owned by the Issuer and no holder of the Note nor any other Person, may compel the levy of ad valorem taxes on real or personal property within the boundaries of the Issuer or the use or application of ad valorem tax revenues in order to satisfy any payment obligations hereunder or to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees, or any other Non-Ad Valorem Revenues. Notwithstanding any provisions of this Resolution or the Note to the contrary, the Issuer shall never be obligated to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees or any Non-Ad Valorem Revenues. The Issuer is prohibited by law from expending moneys not appropriated or in excess of its current budgeted revenues and surpluses. Until such monies are budgeted, appropriated and deposited as provided herein, neither this Resolution nor the obligations of

the Issuer hereunder shall be construed as a pledge of or a lien on all or any legally available Non-Ad Valorem Revenues of the Issuer, but shall be payable solely as provided herein subject to the availability of Non-Ad Valorem Revenues after satisfaction of funding requirements for obligations having an express lien on or pledge of such revenues and funding requirements for essential governmental services of the Issuer.

There is hereby created and established the "Martin County, Florida Capital Improvement Refunding Revenue Note, Series 2022 (Taxable) Debt Service Fund," which shall be held solely for the benefit of the Owner of the Note. The Debt Service Fund shall be deemed to be held in trust for the purposes provided herein for such Debt Service Fund. The money in such Debt Service Fund shall be continuously secured in the same manner as state and municipal deposits are authorized to be secured by the laws of the State. The designation and establishment of the Debt Service Fund in and by this Resolution shall not be construed to require the establishment of a completely independent, self-balancing fund as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the Issuer for certain purposes and to establish certain priorities for application of such revenues and assets as herein provided. The Issuer may at any time and from time to time appoint one or more depositories to hold, for the benefit of the Owner, the Debt Service Fund established hereby. Such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from such Debt Service Fund as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital, surplus and undivided profits aggregating not less than fifty million dollars (\$50,000,000).

(B) Until applied in accordance with this Resolution, the Non-Ad Valorem Revenues of the Issuer on deposit in the Debt Service Fund and other amounts on deposit from time to time therein, plus any earnings thereon, are pledged to the repayment of the Note.

Section 11. *Application of Proceeds of Note.* The proceeds received from the sale of the Note, together with other legally available moneys of the Issuer, if any, shall be applied by the Issuer simultaneously with the delivery of the Note to the Lender, as follows:

(1) The Issuer shall pay all costs and expenses in connection with the preparation, issuance and sale of the Note; and

(2) Remaining proceeds shall be used to refund the Refunded Note.

Section 12: *Amendment.* This Resolution shall not be modified or amended in any respect subsequent to the issuance of the Note, except with the written consent of the Owner.

Section 13: Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Note is intended or shall be construed to give to any Person other than the Issuer and the Owner any legal or equitable right, remedy or claim under or with respect to this Resolution or any covenants, conditions and provisions herein contained. This Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Owner.

Section 14: Note Mutilated, Destroyed, Stolen or Lost. In case the Note shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver new Note of like tenor as the Note so mutilated, destroyed, stolen or lost, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for the Note destroyed, stolen or lost and upon the Owner furnishing the Issuer proof of ownership thereof and indemnity reasonably satisfactory to the Issuer and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. The Note so surrendered shall be canceled.

Section 15: Impairment of Contract. The Issuer covenants with the Owner that it will not, without the written consent of the Owner, enact any ordinance or adopt any resolution which repeals, impairs or amends in any manner adverse to the Owner the rights granted to the Owner hereunder.

Section 16: Financial Information. Not later than 270 days following the close of each Fiscal Year, the Issuer shall provide the Owner with an electronic copy of its Annual Comprehensive Financial Report including annual financial statements for each Fiscal Year of the Issuer, prepared in accordance with applicable law and generally accepted accounting principles. Upon request, the Issuer shall provide such other financial information as the Owner may reasonably request. All accounting terms not specifically defined or specified herein shall have the meanings attributed to such terms under generally accepted accounting principles as in effect from time to time, consistently applied.

