

The information contained herein does not and should not be considered an offer to buy or sell securities. In connection with certain outstanding privately placed bank loans of Sarasota County, Florida (the "County"), the County is filing this information as a voluntary filing on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. The County is not required pursuant to any continuing disclosure undertaking to file such information and is additionally under no obligation to update any such information voluntarily filed. This information is for informational purposes only, and does not include all information which may be of interest to a potential investor, nor does it purport to present full and fair disclosure within the meaning of the applicable securities laws. Such information about the County is only accurate as of its date, and the County undertakes no obligation to update such information beyond its date. No representation is being made that there has not been a change in the affairs of the County since such date. Such information is subject to change without notice and posting of other information filed by the County on EMMA does not imply that there has been no change in the affairs of the County since the date of such information.

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THIS NOTE IS SUBJECT TO TRANSFER RESTRICTIONS, MORE FULLY DESCRIBED IN THE LOAN AGREEMENT REFERRED TO HEREIN, AND MAY NOT BE TRANSFERRED EXCEPT TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933.

## REVENUE NOTE, SERIES 2010B

SARASOTA COUNTY, FLORIDA (the "County"), 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, but solely from the sources hereinafter provided, to the order of SunTrust Bank or registered assigns (together with any other registered owner of this Note, hereinafter, the "Bank"), the principal sum of Three Million Thirty-Eight Thousand and No/100 Dollars (\$3,038,000.00) or such lesser amount as shall be outstanding hereunder, together with interest on the principal balance outstanding at the Interest Rate (defined below) (subject to adjustment as hereinafter provided), calculated based upon a year of 360 days consisting of twelve 30-day months, such amounts to be payable as provided herein. This Note is issued pursuant to a Resolution of the County adopted on September 15, 2010 (the "Resolution") and in conjunction with a Loan Agreement, dated as of September 1, 2010, between the County and the Bank (the "Loan Agreement") and is subject to all the terms and conditions of the Loan Agreement. All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto, or referenced, in the Loan Agreement.

Principal of and interest on this Revenue Note, Series 2010B (the "Note") are payable in immediately available funds constituting lawful money of the United States of America at the Principal Office or such place as the Bank may designate in writing to the County.

The County shall pay the Bank interest on the outstanding principal balance of this Note in arrears, on each September 30 and March 31, commencing March 31, 2011. The principal amount of this Note shall be payable in annual installments in the amounts and on the dates set forth on Schedule A hereto, commencing on September 30, 2011, and with the final installment payable September 30, 2015. If any date for the payment of principal or interest is not a Business Day, such payment shall be due on the next succeeding Business Day.

All payments by the County pursuant to this Note shall apply first to accrued interest, then to other charges due the Bank, and the balance thereof shall apply to the principal sum due; provided, however, in an Event of Default, payment shall be applied in accordance with Section 6.02 of the Loan Agreement.

The "Interest Rate," as used herein, shall mean a rate of 2.204% per annum unless adjusted as provided herein.

"Determination of Taxability" means a final decree or judgment of any federal court or a final action of the Internal Revenue Service determining that interest paid or payable on this Note is or was includable in the gross income of the Bank for Federal income tax purposes; provided, that no such decree, judgment, or action will be considered final for this purpose, however, unless the County has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of



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the Bank, and until the conclusion of any appellate review, if sought. For all purposes of this definition, a Determination of Taxability will be deemed to occur on the date as of which the interest on the Note is deemed includable in the gross income of the Bank in accordance with the preceding sentence. A Determination of Taxability shall not occur in the event such interest is taken into account in determining adjusted current earnings for the purpose of the alternative minimum income tax imposed on corporations

"Maximum Corporate Tax Rate" shall mean the highest marginal United States federal income tax rate applicable to the taxable income of corporations without regard to any increase in tax designed to normalize the rate for all income at the highest marginal tax rate, which as of the date hereof is 35%.

"Taxable Rate" shall mean, upon a Determination of Taxability, the interest rate per annum that shall provide the Bank with the same after tax yield that the Bank would have otherwise received had the Determination of Taxability not occurred taking into account the increased taxable income of the Bank as a result of such Determination of Taxability. The Bank shall provide sufficient evidence supporting such rate calculation to the County.

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.

If the Maximum Corporate Tax Rate as applicable to the Bank decreases or increases from 35%, the Interest Rate otherwise borne by the Note shall be increased or decreased, as the case may be, to the product obtained by multiplying the Interest Rate otherwise borne thereby by a fraction, the numerator of which is 1 minus the Maximum Corporate Tax Rate as decreased or increased, as the case may be, and the denominator of which is 0.65; provided, however, such increased rate shall never exceed the maximum rate allowable by law. Notwithstanding the foregoing, however, the provisions of this paragraph shall not become effective unless the Bank shall have obtained an opinion of Bond Counsel to the effect that any adjustments or payments made under the foregoing will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on this Note or an opinion of Bond Counsel to the effect that the interest on this Note after such adjustment of the interest rate is excluded from gross income of this holders of this Note for federal income tax purposes.

