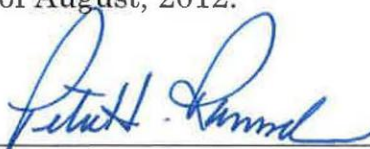


The information contained herein does not and should not be considered an offer to buy or sell securities. In connection with certain outstanding privately placed bank loans of Sarasota County, Florida (the "County"), the County is filing this information as a voluntary filing on the Municipal Securities 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.

CERTIFICATE OF DEPUTY CLERK

I, Peter H. Ramsden, Director of Finance, as Deputy Clerk of Sarasota County, Florida (the "County"), HEREBY CERTIFY that attached hereto is a true and correct copy of Resolution No. 2007-062 (the "Resolution") adopted by the Board of County Commissioners of the County on March 21, 2007, which Resolution has not been modified, amended, revoked or repealed in any respect since its date of adoption, except as set forth in Resolution No. 2010-285, and remains in full force and effect as of the date hereof.

WITNESS my hand this 24th day of August, 2012.



PETER H. RAMSDEN, Director of
Finance, as Deputy Clerk

RESOLUTION NO. 2007-062

A RESOLUTION COMPILING, CODIFYING, AMENDING AND RESTATING IN ITS ENTIRETY RESOLUTION NO. 93-090 DULY ADOPTED BY SARASOTA COUNTY, FLORIDA ON MAY 4, 1993, WHICH AMENDED AND RESTATED RESOLUTION NO. 93-011 DULY ADOPTED BY SARASOTA COUNTY, FLORIDA ON JANUARY 12, 1993, AND ENTITLED:

"A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SARASOTA COUNTY, FLORIDA, AMENDING AND RESTATING IN ITS ENTIRETY, RESOLUTION NO. 93-011 OF THE BOARD ADOPTED ON JANUARY 12, 1993, IN ORDER TO INCORPORATE CHANGES REQUIRED BY THE BOND INSURER PURSUANT TO THE LETTER AGREEMENT BY THE COUNTY, DATED JANUARY 27, 1993; AND PROVIDING AN EFFECTIVE DATE."

AS SUCH RESOLUTION HAS BEEN HERETOFORE COMPILED, CODIFIED, AMENDED AND RESTATED; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Chapter 125, Florida Statutes, Ordinance No. 72-30, duly enacted by the governing body of the Sarasota County, Florida (the "County") on July 25, 1972, as amended and supplemented, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby found and determined that:

A. On May 4, 1993, the County adopted Resolution No. 93-090, the title of which is set forth in the title hereof (the "Resolution"), which amended and restated in its entirety Resolution No. 93-011.

B. The Resolution was amended by Resolution No. 94-307 on December 13, 1994, and by Resolution No. 96-039 on February 27, 1996.

C. Resolution No. 93-011 was compiled, codified, amended and restated by Resolution No. 2002-268 on October 8, 2002, and further amended by Resolution No. 2005-175 on September 13, 2005.

D. The County now desires to further amend the Resolution.

E. Because of the number of amendments, for convenience of reference, and in order to correct minor typographical errors and to correct minor inconsistencies resulting from the number of amendments, the County deems it advisable to again compile, codify and restate the Resolution and all amendments thereof.

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BOARD RECORDS
FILED FOR RECORD

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F. All amendments to the Resolution set forth herein have been approved in writing by Financial Guaranty Insurance Company and Ambac Assurance Corporation, which have issued policies of municipal bond insurance insuring all of the County's bonds currently outstanding under the Resolution and have, pursuant to the terms of the Resolution, the right to consent to and approve the amendments to the Resolution made hereto without the consent of the registered owners of any bonds outstanding under the Resolution.

SECTION 3. RESTATED RESOLUTION. The Resolution is hereby amended and restated in its entirety to read as set forth on Exhibit "A" hereto.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage in the manner provided by law.

PASSED AND DULY ADOPTED this 21st day of March, 2007.

(SEAL)

BOARD OF COUNTY COMMISSIONERS
OF SARASOTA COUNTY, FLORIDA

By: Nora Patterson
Chair

ATTEST:

KAREN E. RUSHING, Clerk of
the Circuit Court and Ex-Officio
Clerk of the Board of County
Commissioners of Sarasota County,
Florida

By: Candice Goff
Deputy Clerk

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AMENDED AND RESTATED

RESOLUTION NO. 93-090

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SARASOTA COUNTY, FLORIDA, AMENDING AND RESTATING IN ITS ENTIRETY, RESOLUTION NO. 93-011 OF THE BOARD ADOPTED ON JANUARY 12, 1993, IN ORDER TO INCORPORATE CHANGES REQUIRED BY THE BOND INSURER PURSUANT TO THE LETTER AGREEMENT BY THE COUNTY, DATED JANUARY 27, 1993, AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SARASOTA COUNTY, FLORIDA, as follows:

Resolution No. 93-011, of the Board of County Commissioners (the "Board"), duly adopted on January 12, 1993, is hereby amended and restated in its entirety as follows:

RESOLUTION NO. 93-011

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SARASOTA COUNTY, FLORIDA, AUTHORIZING THE REFUNDING OF THE OUTSTANDING COUNTY'S OUTSTANDING UTILITY SYSTEM REVENUES BONDS, SERIES 1989 AND SERIES 1989A, AND A PORTION OF THE COUNTY'S OUTSTANDING LOAN RELATING TO THE FLORIDA LOCAL GOVERNMENT FINANCE COMMISSION POOLED COMMERCIAL PAPER; PROVIDING FOR THE ISSUANCE OF \$90,845,000 UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 1993, OF THE COUNTY TO FINANCE THE COST OF SAID REFUNDING; PROVIDING FOR THE PAYMENT OF SAID BONDS AND SUCH ADDITIONAL PARITY BONDS AS MAY BE HEREAFTER ISSUED FROM THE NET REVENUES OF THE UTILITY SYSTEM AND FROM LAWFULLY AVAILABLE IMPACT FEES; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SARASOTA COUNTY, FLORIDA, as follows:

ARTICLE I

AUTHORITY, DEFINITIONS AND FINDINGS

SECTION 1.01 AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 125, Florida Statutes, Ordinance No. 72-30, duly enacted by the governing body of the Issuer on July 25, 1972, as amended and supplemented, and other applicable provisions of law.

