

MARION COUNTY, FLORIDA

**SPECIAL ASSESSMENT BOND,
SERIES 2021 RESOLUTION**

ADOPTED AUGUST 17, 2021

TABLE OF CONTENTS

| | <u>PAGE</u> |
|---|-------------|
| ARTICLE I | |
| GENERAL | |
| SECTION 1.01. DEFINITIONS | 1 |
| SECTION 1.02. AUTHORITY FOR RESOLUTION..... | 7 |
| SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT | 7 |
| SECTION 1.04. FINDINGS | 7 |
| SECTION 1.05. AUTHORIZATION OF SERIES 2021 PROJECTS | 8 |
| ARTICLE II | |
| AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF SERIES 2021 BOND | |
| SECTION 2.01. AUTHORIZATION AND DESCRIPTION OF SERIES 2021 BOND | 9 |
| SECTION 2.02. APPLICATION OF SERIES 2021 BOND PROCEEDS | 9 |
| SECTION 2.03. EXECUTION OF SERIES 2021 BOND | 10 |
| SECTION 2.04. SERIES 2021 BOND MUTILATED, DESTROYED, STOLEN OR LOST | 10 |
| SECTION 2.05. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER ... | 10 |
| SECTION 2.06. ADJUSTMENTS TO INTEREST RATE..... | 11 |
| SECTION 2.07. FORM OF SERIES 2021 BOND..... | 12 |
| ARTICLE III | |
| REDEMPTION OF SERIES 2021 BOND | |
| SECTION 3.01. NOTICE OF REDEMPTION | 19 |
| SECTION 3.02. REDEMPTION OF PORTIONS OF SERIES 2021 BOND | 19 |
| SECTION 3.03. PERMITTED AND REQUIRED REDEMPTIONS | 19 |
| ARTICLE IV | |
| SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF | |
| SECTION 4.01. SERIES 2021 BOND NOT TO BE INDEBTEDNESS OF ISSUER.... | 20 |
| SECTION 4.02. SECURITY FOR SERIES 2021 BOND..... | 20 |
| SECTION 4.03. CONSTRUCTION FUND | 20 |
| SECTION 4.04. FUND AND ACCOUNTS..... | 21 |
| SECTION 4.05. FLOW OF FUNDS | 21 |
| SECTION 4.06. REBATE ACCOUNT | 22 |
| SECTION 4.07. INVESTMENTS | 23 |
| SECTION 4.08. SEPARATE ACCOUNTS | 23 |

ARTICLE V
COVENANTS OF THE ISSUER

| | |
|--|----|
| SECTION 5.01. BOOKS AND RECORDS | 25 |
| SECTION 5.02. ANNUAL AUDIT AND BUDGET..... | 25 |
| SECTION 5.03. NO IMPAIRMENT | 25 |
| SECTION 5.04. FEDERAL INCOME TAX COVENANTS..... | 25 |
| SECTION 5.05. ENFORCEMENT OF PAYMENT OF SPECIAL ASSESSMENT PROCEEDS | 26 |
| SECTION 5.06. RE-ASSESSMENTS..... | 26 |
| SECTION 5.07. OTHER MONEY..... | 26 |
| SECTION 5.08. COMPLIANCE WITH LAWS | 26 |
| SECTION 5.09. ADDITIONAL OBLIGATIONS | 26 |
| SECTION 5.10. NOTIFICATION OF PROGRESS | 26 |
| SECTION 5.11. LIMITATION OF LIABILITY | 27 |
| SECTION 5.12. INITIAL BONDHOLDER; FEES AND EXPENSES..... | 27 |

ARTICLE VI
DEFAULTS AND REMEDIES

| | |
|---|----|
| SECTION 6.01. EVENTS OF DEFAULT | 28 |
| SECTION 6.02. REMEDIES | 28 |
| SECTION 6.03. REMEDIES CUMULATIVE | 29 |
| SECTION 6.04. WAIVER OF DEFAULT..... | 29 |

ARTICLE VII
SUPPLEMENTAL RESOLUTIONS

| | |
|--|----|
| SECTION 7.01. SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS' CONSENT | 30 |
|--|----|

ARTICLE VIII
MISCELLANEOUS

| | |
|---|----|
| SECTION 8.01. DEFEASANCE | 31 |
| SECTION 8.02. SALE OF SERIES 2021 BOND | 31 |
| SECTION 8.03. SEVERABILITY OF INVALID PROVISIONS..... | 31 |
| SECTION 8.04. REPEAL OF INCONSISTENT RESOLUTIONS..... | 31 |
| SECTION 8.05. WAIVER OF RIGHT TO TRIAL BY JURY; VENUE | 31 |
| SECTION 8.06. GENERAL AUTHORITY | 32 |
| SECTION 8.07. EFFECTIVE DATE | 32 |

EXHIBIT A TERM SHEET FROM CITIZENS FIRST BANK

RESOLUTION NO. 21-R-356

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MARION COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE BY THE COUNTY OF A NOT TO EXCEED \$1,791,561 MARION COUNTY, FLORIDA SPECIAL ASSESSMENT BOND, SERIES 2021, IN ORDER TO FINANCE THE COST OF THE ACQUISITION AND CONSTRUCTION OF VARIOUS ROAD AND ANCILLARY IMPROVEMENTS WITHIN THE BOUNDARIES OF VARIOUS IMPROVEMENT AREAS CREATED WITHIN THE COUNTY AS FURTHER DESCRIBED HEREIN; PLEDGING THE MONEYS RECEIVED BY THE COUNTY FROM ASSESSMENT REVENUES UPON REAL PROPERTY WITHIN THOSE IMPROVEMENT AREAS BENEFITED BY THE AFOREMENTIONED ROAD AND ANCILLARY IMPROVEMENTS TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID SERIES 2021 BOND; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID SERIES 2021 BOND; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MARION COUNTY, FLORIDA, AS FOLLOWS:

ARTICLE I GENERAL

SECTION 1.01. DEFINITIONS. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Act" shall mean Chapter 125, Florida Statutes, the Assessment Ordinance, and other applicable provisions of law.

"Act of Bankruptcy" shall mean (1) the Issuer shall be adjudicated as bankrupt or become subject to an order for relief under federal bankruptcy law, (2) the Issuer shall institute any proceedings seeking an order for relief under federal bankruptcy law or seeking to be adjudicated as bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy or insolvency, (3) there shall be appointed a receiver, liquidator or similar official for the Issuer under any law relating to bankruptcy or

insolvency, or (4) without the application, approval or consent of the Issuer, a receiver, trustee, examiner, liquidator or similar official shall be appointed for the Issuer, or a proceeding described in (2) above shall be instituted against the Issuer, and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of thirty (30) consecutive days. The mere declaration of a state of financial emergency under Section 218.503, Florida Statutes, shall not, in and of itself, constitute an Act of Bankruptcy.

"Assessment Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Assessment Ordinance" shall mean Ordinance No. 09-10 of the Issuer, enacted April 7, 2009.

"Assessment Resolutions" shall mean Resolution Nos. 20-R-201, 20-R-202, 20-R-244, 21-R-055, 21-R-124, 21-R-169, 21-R-177, 21-R-178, 21-R-179, 21-R-180, 21-R-258, 21-R-259, 21-R-260 and 21-R-277 describing the assessment methodology, creating the Series 2021 Improvement Areas and imposing the assessments within such Series 2021 Improvement Areas.

"Authorized Investments" shall mean any obligations as shall be permitted to be legal investments of the Issuer by the laws of the State.