If the tax laws or regulations are amended to cause the interest on the Note to be subject to a minimum tax or an alternative minimum tax not in effect and applicable to the Note as of the date of issuance of the Note, or to otherwise decrease the yield on the Note to the holder or owner thereof (directly or indirectly, other than a change as a result of a Determination of Taxability) then the Interest Rate on the Note shall be adjusted to cause the yield on the Note to equal what the yield on the Note would have been in the absence of such change or amendment in the tax laws or regulations. Notwithstanding the foregoing, however, the provisions of this paragraph shall not become effective unless the Bank shall have obtained an opinion of Bond Counsel to the effect that any adjustments or payments made under the foregoing will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on this Note or an opinion of Bond Counsel to the effect that the interest on this Note after such adjustment of the interest rate is excluded from gross income of this holders of this Note for federal income tax purposes.



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If the Bank determines that due to either (1) the enactment of, or any change in the interpretation of, any law or regulation, or (2) the compliance by the Bank with any guideline or request from any central bank or other governmental authority (whether or not having the force of law), there shall be any increase in the cost to the Bank of agreeing to make or making, funding, or maintaining the loan evidenced by the Note, then the County shall be liable for, and shall from time to time, upon written demand, pay to the Bank, such additional amounts as are sufficient to compensate the Bank for such increased costs. A certificate of the Bank claiming compensation under this subsection and setting forth additional amount or amounts to be paid to it hereunder shall be conclusive absent manifest error. In determining any such amount, the Bank may use any reasonable averaging and attribution methods. Notwithstanding the foregoing, however, the provisions of this paragraph shall not become effective unless the Bank shall have obtained an opinion of Bond Counsel to the effect that any adjustments or payments made under the foregoing will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on this Note or an opinion of Bond Counsel to the effect that the interest on this Note after such adjustment of the interest rate is excluded from gross income of this holders of this Note for federal income tax purposes.

Notwithstanding the foregoing, in no event shall the Interest Rate in any year exceed the maximum rate permitted by law.

This Note may be prepaid in whole or in part at any time at the option of the County upon ten (10) days' prior written notice by the County to the Bank, such prepayment to be at the principal amount to be prepaid plus accrued interest thereon to the date of prepayment and without premium.

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

This Note is payable solely from the Pledged Funds to the extent provided in the Loan Agreement and subject to the pledge of the Pledged Funds as more specifically provided in the Resolution and the Loan Agreement. Notwithstanding any other provision of this Note, the County is not and shall not be liable for the payment of the principal of and interest on this Note or otherwise monetarily liable in connection herewith from any property other than as provided in the Loan Agreement and the Resolution.

NOTWITHSTANDING ANYTHING HEREIN OR IN THE LOAN AGREEMENT OR THE RESOLUTION TO THE CONTRARY, THIS NOTE AND THE INTEREST HEREON DOES NOT AND SHALL NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE COUNTY BUT SHALL BE PAYABLE SOLELY FROM THE MONEYS AND SOURCES DESIGNATED THEREFOR PURSUANT TO THE LOAN AGREEMENT AND THE RESOLUTION. NEITHER THE FAITH AND CREDIT NOR ANY AD VALOREM TAXING POWER OF THE COUNTY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS NOTE OR OTHER COSTS INCIDENTAL HERETO.

All terms, conditions and provisions of the Loan Agreement are by this reference thereto incorporated herein as a part of this Note.

This Note may be exchanged or transferred but only as provided in the Loan Agreement.



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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.

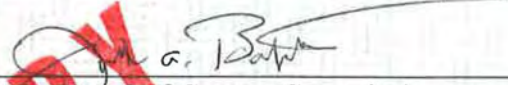
*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the County has caused this Note to be executed in its name as of the date hereinafter set forth.


The date of this Note is September 17, 2010.

SARASOTA COUNTY, FLORIDA

(SEAL)

By:   
Chair, Board of County Commissioners

ATTEST:

By:   
Clerk of the Circuit Court and Ex-Officio  
Clerk of the Board of County Commissioners

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## SCHEDULE A

<u>Payment Date</u> <u>(September 30)</u>	<u>Principal Amount</u>
2011	\$ 579,000
2012	595,000
2013	608,000
2014	621,000
2015	<u>635,000</u>
TOTAL	\$3,038,000