SECTION 1.02 DEFINITIONS. Unless the context otherwise requires, the terms defined in this section shall have the meanings specified in this section. Words importing

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singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Accounting Principles" shall mean generally accepted accounting principles applicable to governmental entities.

"Accountant" shall mean the independent certified public accountant or firm of certified public accountants at the time employed by the Issuer under the provisions of this Resolution to perform and carry out the duties imposed on the Accountant by this Resolution.

"Accreted Value" shall mean, with respect to any Capital Appreciation Bonds, the amount representing the value of such Bonds as of any semiannual compounding date.

"Act" shall mean, collectively, Chapter 125, Florida Statutes, Ordinance No. 72-30, duly enacted by the governing body of the Issuer on July 25, 1972; as amended and supplemented, and other applicable provisions of law.

"Additional Parity Bonds" shall mean additional obligations of the Issuer which have an equal lien on the Net Revenues and rank equally in all respects with the Bonds initially issued hereunder, and which may be additionally secured by Impact Fees.

"Amortization Installment" shall mean, with respect to any Term Bonds of a series of Bonds, the amount of money designated for the Term Bonds of such series and required to be deposited into the Bond Amortization Account within the Debt Service Fund to pay the principal amount of Term Bonds to be redeemed on the Interest Payment Date or Principal Maturity Date so designated; provided that the aggregate of such installments for each maturity of Term Bonds of any series shall equal the aggregate principal amount (including Maturity Amounts) of each maturity of Term Bonds of such series delivered on original issuance.

"Authorized Investments" shall mean any investments described in the investment policies of the County from time to time set forth by ordinance and presently set forth in Ordinance No. 89-75, duly enacted by the Board on September 5, 1989, as amended from time to time.

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

"Bond Counsel" shall mean counsel experienced in matters relating to the validity of, and the state and federal income tax treatment of interest on, obligations of states and their political subdivisions as selected by the Issuer.

"Bond Insurance Policy" means the municipal bond new issue insurance policy issued by the Bond Insurer that guarantees payment of principal of and interest on the Series 1993 Bonds.

"Bond Insurer" means, with respect to the Series 1993 Bonds, Financial Guaranty Insurance Company, a New York stock insurance company, or any successor thereto.

"Bond Registrar" shall mean the officer of the Issuer or such bank or trust company, located within or without the State of Florida, who shall maintain the registration books of the

Issuer and who shall be responsible for the transfer and exchange of the Bonds and who also may be the paying agent for the Bonds and interest thereon.

"Bond Year" shall mean the annual period commencing on October 2 of each year and ending on the next succeeding October 1.

"Bonds" shall mean the Series 1993 Bonds, together with any Additional Parity Bonds hereafter issued under the terms, conditions and limitations contained herein.

"Book-Entry Form" or "Book-Entry System" shall mean a form or system, as applicable, under which physical Bond certificates in fully registered form are issued to a Depository or to its nominee as Registered Owner, with the certificated Bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the Issuer or the Registrar, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those Bonds.

"Capital Appreciation Bonds" shall mean Bonds of any series, the interest on which (1) shall be compounded periodically, (2) shall be payable at maturity or upon earlier redemption of the principal amount thereof and (3) shall be determined by reference to the Accreted Value.

"Code" shall mean the Internal Revenues Code of 1986, as amended, or any successor code thereto, together with the valid and applicable regulations thereunder, as the same may be in effect from time to time.

"Computation Period" shall mean any period of twelve consecutive calendar months out of the twenty-four calendar months next preceding the delivery of the Additional Parity Bonds (or, at the option of the Issuer, the most recent audited Fiscal Year).

"Consulting Engineers" shall mean one or more qualified and recognized consulting engineer or firm of consulting engineers having favorable repute, skill and experience with respect to the planning, construction, operation and financial feasibility of facilities similar to the System, who shall be retained from time to time by the Issuer.

"Cost of Operation and Maintenance" of the System shall mean the current expenses, paid or accrued, of operation, maintenance and repair of the System as calculated in accordance with Accounting Principles, which may include payments under agreements for the bulk purchase of water and for the purchase of wastewater treatment and disposal capacity, but shall not include (1) internal administrative charges for general County services made by other funds of the County for support services such as accounting functions, payroll, personnel and other similar overhead charges, (2) expenses not annually recurring, such as any reserve for renewals and replacements, (3) extraordinary repairs or conditions, (4) any allowance for depreciation or amortization, (5) any Debt Service Requirement or payment obligation related to debt of the County, (6) any payments in lieu of taxes, or (7) payments budgeted and paid out of funds on deposit in the Renewal, Replacement and Improvement Fund.

"County" or "Issuer" shall mean Sarasota County, Florida.

"Credit Facility" shall mean the Bond Insurance Policy or a policy of municipal bond insurance, a letter of credit, or other insurance or financial product which guarantees prompt payment of all or any portion of the principal of, premium, if any, and interest on all or any portion of the Bonds.