"Authorized Issuer Officer" shall mean the Chairman of the Board, or his or her designee, and when used in reference to any act or document also means any other person authorized by resolution of the Issuer to perform such act or sign such document.

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

"Bond Counsel" shall mean Nabors, Giblin & Nickerson, P.A., 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, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bondholder" or **"Holder"** or **"holder"** or any similar term, when used with reference to the Series 2021 Bond, shall mean the Initial Bondholder or any person who shall be the registered owner of the Outstanding Series 2021 Bond as provided in the registration books of the Issuer.

"Business Day" shall mean any day other than (1) a Saturday or Sunday, or (2) a legal holiday on which the Issuer or the Bondholder is closed.

"Chairman" shall mean the Chairman of the Board of County Commissioners of the Issuer, and such other person as may be duly authorized to act on his or her behalf.

"Clerk" shall mean the Clerk of the Circuit Court and Ex-officio Clerk of the Board of County Commissioners of the Issuer, 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, and the regulations, procedures and rules thereunder in effect or proposed.

"Collection Costs" shall mean all costs and expenses for collection of the Series 2021 Assessments which shall be billed by the Issuer as part of the Series 2021 Assessments, or installments thereof, or which may be billed separately from the Series 2021 Assessments.

"Construction Fund" shall mean the Marion County, Florida Special Assessment Bond, Series 2021 Construction Fund established pursuant to Section 4.03 hereof.

"Cost" or **"Costs,"** as the same relates to the Series 2021 Projects, to the extent permitted by the Act, shall mean (1) the cost of physical construction, reconstruction or completion, (2) the cost of acquisition or purchase, (3) the cost of all labor, materials, machinery and equipment, (4) the cost of land and interests therein, property rights, easements and franchises of any nature whatsoever, (5) the cost of any indemnity or surety bonds and premiums for insurance during construction, (6) all interest due to be paid on the Series 2021 Bond and other obligations relating to the Series 2021 Projects during the period of construction and for such period of time subsequent to completion of acquisition and construction as the Board deems appropriate, (7) engineering, financial, legal and other consultant fees and expenses, (8) the cost of plans and specifications, construction plans, surveys and estimates of costs, (9) costs and expenses of audits, (10) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any interim or temporary indebtedness incurred for any portion of the Series 2021 Projects, (11) costs and expenses related to the issuance of the Series 2021 Bond or other indebtedness related to the Series 2021 Projects, (12) costs related to the levy and collection of the Series 2021 Assessments, and (13) any other costs and expenses properly attributable to acquisition or construction of the Series 2021 Projects, and such other expenses as may be necessary or incidental to the issuance of the Series 2021 Bond; and shall include reimbursement to the Issuer or any other Person, for any moneys advanced for any costs incurred by the Issuer or such Person, in connection with any such items of cost. Any Supplemental Resolution may provide for additional items to be included in the aforesaid Costs.

"Debt Service Fund" shall mean the Marion County, Florida Special Assessment Bond, Series 2021 Debt Service Fund established pursuant to Section 4.04 hereof.

"Default Rate" shall mean the interest rate per annum described in Section 2.06(c) hereof.

"Delinquent Assessments" shall mean any and all installments of any Series 2021 Assessments which are not paid when due.

"Determination of Taxability" shall mean the circumstance under which interest paid or payable on the Series 2021 Bond becomes includable for federal income tax purposes in the gross income of the Bondholders due to any act or inaction of the Issuer, including (1) the receipt by the Issuer or a Bondholder of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency which holds that any interest payable on its Series 2021 Bond is includable in the gross income of such Bondholder; (2) the issuance of any public or private ruling of the Internal Revenue Service that any interest payable on such Series 2021 Bond is includable in the gross income of the Bondholder; or (3) receipt by the Issuer or a Bondholder of an opinion of Bond Counsel that any interest on the Series 2021 Bond has become includable in the gross income of the Bondholder for federal income tax purposes. For all purposes of this definition, a Determination of Taxability will be deemed to occur on the date as of which the interest on a Series 2021 Bond is deemed includable in the gross income of a Bondholder. A Determination of Taxability shall not occur solely because such interest is taken into account in determining adjusted current earnings for the purpose of the alternative minimum income tax imposed on corporations or interest on the Series 2021 Bond is treated as an indirect tax preference item under the Code.

"Event of Default" shall mean any Event of Default specified in Section 6.01 of this Resolution.

"Expense Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Final Maturity Date" shall mean May 1, 2031.

"Financial Advisor" shall mean PFM Financial Advisors LLC, and its successors.

"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.

"Initial Bondholder" shall mean Citizens First Bank, a banking corporation authorized to conduct business in the State, or any subsidiary or related entity of their parent company, and any assigns or successors thereto.

"Interest Rate" shall mean a fixed rate of interest equal to 1.60% per annum. Upon a Determination of Taxability, the "Interest Rate" shall mean the Taxable Rate. Notwithstanding the foregoing, however, after, and during the continuance of, an Event of Default, "Interest Rate" shall mean the Default Rate.

"Issuer" shall mean Marion County, Florida.

"Late Fee" shall mean the fee described in Section 6.02(c) hereof.

"Maximum Federal Corporate Tax Rate" shall mean the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, determined without regard to tax rate or tax benefit make-up provisions such as the last two sentences of Section 11(b)(1) of the Code, as in effect from time to time (or, if as a result of a change in the Code the rate of income taxation imposed on corporations shall not be applicable to the Bondholder, the maximum statutory rate of federal income taxation which could apply to the Bondholder).

"Outstanding" when used with reference to the Series 2021 Bond and as of any particular date, shall describe the Series 2021 Bond theretofore and thereupon being authenticated and delivered except, (1) any Series 2021 Bond in lieu of which another Series 2021 Bond has been issued under agreement to replace the lost, stolen, mutilated or destroyed Series 2021 Bond under Section 2.04 hereof, (2) any Series 2021 Bond surrendered by the Holder thereof in exchange for another Series 2021 Bond under Section 2.05 hereof, (3) the portion of the Series 2021 Bond which has been paid in accordance with its terms, and (4) the Series 2021 Bond canceled after purchase by the Issuer in the open market or because of payment at or redemption prior to maturity.

"Payment Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Payment Date" shall mean the dates for payment of principal and/or interest on the Series 2021 Bond as provided in Section 2.01 hereof.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Revenues" shall mean (1) the Special Assessment Proceeds, and (2) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts (other than the Rebate Account) established hereunder, including any other amounts made available by the Issuer, in its sole discretion, pursuant to Section 5.07 hereof and deposited into such funds and accounts.

"Prepayments" shall mean any Series 2021 Assessments, or portions thereof, which shall be paid to the Issuer prior to the time the same becomes due.

"Rebate Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Redemption Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Redemption Price" shall mean, with respect to any Series 2021 Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Series 2021 Bond or this Resolution, plus accrued interest through the date of payment as set forth in Section 3.03 hereof.

"Resolution" shall mean this Resolution, as the same may from time to time be amended, modified or supplemented by Supplemental Resolution.

"Series 2021 Assessments" shall mean the assessments levied by the Issuer in accordance with the Assessment Ordinance and Assessment Resolutions against properties in the Series 2021 Improvement Areas specially benefited by the acquisition and construction of the Series 2021 Projects.

"Series 2021 Bond" shall mean the Issuer's Special Assessment Bond, Series 2021, issued pursuant to the Resolution.