Section 17: Events of Default; Remedies of Owner of the Note. The following shall constitute "Events of Default": (i) if the Issuer fails to pay any payment of principal of or interest on the Note as the same becomes due and payable; (ii) if the Issuer defaults in the performance or observance of any covenant or agreement contained in this Resolution or the Note (other than set forth in (i) above) and fails to cure the same within thirty (30) days following notice thereof or from the date when the Issuer was required to provide notice thereof to the Owner; or (iii) filing of a petition by or against the Issuer relating to bankruptcy, reorganization, arrangement or readjustment of debt of the Issuer or for any other relief relating to the Issuer under the United States Bankruptcy Code, as amended, or any other insolvency act or law now or hereafter existing, or the involuntary appointment of a receiver or trustee for the Issuer, and the continuance of any such event for 90 days undismissed or undischarged.

Upon the Issuer obtaining knowledge of an Event of Default, the Issuer shall within 5 days of obtaining such knowledge, provide written notice of any such Event of Default to the Owner.

Upon the occurrence and during the continuation of any Event of Default, the Owner may, in addition to any other remedies set forth in this Resolution or the Note, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted or contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution, or by any applicable statutes to be performed by the Issuer.

Section 18: Anti-Dilution Test. The Issuer 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, 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 Issuer 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 Issuer under the interest rate swap, or the capped rate provided by the interest rate cap.

Section 19: Severability. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Resolution or of the Note issued thereunder.

Section 20: Business Days. In any case where the due date of interest on or principal of Note is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day, provided that credit for payments made shall not be given until the payment is actually received by the Owner.

Section 21: *Applicable Provisions of Law.* This Resolution shall be governed by and construed in accordance with the laws of the State.

Section 22: *Rules of Interpretation.* Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Resolution and not solely to the particular portion in which any such word is used.

Section 23: *Captions.* The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 24: *Prior Resolutions.* All prior resolutions of the County inconsistent with the provisions of this Resolution are hereby amended and supplemented to conform with the provisions herein contained.

Section 25: *No Personal Liability.* Neither the members of the Board nor any person executing the Note shall be personally liable therefor or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 26: *General Authority.* The members of the Board and the County's officers, attorneys and other agents and employees are hereby authorized to perform all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Note and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel to effectuate the sale of the Note to the Lender.

Section 27: *Severability and Invalid Provisions.* If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of the other provisions hereof or of the Note.

Section 28: *Governing Law; Jury Trial Waiver; Venue.* This Resolution and the Note shall be governed by the laws of the State of Florida. The Issuer and the Owner, by acceptance of the Note, knowingly, voluntarily, and intentionally waive any right either may have to a trial by jury, with respect to any litigation or legal proceedings based on or arising out of this Resolution or the Note. In the event of any legal proceeding arising out of or related to the Note,

the Issuer and the Owner, by acceptance of the Note, each waive any objections to venue for any action brought in state court lying in Martin County, Florida. The Issuer and the Owner, by acceptance of the Note, also each waive any objection to venue for any action brought in federal court lying in the Southern District of Florida. The Owner, by acceptance of the Note, and the Issuer each consent to the personal jurisdiction of the aforementioned courts and irrevocably waive any objections to said jurisdiction.

Section 29. Resolution to Continue in Force. This Resolution and all the terms and provisions thereof, are and shall remain in full force and effect.

Section 30: Effective Date. This Resolution shall take effect immediately upon its adoption and authentication as provided by law.

Passed and Adopted this 17th day of May, 2022, at a regular meeting duly called and held.