"Credit Facility Issuer" shall mean the Bond Insurer or an insurance company, bank, or other organization which has provided a Credit Facility in connection with the issuance of any series of Bonds or any Bonds within a series.

"Current Interest Paying Bonds" shall mean the Bonds of any series, the interest on which shall be payable on a periodic basis.

"Debt Service Requirement" for any Bond Year, as applied to all Bonds or the Bonds of any series, shall mean the sum of:

(1) The amount required to pay the interest becoming due on the Current Interest Paying Bonds during such Bond Year, except to the extent that such interest shall have been provided by payments into the Debt Service Fund out of Bond proceeds or other sources for a specified period of time; provided that i) for purposes of Sections 5.03(a)(i) and 5.03(b)(i) and (ii), Variable Rate Bonds shall be deemed to bear interest at the actual rate per annum applicable during the applicable Bond Year; and ii) for all other purposes, Variable Rate Bonds shall be assumed to bear interest at the highest of: (a) the actual rate on the date of calculation, or if the indebtedness is not yet outstanding, the initial rate (if established and binding), (b) if the indebtedness has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (c)(1) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Internal Revenue Code, the most recently published Bond Buyer 25 Bond Revenue Index (or comparable index if no longer published) plus fifty (50) basis points, or (2) if interest is not so excludable, the interest rate on direct U.S. Treasury obligations with comparable maturities plus fifty (50) basis points.

(2) The aggregate amount required to pay the principal becoming due on Current Interest Paying Bonds for such Bond Year. For purposes of this definition the stated maturity date of any Current Interest Paying Term Bonds shall be disregarded and the Amortization Installments applicable to such Current Interest Paying Term Bonds in such Bond Year shall be deemed to mature in such Bond Year. The principal amount of any Current Interest Paying Term Bonds having a single principal maturity and no Amortization Installments therefor shall be calculated as if the amount of such single maturity had been amortized over a term of years and was payable in such payments of principal and interest as shall be set forth in a subsequent resolution of the Board adopted on or prior to the delivery of such Bonds.

(3) The aggregate amount required to pay the Maturity Amounts due on any Capital Appreciation Bonds maturing in such Bond Year. For purposes of this definition the stated maturity date of any Capital Appreciation Term Bonds shall be disregarded and the Amortization Installments applicable to such Capital Appreciation Term Bonds in such year shall be deemed to mature in such year.

In calculating the Debt Service Requirement for any period for any series of Bonds or the Bonds of any lien status, the Issuer shall deduct from the amounts calculated in subparagraphs (1) through (3) above any investment earnings to be received on moneys on deposit in the Debt Service Fund and accounts therein established with respect to such series of Bonds and required by the terms of this Resolution to be retained in such Debt Service Fund.

"Defeasance Obligations" shall mean direct obligations of the United States of America, obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, obligations of Farmers Home Administration, obligations of General Service Administration, obligations of Government National Mortgage Association (GNMA), consolidated debt obligations of Farm Credit System (formerly Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives), and stripped interest obligations with respect to Resolution Funding Corp. (REFCORP) debt obligations, stripped by the Federal Reserve Bank of New York, none of the foregoing of which permit redemption prior to maturity at the option of the obligor.

"Escrow Deposit Agreement" shall mean the agreement between the Issuer and the Escrow Holder, in form and substance to be approved by the Issuer at or prior to the time of issuance of the Bonds, and providing for the deposit of a portion of the proceeds of the Series 1993 Bonds in trust with the Escrow Holder for the purpose of making payment of the principal of, premium, if specified, and interest on the Refunded Obligations.

"Escrow Holder" shall mean the bank or trust company, or such other facility as the Issuer may designate, which may be located within or without the State of Florida, to be selected by resolution of the Board prior to the time of issuance of the Series 1993 Bonds, to hold a portion of the proceeds of the sale of the Series 1993 Bonds in trust pursuant to the provisions of the Escrow Deposit Agreement(s), to be applied to pay the principal of, premium, if specified, and interest on the Refunded Obligations.

"Expansion Facilities" shall mean improvements, extensions and additions to the Utility System, together with all lands or interest therein, including plants, buildings, machinery, franchises, pipes, mains, fixtures, equipment and all property, real or personal, tangible or intangible, heretofore or hereafter constructed or acquired in order to meet the increased demand upon the Utility System, whether actual or anticipated, created by new users connecting to the Utility System and shall, to the extent permitted by applicable law, include, without limitation, contract rights for acquisition of water and/or wastewater services.

"Fiscal Year" shall mean the period commencing on October 1 of each year and ending on the succeeding September 30 or such other annual period as may be prescribed by law from time to time for the Issuer.

"Gross Revenues" or "Revenues" shall mean all income or earnings derived by the Issuer relating to the System as calculated in accordance with Accounting Principles, excluding Impact Fees and unrealized gains or losses from investments, but including, without limitation, connection fees (to the extent that such connection fees represent the actual cost of connection), special assessments and capital surcharges, readiness to serve charges, deferred revenue charges, and income from investments of Revenues from time to time on deposit in the Operating Fund,

Debt Service Fund, Bond Amortization Account, Reserve Account (to the extent available, as provided in Section 4.04B(3) hereof), Renewal, Replacement and Improvement Fund, and other special funds and accounts created and established by this Resolution and designated to be deposited in the Operating Fund.

"Holder of Bonds" or "Bondholders" or any similar term shall mean any person who shall be the Registered Owner of any such Bond or Bonds.