"Series 2021 Improvement Areas" shall mean the N.W. 165th Court Road - Classic Farms II/Classic Farms III/High Cotton Farms/High Cotton Farms II Improvement Area, the Leonardo Estates - N.E. 52nd Avenue Improvement Area, the Magnolia Shores/Smith Lake Acres Unit I Improvement Area, the Ridgewood Park/We-Ten Improvement Area, the Edgewood Improvement Area, the Emil-Marr Improvement Area and the Bluefields Improvement Area established by the Issuer pursuant to the Assessment Resolutions.

"Series 2021 Projects" shall mean certain road and ancillary improvements to be made within the Series 2021 Improvement Areas of the Issuer, all as more particularly set forth in the plans and specifications on file or to be on file with the Issuer, as the same may be modified or amended from time to time.

"Special Assessment Proceeds" shall mean the proceeds of the Series 2021 Assessments collected and received by the Issuer in the Series 2021 Improvement Areas, including the interest and penalties on such Series 2021 Assessments. Special Assessment Proceeds shall include moneys received by the Issuer on account of collection of Delinquent Assessments and Prepayments. Special Assessment Proceeds shall also include proceeds of any re-assessment pursuant to Section 5.06 hereof.

"State" shall mean the State of Florida.

"Supplemental Resolution" shall mean any resolution of the Issuer amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Section 7.01 hereof.

"Taxable Period" shall mean the period commencing upon the date of the Determination of Taxability and ending on the date the Series 2021 Bond begins to bear interest at the Taxable Rate.

"Taxable Rate" shall mean, upon a Determination of Taxability, an interest rate otherwise borne by the Series 2021 Bond multiplied by the Taxable Rate Factor.

"Taxable Rate Factor" means the quotient of one (1) over the difference of one (1) minus the Maximum Federal Corporate Tax Rate.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term and "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of the Series 2021 Bond by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Issuer with the Holders of the Series 2021 Bond, and shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Series 2021 Bond.

SECTION 1.04. FINDINGS. It is hereby ascertained, determined and declared that:

(a) The Issuer has infrastructure needs and requirements in the form of the Series 2021 Projects which must be acquired and constructed in order to maintain and protect the health, safety and welfare of the citizens of the Series 2021 Improvement Areas of the Issuer.

(b) At the request of the Issuer, the Financial Advisor of the Issuer requested proposals from various lending institutions to obtain the most favorable interest rate and loan terms. The Financial Advisor received the most favorable terms and conditions (based on all the loan terms and conditions) from the Initial Bondholder and recommended to the Issuer that they accept the proposal of the Initial Bondholder to provide financing for the Series 2021 Projects, the terms and conditions of which are set forth in a letter, dated July 28, 2021 attached hereto as EXHIBIT A.

(c) The most efficient and fairest method of financing the acquisition and construction of the Series 2021 Projects is by the issuance of Series 2021 Bond secured by the Pledged Revenues including, in particular, the Special Assessment Proceeds as provided herein.

(d) The principal of, Redemption Price and Late Fee, if applicable, and interest on the Series 2021 Bond shall be paid from the Pledged Revenues. The Issuer shall never be required to use any ad valorem taxes for the payment of the Series 2021 Bond. The Series 2021 Bond shall not constitute a direct obligation of the Issuer or a pledge of its faith and credit, nor shall the Bondholders have any lien or encumbrance on any property of the Issuer, including the Series 2021 Projects, other than the Pledged Revenues.

(e) Due to the present volatility of the market for tax-exempt obligations such as the Series 2021 Bond and the complexity of the transactions relating to such Series 2021 Bond, it is in the best interest of the Issuer to sell the Series 2021 Bond by a negotiated sale to the Initial Bondholder, allowing the Issuer to enter the market at the most advantageous time and conditions, thereby permitting the Issuer to obtain the best possible price and interest rate for the Series 2021 Bond. The Issuer acknowledges receipt of the information required by Section 218.385, Florida Statutes, from the Initial Bondholder in connection with the negotiated sale of the Series 2021 Bond. A copy of the disclosure statement provided by the Initial Bondholder containing the aforementioned information has been provided under separate cover to the Issuer.

SECTION 1.05. AUTHORIZATION OF SERIES 2021 PROJECTS. The Issuer hereby authorizes the acquisition and construction of the Series 2021 Projects.

ARTICLE II
AUTHORIZATION, TERMS, EXECUTION AND
REGISTRATION OF SERIES 2021 BOND

SECTION 2.01. AUTHORIZATION AND DESCRIPTION OF SERIES

2021 BOND. This Resolution creates an issue of bonds of the Issuer to be designated as "Marion County, Florida, Special Assessment Bond, Series 2021," issued in the principal amount not to exceed \$1,791,561.00. The Series 2021 Bond is issued for the principal purposes of acquiring and constructing the Series 2021 Projects and paying certain costs of issuance incurred with respect to the Series 2021 Bond.

The Series 2021 Bond shall be in the form of one registered Series 2021 Bond dated the date of issuance of such Series 2021 Bond maturing on the Final Maturity Date, shall be issued in fully registered form and shall bear interest from the date of issuance of such Series 2021 Bond. The Series 2021 Bond shall be issued in one denomination, or in such lesser amount resulting from a partial redemption thereof. Principal of, Redemption Price, if any, and interest on the Series 2021 Bond shall be payable in any coin or currency of the United States of America which, on the date of payment, are legal tender for the payment of public and private debts.

The Series 2021 Bond shall accrue interest until payment in full of the Series 2021 Note at the Interest Rate calculated based on a 360 day year consisting of twelve 30-day months, subject to adjustment from time to time as set forth in Section 2.06 hereof, and shall be payable on each May 1 and November 1 commencing on May 1, 2022 (accruing (a) from and including each May 1st through and including the following October 31st, and (b) from and including each November 1st through and including the following April 30th, each an "Accrual Period"). Principal on the Series 2021 Bond shall be payable on May 1, 2022 and annually thereafter on May 1 of each year in the amounts set forth in the Series 2021 Bond, through and including the Final Maturity Date.

All payments of principal and interest shall be made on the first Business Day immediately following an Accrual Period.

SECTION 2.02. APPLICATION OF SERIES 2021 BOND PROCEEDS.

The proceeds derived from the sale of the Series 2021 Bond, including accrued interest and premium, if any, shall, simultaneously with the delivery of the Series 2021 Bond to the purchaser or purchasers thereof, be applied by the Issuer as follows:

(a) An amount of the Series 2021 Bond proceeds equal to \$15,250.00 shall be applied to the payment of costs and expenses relating to the issuance of the Series 2021 Bond.

(b) The remaining amount of the Series 2021 Bond proceeds shall be deposited in the Construction Fund and used to pay Costs of the Series 2021 Projects.

SECTION 2.03. EXECUTION OF SERIES 2021 BOND. The Series 2021 Bond shall be executed in the name of the Issuer with the manual or facsimile signature of the Chairman and the Clerk and the official seal of the Issuer shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Clerk and authenticated by such Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2021 Bond or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Series 2021 Bond so signed and sealed have been actually sold and delivered, such Series 2021 Bond may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 2021 Bond had not ceased to hold such office. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Series 2021 Bond shall be actually sold and delivered.