MARTIN COUNTY, FLORIDA

Doug Smith, Chairman
Board of County Commissioners

ATTEST:

Carolyn Timmann, Clerk of the Circuit Court
and Comptroller

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

Sarah W. Woods, County Attorney

EXHIBIT A

[FORM OF NOTE]

Dated Date: May 20, 2022

\$11,936,000

Interest Rate 3.14%
(subject to adjustment as described herein)

STATE OF FLORIDA
MARTIN COUNTY, FLORIDA
CAPITAL IMPROVEMENT REFUNDING REVENUE NOTE, SERIES 2022 (TAXABLE)

KNOW ALL MEN BY THESE PRESENTS that the Martin County, Florida (the "Issuer"), a political subdivision of the State of Florida, created and existing pursuant to the Constitution and the laws of the State of Florida, for value received, promises to pay from the sources hereinafter provided, to the order of JPMORGAN CHASE BANK, N.A., or registered assigns (hereinafter, the "Owner"), the principal sum of \$11,936,000, on the dates and in the amounts as hereinafter described, together with interest on the principal balance at the "Interest Rate" described below, calculated on a 30/360-day basis, however, that such Interest Rate shall in no event exceed the maximum interest rate permitted by applicable law. This Note shall have a final "Maturity Date" of May 1, 2033.

The Interest Rate is equal to 3.14% (subject to adjustment as described herein).

Interest shall be payable to the Owner on each May 1 and November 1, commencing on November 1, 2022.

A final payment in the amount of the remaining principal balance, together with all accrued and unpaid interest hereon, shall be due and payable in full on the Maturity Date.

The Issuer may prepay this Note in whole or in part at any time upon at least five (5) Business Days prior notice, as long as it pays the Prepayment Price to the Owner.

"Prepayment Price" means the principal amount of this Note being prepaid plus the sum of the difference between (a) the scheduled interest payment which would have been made on the prepaid amount if such prepayment had not occurred and (b) the corresponding fixed-rate interest payment which would be received under an interest rate swap which the Owner shall be deemed to have entered into as of the date of such prepayment (the "Replacement Swap") covering its payment obligations under an interest rate swap which the Owner shall be deemed to have entered into when the prepaid amount was originally funded, with each such difference discounted to a present value as of the date of prepayment using the fixed interest rate of the Replacement Swap as the applicable discount rate. The Issuer acknowledges that the

Owner might not fund or hedge its fixed-rate loan portfolio or any prepayment thereof on a loan-by-loan basis at all times, and agrees that the foregoing is a reasonable and appropriate method of calculating liquidated damages for any prepayment irrespective of whether any of the foregoing hedging transactions have in fact occurred or occurred precisely as stated with respect to the loan evidenced by this Note. All calculations and determinations by the Owner of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error.

All payments by the Issuer pursuant to this Note shall apply first to accrued interest, then to other charges due the Owner, and the balance thereof shall apply to principal.

THIS NOTE DOES NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED BY THE OWNER OF THIS NOTE THAT SUCH OWNER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE ISSUER OR TAXATION OF ANY REAL OR PERSONAL PROPERTY THEREIN OR THE USE OF AD VALOREM TAX REVENUES FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS NOTE OR THE MAKING OF ANY OTHER PAYMENTS PROVIDED FOR IN THE RESOLUTION.

This Note is issued pursuant to Constitution of the State of Florida, Chapter 125, Florida Statutes, as amended, Chapter 159, Part VII, Florida Statutes, Chapter 29, Article 2, General Ordinances, Martin County Code, and other applicable provisions of law, and a resolution duly adopted by the Issuer on May 17, 2022 (herein referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. All terms, conditions and provisions of the Resolution including, without limitation, remedies in the Event of Default are by this reference thereto incorporated herein as a part of this Note. Payment of the Note is secured by a covenant to budget, appropriate and deposit Non-Ad Valorem Revenues of the Issuer and a pledge of and lien upon the Pledged Revenues, in the manner and to the extent described in the Resolution. Terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

Unless earlier prepaid, the principal amount of this Note shall be paid in the following amounts on the following dates:

<u>Dates</u>	<u>Amounts</u>
05/01/2023	\$945,000
05/01/2024	953,000
05/01/2025	982,000
05/01/2026	1,014,000
05/01/2027	1,045,000
05/01/2028	1,077,000

05/01/2029	1,112,000
05/01/2030	1,147,000
05/01/2031	1,183,000
05/01/2032	1,220,000
05/01/2033	1,258,000