"Impact Fees" shall mean the fees and charges levied upon and collected and received by the Issuer from new users of the System which represent a pro-rata share of the increased capital costs to the System resulting from such additional connections, together with income from investment of such amounts calculated in accordance with Accounting Principles, but excluding unrealized gains or losses from investments.

"Impact Fees Carryforward Account Withdrawals" shall mean, in any Fiscal Year, amounts on deposit in the Impact Fees Carryforward Account (other than amounts which are Impact Fees received in the Fiscal Year such deposit is made) which are withdrawn therefrom and deposited into the Impact Fees Fund as provided in the final paragraph of Section 4.04(A) hereof.

"Independent Certified Public Accountants" shall mean such firm of certified public accountants, not in the regular employ of the Issuer, as shall be retained by the Issuer for the purpose of auditing the books and records of the System and performing such other functions as are specified in this Resolution.

"Interest Payment Date" shall mean, with respect to any series of Bonds, the semiannual or other periodic dates on which interest is payable on the Current Interest Bonds, as determined by subsequent resolution of the Board adopted at or prior to the time of issuance of such Bonds.

"Issuer" shall mean Sarasota County, Florida.

"Maturity Amount" shall mean, with respect to any Capital Appreciation Bonds, the value of such Bonds at the stated maturity thereof.

"Maximum Debt Service Requirement" shall mean, as of any particular date of calculation or specified period, the greatest amount of aggregate annual Debt Service Requirements for all outstanding Bonds for the then current or any future Bond Year or for such specified period, as applicable.

"Moody's" shall mean Moody's Investors Service, Inc., New York, New York, or any successor thereto.

"Net Revenues" of the System shall mean the Revenues or Gross Revenues, as defined herein, after deduction of the Cost of Operation and Maintenance, as defined herein.

"Principal Maturity Date" shall mean the stated date on which principal matures on Current Interest Paying Bonds or on which the Maturity Amount becomes payable on Capital Appreciation Bonds.

"Project" shall mean with respect to any series of Bonds the construction and acquisition of additions, extensions and improvements to the System, including Expansion Facilities, pursuant to the plans and specifications of the Consulting Engineers and the Project Certificate of the Qualified Independent Consultant on file, or to be on file, with the Issuer.

"Project Certificate" shall mean that certificate of the Qualified Independent Consultant filed with the Issuer at or prior to the delivery of any series of Bonds setting forth (1) the estimated total cost of the Project; and (2) the estimated cost of the Expansion Facilities portion of the Project, if any.

"Qualified Independent Consultant" shall mean one or more qualified and recognized independent consultants, having favorable repute, skill and experience with respect to the acts and duties required of a qualified independent consultant to be provided to the Issuer, as shall from time to time be retained by the Issuer to perform the acts and carry out the duties herein provided for such consultants. The Qualified Independent Consultant may also be the Accountant or the Issuer's Consulting Engineers.

"Rate Stabilization Fund Withdrawals" shall mean, in any Fiscal Year, amounts on deposit in the Rate Stabilization Fund in the Operating Fund (other than amounts which are Revenues accrued or received in the Fiscal Year such deposit is made) which are withdrawn therefrom and transferred to the Debt Service Fund or the Operating Fund.

"Record Date" shall mean the 15th day of the month (whether or not a business day) prior to an Interest Payment Date, or such other date as may be specified by subsequent resolution of the Board.

"Redemption Date" shall mean the date on which Bonds are to be redeemed prior to maturity.

"Refunded Obligations" shall mean the outstanding (1) Utility System Revenue Bonds, Series 1989 and Utility System Revenue Bonds, Series 1989A and (2) a portion of the County's loan relating to the Florida Local Government Finance Commission Pooled Commercial Paper Program relating to the Utility System.

"Refunding" shall mean the program for refinancing all or a portion of the outstanding debt of the Issuer through the issuance of the Series 1993 Bonds authorized by this Resolution and the deposit of a portion of the proceeds thereof with the Escrow Holder to be applied pursuant to the provisions of the Escrow Deposit Agreement to pay the principal of, premium, if any, and interest on the Refunded Obligations, all as recommended to the Issuer by its financial advisors at or prior to the time of sale of the Series 1993 Bonds.

"Refunding Costs" shall mean, but shall not necessarily be limited to: the cost of payment of the principal of, premium, if specified, and interest on the Refunded Obligations; expenses for estimates of costs and of Net Revenues; the fees of fiscal agents, financial advisors and consultants; administrative expenses; the capitalization of interest on the Series 1993 Bonds authorized hereby for a reasonable period of time after the date of issuance and delivery thereof; the establishment of reasonable reserves for the payment of debt service on the Series 1993 Bonds; discount upon the sale of the Series 1993 Bonds; the expenses and costs of issuance of

the Series 1993 Bonds; the cost of purchasing any Credit Facility with respect to the Series 1993 Bonds; such other expenses as may be necessary or incidental to the financing authorized by this Resolution, to the Refunding, and to the accomplishing thereof and reimbursement to the Issuer for any sums expended for the foregoing purposes.

"Registered Owner" shall mean the owner of any Bond or Bonds as shown on the registration books of the Issuer maintained by the Bond Registrar.

"Reserve Account Credit Facility" shall mean a policy of insurance, a letter of credit, or other insurance or financial product which provides for payment of all or a portion of the Reserve Account Requirement in the event of an insufficiency of moneys in the Debt Service Fund to pay principal of and interest on the Bonds and which meets the Reserve Account Credit Facility Requirements as set forth on Exhibit B hereto.

"Reserve Account Credit Facility Issuer" shall mean the Bond Insurer or an insurance company, bank, or other organization which has provided a Reserve Account Credit Facility in connection with the establishment of a reserve account for any series or installment of Bonds.