SECTION 2.04. SERIES 2021 BOND MUTILATED, DESTROYED, STOLEN OR LOST. In case the Series 2021 Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Series 2021 Bond of like tenor as the Series 2021 Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Series 2021 Bond upon surrender and cancellation of such mutilated Series 2021 Bond or in lieu of and substitution for the Series 2021 Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer proof of his ownership thereof and indemnity 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 Series 2021 Bond so surrendered or otherwise substituted shall be canceled by the Clerk. If the Series 2021 Bond shall have matured or been called for redemption or be about to mature or be called for redemption, instead of issuing a substitute Series 2021 Bond, the Issuer may pay the same or cause the Series 2021 Bond to be paid, upon being indemnified as aforesaid, and if such Series 2021 Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2021 Bond issued pursuant to this Section 2.04 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Series 2021 Bond be at any time found by anyone, and such duplicate Series 2021 Bond shall be entitled to the benefits and rights as to lien on the Pledged Revenues to the same extent the replaced Series 2021 Bond issued hereunder.

SECTION 2.05. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER. The Series 2021 Bond, upon surrender thereof at the office of the Clerk with a written instrument of transfer satisfactory to the Clerk, duly executed by the Holder

thereof or their attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Series 2021 Bond of the same maturity of any other authorized denominations.

The Series 2021 Bond issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration of transfer contained in this Resolution and in the Series 2021 Bond. So long as the Series 2021 Bond shall remain unpaid, the Issuer shall maintain and keep, at the office of the Clerk, books for the registration of transfer of the Series 2021 Bond.

The transfer of any Series 2021 Bond shall be registered only upon the books of the Issuer, at the office of the Clerk, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by their attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Clerk duly executed by the Holder or their duly authorized attorney with signature guaranteed. Upon the registration of transfer of any such Series 2021 Bond, the Issuer shall issue, and cause to be authenticated, in the name of the transferee a new Series 2021 Bond of the same aggregate principal amount and maturity as the surrendered Series 2021 Bond.

Notwithstanding the foregoing, the Series 2021 Bond may not be transferred except in whole. Further, the transfer of the Series 2021 Bond shall be restricted to Permitted Lenders. A "Permitted Lender" shall mean any bank, trust company, savings institution, finance or leasing company, "qualified institutional buyer" (within the meaning of Securities and Exchange Commission Rule 144A), insurance company or subsidiary or affiliate of the Holder of the Series 2021 Bond that is engaged as a regular part of its business in making loans and is authorized to do business in the State.

In all cases in which the Series 2021 Bond shall be exchanged or the transfer of the Series 2021 Bond shall be registered, the Issuer shall execute and authenticate and deliver such Series 2021 Bond in accordance with the provisions of this Resolution. For every such exchange or registration of transfer, the Issuer may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer.

SECTION 2.06. ADJUSTMENTS TO INTEREST RATE. (a) In the event of a Determination of Taxability, the Interest Rate shall be immediately increased (effective retroactively to the date of the Determination of Taxability) to the Taxable Rate. In such an event, the Issuer shall pay to the Bondholder the sum of (i) an amount equal to the difference between the (a) the amount of interest paid on the Series 2021 Bond during the Taxable Period, and (b) the amount of interest that would have been paid on the Series 2021 Bond during the Taxable Period had the Series 2021 Bond borne interest at the Taxable Rate, plus (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the

Bondholder as a result of the Determination of Taxability. Any adjustments shall be payable only after the Bondholder or its assigns has provided the Issuer written notice of such adjustments.

(b) To the extent an adjustment to the Interest Rate on the Series 2021 Bond is not effected within three (3) months of the event giving rise to the adjustment, the additional interest due as a result of such adjustment shall be paid with interest thereon compounded monthly at the rate which is equal to the Interest Rate on the Series 2021 Bond. All unpaid amounts determined to be owing as a result of such calculation shall be due and payable within ten (10) days after delivery of notice of the amount of such adjustment and shall be paid to the Bondholder of record during the period to which the adjustment relates. This obligation shall survive the payment and cancellation of the Series 2021 Bond.

(c) From and after the Final Maturity Date or from and after the occurrence of an Event of Default, irrespective of any declaration of maturity, all amounts remaining unpaid or thereafter accruing on the Series 2021 Bond shall bear interest at a default rate (the "Default Rate") equal to the lesser of (1) eighteen percent (18%) and (2) the maximum rate allowed by law at such time. Such Default Rate of interest shall be payable upon demand, but in no event later than when scheduled interest payments are due, and shall also be charged on the amounts owed by the Issuer to the Bondholder pursuant to any judgments entered in favor of the Bondholder.

(d) Any adjustments made to the Interest Rate on the Series 2021B Bond pursuant to the terms of this Section 2.06 shall not exceed the maximum interest rate permitted under Florida law.

SECTION 2.07. FORM OF SERIES 2021 BOND. The text of the Series 2021 Bond shall be in substantially the following form with such omissions, insertions and variations, as may be necessary and/or desirable and approved by the Chairman prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Series 2021 Bond and the Issuer's delivery of the Series 2021 Bond to the purchaser or purchasers thereof):

* * * * * BEGIN FORM OF SERIES 2021 BOND * * * * *

| | |
|----------|----------------|
| No. RA-1 | \$1,791,561.00 |
|----------|----------------|

**UNITED STATES OF AMERICA
STATE OF FLORIDA
MARION COUNTY, FLORIDA
SPECIAL ASSESSMENT BOND,
SERIES 2021**

KNOW ALL MEN BY THESE PRESENTS that Marion County, Florida (the "Issuer"), for value received, hereby promises to pay, in the manner provided herein, to Citizens First Bank, a banking corporation authorized to conduct business in Florida, as registered owner, or registered assigns (the "Holder"), the principal sum of

\$1,791,561.00

solely from the Pledged Revenues (hereinafter defined) and to pay interest on the unpaid balance thereof from the date hereof. Interest shall be payable in arrears on the dates set forth below, at an annual rate equal to 1.60% per annum, computed based on a 360 day year consisting of twelve 30-day months. Subject to adjustment pursuant to Section 3.02 of the hereinafter defined Resolution, the principal of this Series 2021 Bond shall be payable on May 1, 2022 and annually thereafter in the amounts set forth below on May 1 of each year, through and including May 1, 2031, on which date all unpaid principal and interest due shall be due and payable in full:

| Year (May 1) | Amount |
|--------------|--------------|
| 2022 | \$158,929.96 |
| 2023 | 163,116.57 |
| 2024 | 167,413.45 |
| 2025 | 171,823.54 |
| 2026 | 176,349.80 |
| 2027 | 180,995.29 |
| 2028 | 185,763.15 |
| 2029 | 190,656.61 |
| 2030 | 195,678.98 |
| 2031 | 200,833.65 |

*Final Maturity

Interest shall be paid on each May 1 and November 1, commencing May 1, 2022 (accruing (a) from and including each May 1st through and including the following October 31st, and (b) from and including each November 1st through and including the following April 30th, each an "Accrual Period"). All payments of principal and interest shall be made

on the first Business Day immediately following an Accrual Period. The interest rate on this Series 2021 Bond is subject to adjustment as provided for in the Resolution defined below.

Principal, Redemption Price of and interest on this Series 2021 Bond are payable in lawful money of the United States of America to the Holder in accordance with written instructions provided by the Holder to the Issuer. Upon the occurrence and continuance of an Event of Default and continuance thereof the Holder may increase the interest rate to the Default Rate (as defined in the Resolution). In addition, if any amount due on this Series 2021 Bond is not paid by the thirtieth (30th) day following the scheduled payment date, the Issuer shall be obligated to pay the Holder a late fee equal to 5.0% of the past due amount.