In the enforcement of any remedy under the Resolution and this Note, to the extent permitted by law, the Owner shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming due from the Issuer for principal, interest or otherwise under any of the provisions of the Resolution and this Note together with interest on the amounts then unpaid, at the Default Rate (as hereinafter defined), together with any and all costs and expenses of collection, enforcement of its rights under the Resolution and this Note and of all proceedings under the Resolution and this Note (including, without limitation, reasonable legal fees in all proceedings, including administrative, appellate and bankruptcy proceedings), without prejudice to any other right or remedy of the Owner, and to recover and enforce any judgment or decree against the Issuer, for any portion of such amounts remaining unpaid and interest, costs, and expenses as above provided, and to collect in any manner provided by law, the moneys adjudged or decreed to be payable.

Upon and during the continuance of an Event of Default, this Note shall bear interest at the Default Rate. For purposes of this Note, the term "Default Rate" shall mean the lesser of (i) 4% per annum in excess of the Base Rate, or (ii) the maximum interest rate permitted by applicable law.

"Base Rate" shall mean the higher of (i) the Owner's Prime Rate or (ii) 2.5%.

"Prime Rate" shall mean a rate of interest equal to the announced prime commercial lending rate per annum of the Owner. The Prime Rate is a reference rate for the information and use of the Owner in establishing the actual rate to be charged to the Issuer. The Prime Rate is purely discretionary and is not necessarily the lowest or best rate charged any customer. The Prime Rate shall be adjusted from time to time without notice or demand as of the effective date of any announced change thereof.

This Note may be exchanged or transferred by the Owner hereof to a Permitted Lender but only upon the registration books maintained by the Issuer and in the manner provided in the Resolution.

The Issuer to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and

manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, Martin County, Florida, by resolution duly adopted by its Board of County Commissioners, has caused this Note to bear the signatures of its Chairman, to be attested by the signature of its Clerk, and a facsimile of the official seal of the County to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the 20th day of May, 2022.

(SEAL)

MARTIN COUNTY, FLORIDA

By:_____

Name: Doug Smith

Title: Chairman, Board of County
Commissioners

ATTESTED:

By:_____

Name: Carolyn Timmann

Title: Clerk of the Circuit Court
and Comptroller

EXHIBIT B

FORM OF LENDER'S CERTIFICATE

This is to certify that JPMorgan Chase Bank, N.A. (the "Lender") has not required Martin County, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Issuer in connection with the issuance by the Issuer of its \$11,936,000 Capital Improvement Refunding Revenue Note, Series 2022 (Taxable) (the "Note") no inference should be drawn that the Lender, in the acceptance of said Note, is relying on Bond Counsel or the County Attorney as to any such matters other than the legal opinions rendered by Bond Counsel and by the County Attorney, Sarah W. Woods, Esq. Any capitalized undefined terms used herein not otherwise defined shall have the meanings set forth in a resolution adopted by the County Commission of the Issuer on May 17, 2022 (the "Resolution").

The Lender is aware that investment in the Note involves various risks, that the Note is not a general obligation of the Issuer or payable from ad valorem tax revenues, and that the payment of the Note is secured solely from the sources described in the Resolution (the "Note Security").

The Lender is purchasing the Note for its own account and has no current intention to syndicate the Note. The Lender will take no action to cause the Note to be characterized as a security and will not treat the Note as a municipal security for purposes of the securities law. The Lender certifies that the Note will not be used in the future on a securitized transaction or be treated by us as a municipal security.

The Lender is not acting as a broker or other intermediary, and is purchasing the Note from its own capital as an investment for its own account and not with a present view to a resale or other distribution to the public.

The Lender understands that the Note is issued in a single denomination equal to the aggregate principal amount of the loan and may not be transferred except in whole and will not be transferred to any kind of securitization trust under any circumstances, and may only be transferred in accordance with the limitations set forth in the Resolution.

The Lender is a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes.