"Reserve Account Policy Costs" mean such interest, costs and other amounts as shall be necessary to reinstate the Reserve Account Credit Facility, and all Policy Costs (as defined in the Debt Service Reserve Fund Policy Agreement entered into between the County and the Bond Insurer), due and payable as specified in said Agreement.

"Reserve Requirement" shall mean an amount equal to the lesser of (i) the Maximum Debt Service Requirement, or (ii) the maximum amount allowed under the provisions of the Internal Revenue Code of 1986, as amended, to be funded as a reasonably required reserve from the proceeds of Bonds the interest on which is excluded from gross income for federal income tax purposes.

"Resolution" shall mean, collectively, this resolution, as amended and restated, and all resolutions amendatory hereof or supplemental hereto.

"Semiannual Compounding Date" shall mean, with respect to any Capital Appreciation Bonds, the date on which interest is compounded and a new Accreted Value established for such Bonds.

"Serial Bonds" shall mean the Bonds which shall be stated to mature in semiannual or annual installments.

"Series 1993 Bonds" shall mean the \$90,845,000 aggregate principal amount of Utility System Refunding Revenue Bonds, Series 1993, originally issued pursuant to this Resolution.

"S&P" shall mean Standard & Poor's Corporation, New York, New York, or any successor thereto.

"System" or "Utility System" shall mean the water and wastewater utility system (including, without limitation, any reuse or reclaimed water system), owned, operated and maintained by the Issuer, together with any and all improvements, extensions and additions

thereto hereafter constructed or acquired, together with all lands or interests therein, including plants, buildings, machinery, franchises, pipes, mains, fixtures, equipment and all property, real or personal, tangible or intangible, now or hereafter owned or used in connection therewith together with any stormwater utility system acquired or constructed by the Issuer and combined with the water and wastewater utility system pursuant to Section 5.18 hereof.

"Term Bonds" shall mean the Bonds which shall be stated to mature on one date and which shall be subject to mandatory redemption by operation of the Bond Amortization Account or otherwise designated as such by resolution of the Board adopted prior to the delivery thereof.

"Utilities Director" means the Executive Director of Environmental Services or such other officer who succeeds to the duties and responsibilities of the Executive Director of Environmental Services.

"Variable Rate Bonds" shall mean Bonds, the interest rate on which is subject to adjustment at such times and in such manner as shall be determined by the Board prior to the sale thereof.

SECTION 1.03. INTERPRETATION. Any reference herein to the Issuer, to the Board or to any member or officer of either, includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions.

Unless context clearly indicates otherwise, any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the Laws of Florida or the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this provision, if it constitutes in any way an impairment of the rights or obligations of the Issuer, the officers, employees and members of the Board of the Issuer, the Registrar, the paying agent, the Registered Owners, or any Credit Facility Issuer or Reserve Account Credit Facility Issuer under this Resolution, the Bonds or any other instrument or document entered into in connection with any of the foregoing.

Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms "hereof," "hereby," "herein," "hereto," "hereunder" and similar terms refer to this Resolution; and the term "hereafter" means after and the term "heretofore" means before the date of this Resolution. Words of any gender include the correlative words of the other genders, unless the context indicates otherwise.

SECTION 1.04. CAPTIONS. The captions and headings herein are solely for convenience or reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

SECTION 1.05 FINDINGS. It is hereby ascertained, determined and declared that:

A. The Issuer now owns, operates and maintains the System and derives Revenues from the rates, fees, rentals and other charges made and collected from the services of the

System. Revenues of the System are currently pledged to the payment of the Refunded Obligations, but such Refunded Obligations will be defeased by the Issuer upon the deposit of proceeds of the Series 1993 Bonds, into an escrow account to be established for the benefit of the holders of the Refunded Obligations either prior to or simultaneously with the issuance of the Series 1993 Bonds.

B. The Issuer has previously issued the Refunded Obligations. The Refunded Obligations are presently outstanding in the aggregate principal amount of \$7,834,320.

C. The Issuer now levies on new users of the System Impact Fees at the time utility services are requested in order to defray the costs of Expansion Facilities.

D. The Issuer deems it necessary and in the best interests of the residents and inhabitants of the County to provide for the refunding of the Refunded Obligations to lower the debt service requirements thereof.

E. The funds needed for the Refunding shall be derived from the sale of the Series 1993 Bonds herein authorized, and, if necessary, other legally available funds of the Issuer.

F. An amount which, together with the income on the investment thereof, will be sufficient to effect the refunding of the Refunded Obligations, will be deposited in an irrevocable escrow account established for the holders of such Refunded Obligations and invested in Defeasance Obligations. The principal amounts of such Defeasance Obligations, together with the interest earnings thereon, plus any amounts held in cash, will be sufficient to make timely payments of all presently outstanding principal, interest and redemption premium, if any, to be paid from such escrow account in respect to such Refunded Obligations, and all costs associated with the acquisition and subsequent management of such Defeasance Obligations.

G. The principal of and interest on the Series 1993 Bonds and all required sinking fund, reserve and other payments shall be payable from the Net Revenues derived from the operation of the System as herein provided and shall be additionally payable from and secured by Impact Fees to the extent lawfully available for such payments. The Issuer shall never be required to levy ad valorem taxes on any property within its corporate territory to pay the principal of and interest on the Series 1993 Bonds or to make any of the required sinking fund, reserve or other payments, and such Series 1993 Bonds shall not constitute a lien upon any property owned by or situated within the corporate territory of the Issuer, except as provided herein with respect to the Net Revenues of the System and the lawfully available Impact Fees.