This Series 2021 Bond is issued for the principal purpose of providing moneys to acquire and construct various road and ancillary improvements within the Series 2021 Improvement Areas (as specified and defined in the Resolution) of the Issuer (the "Series 2021 Projects"), under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 125, Florida Statutes, the Issuer's Ordinance No. 09-10 duly enacted by the Board of County Commissioners of the Issuer on April 7, 2009, as amended and supplemented, and other applicable provisions of law (the "Act") and Resolution No. 21-R-356, adopted on August 17, 2021 (the "Resolution") and is subject to all the terms and conditions of the Resolution.

This Series 2021 Bond and the interest hereon and Late Fees, if any, are payable from and secured by a lien upon and a pledge of (1) the Special Assessment Proceeds levied, collected and received by the Issuer upon real property in the Series 2021 Improvement Areas benefited by the Series 2021 Projects within Marion County, Florida, as more particularly described in the Resolution, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in certain of the funds and accounts established by the Resolution, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Revenues").

IT IS EXPRESSLY AGREED BY THE HOLDER OF THIS SERIES 2021 BOND THAT THE FULL FAITH AND CREDIT OF THE ISSUER, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS SERIES 2021 BOND AND THAT SUCH HOLDER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE ISSUER, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL, PREMIUM, IF ANY, AND INTEREST. THIS SERIES 2021 BOND AND THE OBLIGATION EVIDENCED HEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE ISSUER OR THE SERIES 2021 PROJECTS, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE FROM, THE PLEDGED REVENUES.

Neither the members of the Board of County Commissioners of the Issuer nor the Chairman nor any person executing this Series 2021 Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

The transfer of this Series 2021 Bond is registrable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the principal office of the Clerk by the Holder hereof in person or by their attorney duly authorized in writing, upon the surrender of this Series 2021 Bond together with a written instrument of transfer satisfactory to the Clerk duly executed by the Holder or their attorney duly authorized in writing, and thereupon a new Series 2021 Bond in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. The Series 2021 Bond is issuable in fully registered form in the denomination of \$1,791,561.00 (or such lesser amount resulting from a partial redemption of the Series 2021 Bond). The Issuer and any paying agent may treat the Holder of this Series 2021 Bond as the absolute owner hereof for all purposes, whether or not this Series 2021 Bond shall be overdue, and shall not be affected by any notice to the contrary.

The Series 2021 Bond is subject to redemption prior to its stated date of maturity solely from excess Series 2021 Bond proceeds and Special Assessment Proceeds, at a price equal to 100% of the principal amount thereof to be redeemed, plus accrued interest to the redemption date, in whole at any time, or in part between the dates of May 1 and May 31 of each year and in such manner as may be designated by the Issuer, in each case upon five (5) Business Days (as defined in the Resolution) prior written notice to the Holder thereof. Except as set forth in the preceding sentence, the Series 2021 Bond is not subject to redemption.

Reference to the Resolution and any and all resolutions supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Series 2021 Bond, the nature, manner and extent of enforcement of such pledge and covenants and the rights, duties, immunities and obligations of the Issuer. All of the provisions of the Resolution are hereby incorporated into this Series 2021 Bond by this reference.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in connection with the issuance of this Series 2021 Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Series 2021 Bond does not violate any constitutional or statutory limitations or provisions.

IN WITNESS WHEREOF, the Board of County Commissioners of Marion County, Florida has issued this Series 2021 Bond and has caused the same to be executed by the manual or facsimile signature of its Chairman, its official seal or a facsimile thereof to be affixed or reproduced hereon, and countersigned and attested to by the manual or facsimile signature of its Clerk, all as of the 17th day of August, 2021.

MARION COUNTY, FLORIDA

(SEAL)

Chairman

ATTESTED AND COUNTERSIGNED:

Gregory C. Harrell, Clerk of the Circuit
Court and Ex-Officio Clerk of the Board of
County Commissioners

CERTIFICATE OF AUTHENTICATION

This Bond is the Series 2021 Bond described in the within-mentioned Resolution.

Date of Authentication: August ____, 2021

MARION COUNTY, FLORIDA

By: _____
Gregory C. Harrell, Clerk of the
Circuit Court and Ex-Officio Clerk of
the Board of County Commissioners

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Insert Social Security or Other Identifying Number of Assignee

(Name and Address of Assignee)

the within Series 2021 Bond and does hereby irrevocably constitute and appoint _____ as attorneys to register the transfer of the said Series 2021 Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The signature to this assignment must correspond with the name of the Holder as it appears upon the face of the within Series 2021 Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

* * * * * END FORM OF SERIES 2021 BOND * * * * *

ARTICLE III **REDEMPTION OF SERIES 2021 BOND**

SECTION 3.01. NOTICE OF REDEMPTION. Except as otherwise provided herein, notice of any redemption, which shall specify the Series 2021 Bond (or portions thereof) to be redeemed and the date and place for redemption, shall be mailed first class, postage prepaid, at least five (5) Business Days prior to the redemption date to the Holders of the Series 2021 Bond to be redeemed at their addresses as they appear on the registration books kept by the Clerk.

SECTION 3.02. REDEMPTION OF PORTIONS OF SERIES 2021 BOND.

In the event of any partial redemption of the Series 2021 Bond, the scheduled payments of principal due on the Series 2021 Bond after the date of such redemption shall be readjusted so as to provide, as nearly as practicable, for the repayment of the remaining principal of the Series 2021 Bond, and interest thereon, in equal amounts of principal and interest in each calendar year thereafter (including the then-current calendar year if such partial redemption occurs on or prior to May 1 of such year).

SECTION 3.03. PERMITTED AND REQUIRED REDEMPTIONS. The

Series 2021 Bond is subject to redemption prior to its stated date of maturity solely from excess Series 2021 Bond proceeds and Special Assessment Proceeds, at a price equal to 100% of the principal amount thereof to be redeemed, plus accrued interest to the redemption date (collectively, the "Redemption Price"), in whole at any time, or in part between the dates of May 1 and May 31 of each year and in such manner as may be designated by the Issuer, in each case upon five (5) Business Days prior written notice to the Holder thereof. Except as set forth in the preceding sentence, the Series 2021 Bond is not subject to redemption. The Issuer covenants and agrees that amounts on deposit in the Redemption Account shall be used to make such redemptions in accordance with the provisions of Section 4.05(a)(4) hereof.

ARTICLE IV
SECURITY, SPECIAL FUNDS AND APPLICATION
THEREOF

SECTION 4.01. SERIES 2021 BOND NOT TO BE INDEBTEDNESS OF

ISSUER. The Series 2021 Bond shall not be or constitute a general obligation or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be a special obligation of the Issuer, payable from and secured by a lien upon and pledge of the Pledged Revenues in accordance with the terms of this Resolution. No Holder of any Series 2021 Bond shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Series 2021 Bond, or be entitled to payment of such Series 2021 Bond from any moneys of the Issuer, except from the Pledged Revenues, in the manner provided herein.

SECTION 4.02. SECURITY FOR SERIES 2021 BOND. The payment of the principal of or Redemption Price and Late Fees, if applicable, and interest on the Series 2021 Bond shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Revenues. The Issuer does hereby irrevocably pledge the Pledged Revenues to the payment of the principal of or Redemption Price, if applicable, and interest on the Series 2021 Bond in accordance with the provisions hereof. The Pledged Revenues shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer.

SECTION 4.03. CONSTRUCTION FUND. The Issuer covenants and agrees to establish a special fund to be known as the "Marion County, Florida Special Assessment Bond, Series 2021 Construction Fund," which shall be used only for payment of the Cost of the Series 2021 Projects. Moneys in the Construction Fund, until applied in payment of any item of the Cost of the Series 2021 Projects in the manner hereinafter provided, shall be held in trust by the Issuer, and shall be subject to a lien and charge in favor of the Holders of the Series 2021 Bond and for the further security of such Holders.