The Lender is not purchasing the Note for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

The Lender has in its possession or has had access to all material information concerning the security and sources of payment of the Note, and, as a result thereof, is thoroughly familiar with the nature and risks of an investment in the Note. The Lender has been afforded access to all material information and has had sufficient opportunity to discuss the business of the County and the projects refinanced with the proceeds of the Note, with its officers, employees and others, and have been permitted to make an investigation of the County and its operations. The Lender does not require any further information or data concerning the County.

In purchasing the Note, the Lender has relied solely upon its own investigation, examination and evaluation of the Note Security, the County and other relevant matters as the Lender, in the exercise of sound business judgment, consider to be appropriate under the circumstances and has not relied upon any statement or materials which have not been supported by its own investigation and examination.

The Lender has knowledge and experience in financial and business matters, particularly in taxable or tax-exempt obligations, and is capable of evaluating the merits and risks of its investment in the Note and has determined that it can bear the economic risk of its investment in the Note.

The Lender acknowledges that neither Bond Counsel, County Attorney, nor the Financial Advisor shall bear any responsibility for the accuracy or completeness of any information with respect to the County contained in any document related to the purchase of the Note.

The Lender acknowledges that the Resolution is not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and the Note is not being registered, in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the Issuer, Bond Counsel, Financial Advisor nor the County Attorney shall have any obligation to effect any such registration or qualification. The Lender further acknowledges that there will be no CUSIPs or credit ratings obtained on the Note.

The Lender acknowledges that the Financial Advisor is relying on the representations contained herein for purposes of the Financial Advisor's determination (i) that this transaction meets the requirements for being a qualified exception for purposes of MSRB Rule G-34, and (ii) that the Financial Advisor is excepted and released from the requirement to request a CUSIP assignment on behalf of the Issuer pursuant to MSRB Rule G-34 for the Note.

[Remainder of page intentionally left blank]

The Lender is an "accredited investor" within the meaning of the Securities Act of 1933, as amended, and Regulation D thereunder.

DATED this 20th day of May, 2022.

JPMORGAN CHASE BANK, N.A.

By:_____

Name: Anna Maria Beissel

Title: Authorized Officer

EXHIBIT C

FORM OF DISCLOSURE LETTER

Following a competitive selection process, the undersigned, as lender, proposes to negotiate with Martin County, Florida (the "Issuer") for the private purchase of its \$11,936,000 Capital Improvement Refunding Revenue Note, Series 2022 (Taxable) (the "Note"). Prior to the award of the Note, the following information is hereby furnished to the Issuer:

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

\$8,500

Locke Lord LLP, Lender's Counsel

Legal Fees

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

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

3. The amount of the underwriting spread expected to be realized by the Lender is \$0.

4. The management fee to be charged by the Lender is \$0.

5. Truth-in-Bonding Statement:

You have disclosed to us that the Note is being issued primarily to refinance the Issuer's Capital Improvement Revenue Note, Series 2017D (Taxable) and pay associated transactional cost.

Unless earlier prepaid, the Note is expected to be repaid on May 1, 2033; at an interest rate of 3.14%, total interest paid over the life of the Note is estimated to be \$2,341,028.40.

The Note will be payable solely from a covenant to budget, appropriate and deposit from Non-Ad Valorem Revenues sufficient to make such payments, appropriated and deposited as described in a resolution of the Issuer adopted on May 17, 2022 (the "Resolution"). See the Resolution for a definition of the Non-Ad Valorem Revenues. Issuance of the Note is estimated to result in an annual average of approximately \$1,304,169.05, of the Non-Ad Valorem Revenues of the Issuer not being available to finance the other services of the Issuer each year for 10.9 years. This paragraph is provided pursuant to Section 218.385, Florida Statutes.

6. The name and address of the Lender is as follows:

JPMorgan Chase Bank, N.A.
450 South Orange Avenue, Suite 1000
Orlando, Florida 32801

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Lender this 20th day of May, 2022.

JPMORGAN CHASE BANK, N.A.

By: _____

Name: Anna Maria Beissel

Title: Authorized Officer