H. The estimated revenues to be derived from the operation of the System, the estimated costs of operation and maintenance of the System and the estimated Net Revenues to be derived from the operation of the System, together with the lawfully available Impact Fees, will be sufficient to pay all of the principal of and interest on the Series 1993 Bonds to be issued hereunder as they become due and to make all required sinking fund, reserve and other payments hereunder.

SECTION 1.06 RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Bonds 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 such Bondholders. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of such Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided therein and herein. In consideration of the issuance of any Credit Facility, this Resolution shall be deemed to be and shall constitute a contract between Issuer and the Credit Facility Issuer and the covenants and agreements herein shall be for the benefit, protection, and security of any Credit Facility Issuer.

ARTICLE II

AUTHORIZATION OF REFUNDING; AUTHORIZATION OF ISSUANCE OF SERIES 1993 BONDS TO PAY THE COSTS THEREOF; DESCRIPTION, DETAILS AND FORM OF SERIES 1993 BONDS

SECTION 2.01 AUTHORIZATION OF REFUNDING. The Refunding of the Refunded Obligations is hereby specifically authorized.

SECTION 2.02 AUTHORIZATION OF SERIES 1993 BONDS. Subject and pursuant to the provisions of this Resolution, obligations of the Issuer to be known as "Utility System Refunding Revenue Bonds, Series 1993," are hereby authorized to be issued in an aggregate principal amount not exceeding the amount set forth in the title to this Resolution.

SECTION 2.03 DESCRIPTION OF SERIES 1993 BONDS. The Series 1993 Bonds may be issued from time to time in one or more installments; each installment shall be dated as of a date or dates to be fixed by subsequent resolution of the Issuer, but not later than the date of issuance and shall have a letter suffix after the series designation if there is more than one installment in the same calendar year and each installment may be numbered consecutively from one upward. The Series 1993 Bonds shall be issued in such denominations or Maturity Amounts, shall bear interest at not exceeding the maximum rate authorized by applicable law, payable at such times, and shall mature on such dates and in such years and in such amounts, all as are fixed by subsequent resolution of the Issuer adopted at or prior to the sale of the Series 1993 Bonds. A special description relating to any installment, or portion thereof, of the Series 1993 Bonds may be set forth in parenthesis immediately below the title of the Series 1993 Bonds; in the discretion of the Issuer.

The Series 1993 Bonds shall be issued in fully registered form without coupons; shall be issued as Current Interest Paying Bonds, Variable Rate Bonds, or as Capital Appreciation Bonds, and as Serial Bonds or Term Bonds, or a combination thereof; shall be payable with respect to both principal and interest at such bank or banks to be determined by the Issuer prior to the delivery of the Series 1993 Bonds; shall be payable in lawful money of the United States of America; and shall bear interest from their date or dates, payable by mail to the Registered Owners at their addresses as they appear on the registration books. If Term Bonds are issued, Amortization Installments therefor may be fixed in the subsequent resolution referred to above. If Capital Appreciation Bonds are issued, Accreted Values therefor shall also be fixed in the subsequent resolution referred to above.

Notwithstanding any other provisions of this section, the Issuer may, at its option, prior to the date of issuance of any Series 1993 Bonds, elect to use an immobilization system or pure book-entry system with respect to issuance of the Series 1993 Bonds, provided adequate records will be kept with respect to the ownership of Series 1993 Bonds issued in book-entry form or the beneficial ownership of Series 1993 Bonds issued in the name of a nominee. As long as any Series 1993 Bonds are outstanding in book-entry form, the provisions of Sections 2.04, 2.06 and 2.07 of this Resolution shall not be applicable to such book-entry Series 1993 Bonds. The details

of any alternative system of Series 1993 Bonds issuance, as described in this paragraph, shall be set forth in a resolution of the Board duly adopted at or prior to the sale of any of the Series 1993 Bonds.

SECTION 2.04. EXECUTION OF SERIES 1993 BONDS. The Series 1993 Bonds shall be executed in the name of the Issuer by the Chairman of the Board and countersigned and attested by the Clerk of the Board, either manually or with their facsimile signatures, and its corporate seal or a facsimile thereof shall be affixed thereto or reproduced thereon. The Certificate of Authentication of the Bond Registrar shall appear on the Series 1993 Bonds, and no Series 1993 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless such certificate shall have been duly executed on such Series 1993 Bond. The authorized signature for the Bond Registrar shall be either manual or in facsimile; provided, however, that at least one of the above signatures, including that of the authorized signature for the Bond Registrar, appearing on the Series 1993 Bonds shall at all times be a manual signature. In case any one or more of the officers who shall have signed or sealed any of the Series 1993 Bonds shall cease to be such officer of the Issuer before the Series 1993 Bonds so signed and sealed shall have been actually sold and delivered, such Series 1993 Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 1993 Bonds had not ceased to hold such office. Any Series 1993 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Series 1993 Bonds shall hold the proper office, although at the date of such Series 1993 Bonds such person may not have held such office or may not have been so authorized.

The certification as to validation, if any, in the form hereinafter provided, shall be executed with the facsimile signature of any present or future Chairman of the Board.

SECTION 2.05 NEGOTIABILITY. The Series 1993 Bonds shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each successive Holder, in accepting any of the Series 1993 Bonds, shall be conclusively deemed to have agreed that such Series 1993 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

SECTION 2.06 REGISTRATION. The Issuer shall, prior to the proposed date of delivery of the Series 1993 Bonds, by resolution of the Board designate the Bond Registrar and, if applicable, paying agent. The Bond Registrar shall be responsible for maintaining the books for the registration of and for the transfer of the Series 1993 Bonds and, if a bank is so designated, in compliance with a written agreement to be executed between the Issuer and such bank as Bond Registrar prior to the delivery date of the Series 1993 Bonds.