The proceeds of insurance maintained against physical loss of or damage to the Series 2021 Projects, or the contractors' performance bonds with respect thereto pertaining to the period of construction thereof, shall be deposited into the Construction Fund.

The Issuer covenants that the acquisition, construction and installation of the Series 2021 Projects will be completed without delay and in accordance with sound engineering practices. The Issuer shall make disbursements or payments from the Construction Fund to pay the Cost of the Series 2021 Projects. The Issuer shall keep records of such disbursements and payments and shall retain all such records for six (6) years from the dates of final payment of the Bonds.

Notwithstanding any of the other provisions of this Section 4.03, to the extent that other moneys are not available therefor, amounts in the Construction Fund shall be applied to the payment of principal and interest on Series 2021 Bond, when due.

The date of completion of acquisition and construction of the Series 2021 Projects shall be determined by an Authorized Issuer Officer who shall certify such fact in writing to the Board. Promptly after the date of the completion of the Series 2021 Projects, and after paying or making provisions for the payment of all unpaid items of the Cost of the Series 2021 Projects, the Issuer shall deposit any balance of moneys remaining in the Construction Fund to the Redemption Account.

SECTION 4.04. FUND AND ACCOUNTS. The Issuer covenants and agrees to establish a special fund to be known as the "Marion County, Florida Special Assessment Bond, Series 2021 Debt Service Fund." The Issuer shall maintain in the Debt Service Fund five accounts: the "Assessment Account," the "Payment Account," the "Redemption Account," the "Rebate Account" and the "Expense Account." Moneys in the aforementioned fund and accounts (other than moneys on deposit in the Rebate Account), until applied in accordance with the provisions hereof, shall be held in trust for and be subject to a lien and charge in favor of the Holders of the Series 2021 Bond and for the further security of such Holders.

SECTION 4.05. FLOW OF FUNDS. (a) All Special Assessment Proceeds shall be deposited, as received, into the Assessment Account in the Debt Service Fund. Collection Costs may be paid directly to any Person which is due such Costs without being deposited to the Assessment Account. Within three (3) Business Days of receipt of moneys in the Assessment Account, the Issuer shall apply such moneys in the following manner and in the following order of priority:

(1) Expense Account. The Issuer shall deposit into the Expense Account, amounts required for the expenses and the payment of Collection Costs and other administrative expenses relating to the Series 2021 Bond or the Series 2021 Assessments; all such fees, costs and expenses shall be limited to reasonable fees and expenses. Moneys on deposit in the Expense Account shall also be used to pay principal of and interest on the Series 2021 Bond (whether at maturity or by redemption) in the event there is a deficiency in the Payment Account or Redemption Account.

(2) Payment Account. The Issuer shall deposit or credit to the Payment Account in the Debt Service Fund, from the Assessment Account, the sum which, together with the balance in said Account, shall equal the interest on the Outstanding Series 2021 Bond due or to become due on the next two subsequent Payment Dates and the principal due or to become due on the Outstanding Series 2021 Bond on the next subsequent Payment Date on which principal is due which shall be not greater than one year from the date of such deposit. Moneys in the Payment Account shall

be used for payment of principal of and interest on the Series 2021 Bond when the same become due and payable. In the event the Issuer shall determine that any moneys in the Payment Account shall not be required to pay the principal or interest of Series 2021 Bond coming due on the otherwise corresponding Payment Date because such Series 2021 Bond has been called or redeemed, the Issuer shall transfer such moneys to the Redemption Account.

(3) Rebate Account. The Issuer shall next deposit into the Rebate Account, from the Assessment Account, all amounts required to be deposited therein in order to make timely rebate payments to the United States government pursuant to Section 4.06 hereof.

(4) Redemption Account. The balance of any funds remaining in the Assessment Account after the deposits and payments required by Sections 4.05(a)(1) through 4.05(a)(3) hereof shall be deposited into the Redemption Account. Excess moneys on deposit in the Construction Fund shall be deposited to the Redemption Account in accordance with the provisions of Section 4.03 hereof. If, on the sixth (6th) day prior to any Payment Date, moneys in the Payment Account shall be insufficient to pay the interest on or principal of the Series 2021 Bond coming due on such Payment Date, moneys in an amount equal to such insufficiency shall be transferred from the Redemption Account to the Payment Account. Except as applied above, moneys in the Redemption Account shall be used for the retirement of principal on the Series 2021 Bond through redemption, subject to the provisions of Section 3.03 hereof.

(b) On or before the date established for payment of any principal of or Redemption Price, if applicable, or interest on the Series 2021 Bond, the Issuer shall withdraw from the appropriate account in the Debt Service Fund sufficient moneys to pay such principal or Redemption Price, if applicable, and interest.

SECTION 4.06. REBATE ACCOUNT. Amounts on deposit in the Rebate Account shall be held in trust by the Issuer and used solely to make required rebates to the United States (except to the extent the same may be transferred to the Assessment Account) and the Bondholders shall have no right to have the same applied for debt service on the Series 2021 Bond. The Issuer agrees to undertake all actions required of it in its Certificate as to Arbitrage and Certain Other Tax Matters, dated the date of issuance of the Series 2021 Bond, relating to such Series 2021 Bond, as well as any successor Certificate thereto, including, but not limited to:

(a) making a determination in accordance with the Code of the amount required to be deposited in the Rebate Account;

(b) depositing the amount determined in clause (a) above in the Rebate Account;

(c) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Account and any other legally available moneys of the Issuer such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(d) keeping such records of the determinations made pursuant to this Section 4.06 as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with "gross proceeds" of the Series 2021 Bond (as defined in the Code).

The provisions of the above-described Certificate as to Arbitrage and Certain Other Tax Matters may be amended from time to time as shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

SECTION 4.07. INVESTMENTS. The Construction Fund and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Construction Fund and the Debt Service Fund may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed. Any and all income received by the Issuer from the investment of moneys in the Construction Fund and the Assessment Account and the Rebate Account shall be retained in such respective Fund or Account. Any and all income received by the Issuer from the investment of moneys in the Expense Account and the Redemption Account shall be transferred to the Assessment Account. All investments shall be valued at amortized cost.

Nothing contained in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

SECTION 4.08. SEPARATE ACCOUNTS. The moneys required to be accounted for in each of the foregoing funds and accounts established herein may be deposited in a single bank account, and funds allocated to the various funds and accounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds and accounts as herein provided.

The designation and establishment of the various funds and accounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of

certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE V **COVENANTS OF THE ISSUER**

SECTION 5.01. BOOKS AND RECORDS. The Issuer will keep books and records of the receipt of the Special Assessment Proceeds and the funds and accounts established hereunder in accordance with generally accepted accounting principles, and the Holder or Holders of the Series 2021 Bond shall have the right during normal business hours to request and inspect the records, accounts and data of the Issuer relating thereto.

SECTION 5.02. ANNUAL AUDIT AND BUDGET. The Issuer shall, immediately after the close of each Fiscal Year, cause the financial statements of the Issuer to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accountants, and shall require such accountants to complete their report on the annual financial statements in accordance with applicable law. The annual financial statements shall be prepared in conformity with generally accepted accounting principles. A copy of the Issuer's Comprehensive Annual Financial Report, which contains the Issuer's audited financial statements, shall be furnished to the Bondholder within 30 days of its approval (but not later than 270 days after the end of such Fiscal Year).