Upon surrender to the Bond Registrar for transfer or exchange of any Series 1993 Bond, duly endorsed for transfer or accompanied by an assignment or written authorization for exchange, whichever is applicable, duly executed by the Registered Owner or his attorney duly authorized in writing, the Bond Registrar shall deliver in the name of the Registered Owner or the transferee or transferees, as the case may be, a new fully registered Series 1993 Bond or Series 1993 Bonds of authorized denominations and of the same maturity and interest rate for the aggregate principal amount which the Registered Owner is entitled to receive; provided,

however, that Current Interest Paying Bonds may only be exchanged for new Current Interest Paying Bonds and Capital Appreciation Bonds may only be exchanged for new Capital Appreciation Bonds.

All Series 1993 Bonds presented for transfer, exchange, redemption or payment (if so required by the Issuer or the Bond Registrar) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Issuer or the Bond Registrar, duly executed by the Registered Owner or by his duly authorized attorney.

The Bond Registrar or the Issuer may require payment from the Registered Owner or transferee of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in connection with any exchange or transfer of the Series 1993 Bonds. Such charges and expenses shall be paid before any new Series 1993 Bond shall be delivered.

Interest on the Series 1993 Bonds shall be paid to the Registered Owners whose names appear on the books of the Bond Registrar as of 5:00 p.m. (eastern time) on the Record Date.

New Series 1993 Bonds delivered upon any transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the Series 1993 Bonds surrendered, shall be secured by this Resolution, and shall be entitled to all of the security and benefits hereof to the same extent as the Series 1993 Bonds surrendered.

The Issuer and the Bond Registrar may treat the Registered Owner of any Series 1993 Bond as the absolute owner thereof for all purposes, whether or not such Series 1993 Bond shall be overdue, and shall not be bound by any notice to the contrary. The person in whose name any Series 1993 Bond is registered may be deemed the owner thereof by the Issuer and the Bond Registrar, and any notice to the contrary shall not be binding upon the Issuer or the Bond Registrar.

SECTION 2.07 DISPOSITION OF SERIES 1993 BONDS PAID OR REPLACED. Whenever any Series 1993 Bond shall be delivered to the Bond Registrar for cancellation, upon payment of the principal amount thereof, or for replacement, transfer or exchange, such Series 1993 Bond shall, after cancellation, either be retained by the Bond Registrar for a period of time specified in writing by the Issuer, or at the option of the Issuer, shall be destroyed by the Bond Registrar and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the Issuer.

SECTION 2.08 SERIES 1993 BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Series 1993 Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer, acting through the Bond Registrar, may in its discretion issue and deliver a new Series 1993 Bond of like tenor as the Series 1993 Bond so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Series 1993 Bond, upon surrender and cancellation of such mutilated Series 1993 Bond or in lieu of and substitution for the Series 1993 Bond destroyed, stolen or lost, and upon the Registered Owner furnishing proof of his ownership and the loss thereof (if lost, stolen or destroyed) and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expense

as the Issuer and/or the Bond Registrar may incur. All Series 1993 Bonds so surrendered shall be cancelled by the Bond Registrar. If any such Series 1993 Bond shall have matured or will mature within 45 days, instead of issuing a substitute Series 1993 Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Series 1993 Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 1993 Bonds issued pursuant to this Section shall constitute original, additional, contractual obligations on the part of the Issuer, whether or not the lost, stolen or destroyed Series 1993 Bonds be at any time found by anyone and such duplicate Series 1993 Bonds shall be entitled to equal and proportionate benefits and rights as to lien, source and security for payment, pursuant to this Resolution from the funds, as hereinafter pledged, to the same extent as all other Series 1993 Bonds issued under this Resolution.

SECTION 2.09 PROVISIONS FOR REDEMPTION. The Series 1993 Bonds or any portions thereof shall be subject to redemption prior to their respective stated dates of maturity, at the option of the Issuer, at such times and in such manner as shall be determined by subsequent resolution of the Board adopted prior to the sale thereof.

Notice of such redemption shall, not more than sixty (60) days or less than thirty (30) days prior to the redemption date, (i) be filed with the Bond Registrar and paying agent, (ii) be mailed, postage prepaid, to all Registered Owners of Series 1993 Bonds to be redeemed at their addresses as they appear of record on the books of the Bond Registrar as of the close of business on the date prior to the date of mailing; and (iii) be published in a financial journal published in the Borough of Manhattan, City and State of New York; provided, however, that failure to file and/or mail such notice of redemption shall not render void or voidable any calling of Bonds for prior redemption.

Such notice shall be dated and shall state (a) the redemption date, (b) the redemption price, (c) the identification and respective principal amount of Bonds to be redeemed, if less than all Bonds are to be redeemed, (d) the place where the Bonds are to be surrendered for payment of the redemption price and (e) that on the redemption date (I) the redemption price will become due and payable under any Bond or portion thereof called for redemption and (II) interest on each such Bond shall cease to accrue from and after such date.

In addition to the foregoing notice, further notice shall be given as set out below, but no defect in any such notice nor any failure to give all or any portion of any notice shall in any manner defeat the effectiveness of a call for redemption with respect to a Registered Owner as to which notice is given as prescribed above.

Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus: (i) the date of original execution and delivery of the Bonds; (ii) the rate of interest borne by each Bond being redeemed; (iii) the maturity date of each Bond being redeemed; and (iv) any other descriptive information needed to identify accurately the Bonds being redeemed.