SECTION 5.03. NO IMPAIRMENT. The pledging of the Pledged Revenues in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution or other proceedings of the Board without the prior written consent of the Holders of the Series 2021 Bond Outstanding.

SECTION 5.04. FEDERAL INCOME TAX COVENANTS. The Issuer covenants with the Holders of the Series 2021 Bond that it shall not use the proceeds of such Series 2021 Bond in any manner which would cause the interest on such Series 2021 Bond to be included in gross income for purposes of federal income taxation to the extent not otherwise included therein on the date of issuance of the Series 2021 Bond.

The Issuer covenants with the Holders of the Series 2021 Bond that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of such Series 2021 Bond (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series 2021 Bond to be "arbitrage bonds" within the meaning of Section 148 of the Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on such Series 2021 Bond to be included in gross income for purposes of federal income taxation (to the extent not otherwise included therein on the date of issuance of the Series 2021 Bond).

The Issuer hereby covenants with the Holders of the Series 2021 Bond that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Series 2021 Bond from gross income for purposes of federal income taxation,

including, in particular, the payment of any amount required to be rebated to the United States Treasury pursuant to the Code.

SECTION 5.05. ENFORCEMENT OF PAYMENT OF SPECIAL ASSESSMENT PROCEEDS. The Issuer will receive, collect and timely enforce the payment of Special Assessment Proceeds in the manner prescribed by this Resolution, the Assessment Ordinance, the Assessment Resolutions and all other resolutions, ordinances or laws appertaining thereunto, and will pay and deposit the proceeds of Special Assessment Proceeds, as received, into the Assessment Account. Absent a default or delinquency in the payment of any Series 2021 Assessment, nothing herein shall require the prepayment of any installment due on a Series 2021 Assessment prior to its due date, except as otherwise provided by the Assessment Ordinance or Assessment Resolutions. The Issuer shall not change its method of collection of the Series 2021 Assessments without the prior written consent of the holders of the Series 2021 Bond.

SECTION 5.06. RE-ASSESSMENTS. If any Series 2021 Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Issuer shall be satisfied that any Series 2021 Assessment is so irregular or defective that the same cannot be enforced or collected, or if the Issuer shall have omitted to make any Series 2021 Assessment when it might have done so, the Issuer shall either (a) take all necessary steps to cause a new Series 2021 Assessment to be made for the whole or any part of the Series 2021 Projects or against any real property benefited by the Series 2021 Projects, or (b) in its sole discretion, make up the amount of such Series 2021 Assessment from legally available moneys, which moneys shall be deposited into the Assessment Account. In case such second Series 2021 Assessment shall be annulled, said Issuer shall obtain and make other Series 2021 Assessments until a valid Series 2021 Assessment shall be made.

SECTION 5.07. OTHER MONEYS. The Issuer may, in its sole discretion, utilize other legally available moneys, in addition to the Pledged Revenues, to pay the principal of and interest on the Series 2021 Bond.

SECTION 5.08. COMPLIANCE WITH LAWS. The Issuer covenants to comply with all laws relating to: (a) the Series 2021 Assessments and the collection thereof and (b) the construction of the Series 2021 Projects.

SECTION 5.09. ADDITIONAL OBLIGATIONS. The Issuer will not issue any additional debt or obligation secured by a pledge of the Pledged Revenues without the prior written consent of the Bondholder.

SECTION 5.10. NOTIFICATION OF PROGRESS. The Issuer shall notify the Bondholders in a timely manner with respect to any public meetings or private meetings in respect of the progress of construction of the Series 2021 Projects, and shall permit the Bondholders to attend any such meetings, in person or by their agents.

SECTION 5.11. LIMITATION OF LIABILITY. No inspection or review by the Bondholders or their agent of the Series 2021 Projects, or of the proceedings in respect of the Series 2021 Assessments or the subject financing, shall impose any liability upon the Bondholders or give rise to any claim, defense, set-off or counterclaim of any kind or nature.

SECTION 5.12 INITIAL BONDHOLDER; FEES AND EXPENSES. Based on the findings made in Section 1.04 hereof and pursuant to the Commitment Letter attached hereto as EXHIBIT A, the Issuer hereby awards the Series 2021 Bond to the Initial Bondholder. The Issuer hereby agrees to pay counsel fees and expenses of the Initial Bondholder in an amount not to exceed \$5,250.00, said amount to be due and payable upon the issuance of the Series 2021 Bond.

ARTICLE VI **DEFAULTS AND REMEDIES**

SECTION 6.01. EVENTS OF DEFAULT. The following events shall each constitute an "Event of Default":

(a) Default shall be made in the payment of the principal of, redemption premium, if any, or interest on any Series 2021 Bond, when due.

(b) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements, representations, warranties and provisions contained in the Series 2021 Bond or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holders of not less than twenty-five percent (25%) of the aggregate principal amount of the Series 2021 Bond Outstanding. Notwithstanding the foregoing, and provided that no such grace period shall exceed sixty (60) days, the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes curative action and diligently pursues such action until the default has been corrected.

(c) An Act of Bankruptcy shall have occurred with respect to the Issuer.

(d) A default on any other agreement in connection with indebtedness to the Initial Bondholder (including any hedge agreements executed with the Initial Bondholder, if any).

(e) Failure of the Issuer to comply with Section 4.02 hereof, relating to the pledge of the Pledged Revenues.

Notice of any default by the Issuer hereunder shall be given promptly to the Bondholders.

SECTION 6.02. REMEDIES. Whenever any Event of Default referred to in Section 6.01 hereof shall have happened and be continuing, the Bondholder or their assigns, may take one or any combination of the following remedial steps:

(a) Have reasonable access to and inspect, examine and make copies of the books and records and any and all accounts and data of the Issuer during regular business hours; or

(b) Take whatever action at law or in equity including, without limitation, a mandamus action, may appear necessary or desirable to collect the amounts then due and thereafter to become due including all expenses incurred by the Bondholder, including without limitation, reasonable attorneys' fees, at all levels of the proceedings, whether incurred in connection with collection, bankruptcy proceedings, trial appeal or otherwise,

or to enforce performance and observance of any obligation, agreement or covenant of the Issuer under this Resolution or to enforce the lien granted hereunder on the Pledged Revenues.

(c) If any amount due on the Series 2021 Bond is not paid by the thirtieth (30th) day following the scheduled Payment Date, the Issuer shall be obligated to pay the Bondholder a late fee equal to 5.0% of the past due amount (the "Late Fee"). Such Late Fee shall be immediately due and payable and, to the extent allowed under applicable law, shall bear interest at the interest rate of the Series 2021 Bond until paid. In addition, the Bondholder may increase the interest rate to the Default Rate in accordance with Section 2.06(c) hereof until all amounts then due under the Series 2021 Bond are paid in full.

SECTION 6.03. REMEDIES CUMULATIVE. No remedy herein conferred upon or reserved to the Bondholders 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. If any remedial action is discontinued or abandoned, the Bondholders shall be restored to their former position.

SECTION 6.04. WAIVER OF DEFAULT. No delay or omission of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Article VI to the Bondholders may be exercised from time to time, and as often as may be deemed expedient.

ARTICLE VII
SUPPLEMENTAL RESOLUTIONS

SECTION 7.01. SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS' CONSENT. The Issuer may not amend or supplement this Resolution except with the prior written consent of the Bondholder.

ARTICLE VIII **MISCELLANEOUS**

SECTION 8.01. DEFEASANCE. If the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of the Series 2021 Bond the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of the Pledged Revenues, and all covenants, agreements and other obligations of the Issuer to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied.

Nothing herein shall be deemed to require the Issuer to call any of the Outstanding Series 2021 Bond for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

SECTION 8.02. SALE OF SERIES 2021 BOND. The Series 2021 Bond shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the Act, the requirements of this Resolution and other applicable provisions of law. The negotiated sale of the Series 2021 Bond to the Initial Bondholder is hereby authorized at a price equal to 100% of the principal amount of the Series 2021 Bond.

SECTION 8.03. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution shall 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 separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Series 2021 Bond issued hereunder.

SECTION 8.04. REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 8.05. WAIVER OF RIGHT TO TRIAL BY JURY; VENUE. The Issuer and, by their purchase of the Series 2021 Bond, the Bondholders hereby irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any controversy or claims between themselves, whether in contract, by tort or law, that arise out of or relate to this Resolution or the Series 2021 Bond or any document related hereto or thereto, and agree that exclusive venue for such suit or action shall be Marion County, Florida or in the federal district court for the Middle District of Florida.

SECTION 8.06. GENERAL AUTHORITY. The officers, attorneys, or other agents or employees of the Issuer are hereby authorized to do all acts and things (including without limitation, the execution and delivery of the Series 2021 Bond, documents, agreements, certificates and instruments) required of them by this Resolution, issuance of the Series 2021 Bond and the related bond documents, and to do all acts and things which are desirable and consistent with the requirements hereof or of the bond documents, for the full, punctual and complete performance of all the terms, covenants and agreements contained herein, the Series 2021 Bond and in the bond documents.

SECTION 8.07. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED, this 17th day of August, 2021.

**BOARD OF COUNTY
COMMISSIONERS OF MARION
COUNTY, FLORIDA**

(SEAL)

Jeff Gold, Chairman

ATTEST:

Gregory C. Harrell, Clerk of the Circuit
Court and Ex-Officio Clerk of the Board of
County Commissioners

EXHIBIT A

TERM SHEET FROM
CITIZENS FIRST BANK

July 28, 2021

Jennifer Cole, Finance Director
Marion County, Florida
601 SE 25th Ave.
Ocala, Florida 34471

Re: The County's Special Assessment Revenue Bond, Series 2021 (the "2021 Bond" or "Loan") for an amount of \$1,800,000 (U.S.) from Citizens First Bank as Lender to Marion County, as Borrower.

Dear Ms. Cole:

Citizens First Bank, ("Lender" or "Bank") is pleased to extend to Marion County ("Borrower") a commitment to loan to Borrower the sum of up to \$1,800,000 under the terms and conditions of this letter. If you find these terms and conditions to be acceptable, please have Borrower so indicate by signing and returning a copy of this letter.

The Loan is to be extended only on the following terms and conditions:

I. LOAN TERMS:

- a. AMOUNT: The loan will be in the amount not to exceed \$1,800,000.
- b. INTEREST RATE: 1.60 % fixed rate tax exempt loan.
- c. TERMS: The loan will be paid interest semiannually on May 1 and November 1 of each year beginning May 1, 2022. The principal will be paid annually beginning May 1, 2022 and ending on May 1, 2031, based on the proposed amortization schedule, shown as Exhibit A attached. Interest will be calculated on 30/360 day-count basis.
- d. CLOSING COST: Borrower agrees to pay for Lender's legal counsel in connection with the closing of this transaction which will be \$5,250.00. Bank will be represented by Ed Clement of Lowndes, Drosdick, Doster, and Kantor & Reed.
- e. POINTS: None
- f. PURPOSE: To fund the issuance of the 2021 Bond that will be issued to finance the cost of constructing various road and ancillary improvements within the Series 2021 Improvement Area.
- g. PREPAYMENT: Prepayment will be allowed during any period the credit is outstanding.

h. **DEFAULT REMEDIES:** The loan will have a 30 day grace period for payments with a 5% late fee imposed if any payment is not paid within 30 days of its due date. Lender will be entitled to attorney's fees and cost in case of default with a default rate not to exceed the maximum rate allowable by law.

II. SECURITY

This Series 2021 Bond and the interest hereon and Late Fees, if any, are payable from and secured by a lien upon and a pledge of (1) the Special Assessment Proceeds levied, collected and received by the Issuer upon real property in the Series 2021 Improvement Areas benefited by the Series 2021 Projects within Marion County, Florida, as more particularly described in the Resolution, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in certain of the funds and accounts established by the Resolution, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Revenues").

III. DOCUMENTATION

Documentation for the obligation will be prepared in a manner typical of similar transactions, including security instruments pledging a lien upon Pledged Revenues for the properties within the Series 2021 Improvement Area. All documentation will be reviewed and approved by Bank counsel prior to consummation.

VI OTHER LOAN CONDITIONS

In addition to the foregoing, the following conditions shall apply to the Loan:

1. If at any time during the life of this transaction it is determined this credit facility does not qualify as a tax-exempt transaction as a result of the actions or inactions of the Borrower, the borrower will be responsible for the tax liability on the transaction. The Tax Equivalent Rate will be based on the current corporate tax rate, and will apply in the event the bonds are deemed taxable. If at any time it is deemed that the documentary stamps are due and payable, Marion County will be liable for payment.
2. **Financial Statements:** In making this Loan commitment, the Bank is relying on the financial condition of the Borrower. To help assure that neither the financial condition of the Borrower nor the income capability of the security adversely changes throughout the life of the loan, Borrower shall have the following obligations throughout the course of the loan:

Marion County
Commitment Letter
July 28, 2021

- (1) Borrower must keep books and records reflecting their financial conditions, including but not limited to, the operation of the security in accordance with generally accepted accounting principals consistently applied. Bank shall have the right, from time to time during normal business hours, to examine such books, records and accounts at the offices of the Borrower or other personal entity maintaining such books, records and accounts and to make such copies of extracts thereof as the Bank shall desire.
- (2) During the term of the loan, the Borrower must furnish or cause to be furnished to the Bank, 270 days after the end of the fiscal year to provide audited financial statements of the borrower.

- c. Lender will receive legal opinions from Issuer's counsel and Bond Counsel, in a form typically rendered to the Lender in transactions of like nature.
- d. This commitment must be accepted in writing by Borrower by August 20, 2021 or shall therefore be void. This commitment may be executed in counterparts, each on which shall collectively and separately constitute a single agreement. Once executed, this commitment will supersede any and all previous discussions, understanding, or agreements between the parties and regarding the transaction contemplated herein.
- e. Closing shall occur upon seven days written notice to lender, with a date of closing on or before August 31, 2021.
- f. The provisions and requirement of this commitment shall survive closing and shall be enforceable against Borrower after closing, whether or not all terms thereto are contained in Loan Documents.

Once again, we are pleased to have the opportunity to extend this commitment to Marion County Florida and we hope the County will accept our offer by signing and returning the enclosed copy of this letter by the stated expiration date. If you have any questions, please do not hesitate to call me.

Sincerely,



Chris Langley
Senior Vice President
Market Executive

Marion County
Commitment Letter
July 28, 2021

Christopher.Langley@mycitizensfirst.com

352-259-3267
406 E. Silver Springs Blvd.
Ocala, Florida 34471

CC: gloverj@pfm.com
PFM Financial Advisors, LLC

CC: plavishcarpentera@pfm.com
PFM Financial Advisors, LLC

ACCEPTED THIS ____ day of _____ 2021

Marion County, Florida

BY: _____
Jennifer Cole,
Finance Director, on behalf of
Marion County, Florida