Each further notice of redemption shall be sent at least 30 days before the redemption date by registered or certified mail or overnight delivery service (at the expense of the addressee)

to all registered securities depositories then in the business of holding substantial amounts of obligations of types such as the Bonds (such depositories now being The Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds (such as Financial Information, Inc.'s Financial Daily Called Bond Service, Interactive Data Corporation's Bond Service, Kenny Information Service's Called Bond Service and Standard & Poor's Called Bond Record).

Interest shall cease to accrue on any Series 1993 Bond duly called for prior redemption on the redemption date, if payment thereof has been duly provided. The privilege of transfer or exchange of any of the Series 1993 Bonds selected for redemption shall be suspended.

Notwithstanding the foregoing or any other provision hereof, notice of optional redemption pursuant to this Section 2.09 may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the Issuer if expressly set forth in such notice.

SECTION 2.10 FORM OF SERIES 1993 BONDS. The text of the Series 1993 Bonds, together with the Certificate of Authentication of the Bond Registrar and, if applicable, the validation certificate to be endorsed thereon, shall be in substantially the form of Exhibit A hereto, with such omissions, insertions and variations as may be necessary or desirable and authorized or permitted by this Resolution or any subsequent resolution adopted prior to the issuance thereof; or as may be necessary if the Series 1993 Bonds or a portion thereof are issued as Capital Appreciation Bonds or bear a variable rate of interest; or as may be necessary to comply with applicable laws, rules and regulations of the United States Government and the State of Florida in effect upon the issuance thereof:

SECTION 2.11. DETAILS OF ADDITIONAL PARITY BONDS. The Issuer may provide by subsequent resolution adopted prior to the issuance of any Additional Parity Bonds, that the details of such Additional Parity Bonds, including but not limited to, the maturity, payment, registrar and registration, execution and other provisions set forth in this Article II, may differ from the provisions of this Article II and be as provided in such subsequent resolution.

ARTICLE III

APPLICATION OF SERIES 1993 BOND PROCEEDS; REDEMPTION OF REFUNDED BONDS

SECTION 3.01 APPLICATION OF SERIES 1993 BOND PROCEEDS. The proceeds, including accrued interest and premium, if any, received from the sale of any or all of the Series 1993 Bonds shall be applied by the Issuer simultaneously with their delivery to the purchaser thereof, as follows:

A. The accrued interest shall be deposited in the Debt Service Fund, herein created, and shall be used for the purpose of paying interest becoming due on the Series 1993 Bonds on the first Interest Payment Date, or, at the option of the Issuer, shall be deposited into the Escrow Account established by the Escrow Deposit Agreement and used for the purposes for which said Escrow Account is established.

B. A sum which, together with other legally available funds of the Issuer (including a Reserve Account Credit Facility) deposited in the Reserve Account, on the date of delivery of the Series 1993 Bonds, will equal the Reserve Account Requirement, shall be deposited into the Reserve Account.

C. To the extent not paid or reimbursed therefor by the original purchaser of the Series 1993 Bonds, the Issuer shall pay all costs and expenses in connection with the preparation, issuance and sale of the Series 1993 Bonds, including the Credit Facility and Reserve Account Credit Facility, if applicable.

D. A sum specified in the Escrow Deposit Agreement which, together with the other funds described in the Escrow Deposit Agreement to be deposited with the Escrow Holder in escrow, and together with the investment income thereon, will be sufficient to pay the principal of, interest and redemption premiums, if any, as applicable, on the Refunded Obligations as the same shall become due or may be redeemed, shall be deposited into the Escrow Account established by the Escrow Deposit Agreement in the respective amounts sufficient for such purposes.

Simultaneously with the delivery of the Bonds, the Issuer shall enter into the Escrow Deposit Agreement which shall provide for the deposit of sums into the Escrow Account established therein, and for the investment of such money in appropriate Defeasance Obligations so as to produce sufficient funds to make all of the payments described in the first paragraph of this Section 3.01D. At the time of execution of the Escrow Deposit Agreement, the Issuer shall furnish to the Escrow Holder appropriate documentation to demonstrate that the sums being deposited and the investments to be made will be sufficient for such purposes.

E. Proceeds in an amount to be determined by subsequent resolutions shall be deposited into the Debt Service Fund to pay capitalized interest on the Bonds for a period not exceeding one year after the completion of construction.

F. All such proceeds disbursed in accordance with this Section 3.01 shall be and constitute trust funds for such purposes.

SECTION 3.02. REDEMPTION OF REFUNDED BONDS. The Issuer shall call for prior redemption the Refunded Obligations by a subsequent redemption resolution of the Board adopted at or prior to the time of sale of the Series 1993 Bonds.

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ARTICLE IV

SECURITY FOR BONDS; CREATION OF FUNDS AND ACCOUNTS; FLOW OF FUNDS

SECTION 4.01 SECURITY FOR BONDS. Neither the Bonds nor the interest thereon shall be or constitute a general indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from and secured by a prior lien upon and a pledge of the Net Revenues of the System as herein provided. No Holder or Holders of any Bonds issued hereunder shall ever have the right to require or compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form of any property therein for payment thereof, or be entitled to payment of such principal and interest from any other funds of the Issuer, except from the Net Revenues in the manner provided herein. Until payment has been provided for as herein permitted, the payment of the principal of and interest on the Bonds shall be secured forthwith equally and ratably by an irrevocable lien on the Net Revenues, and the Issuer does hereby irrevocably pledge and grant a lien upon such Net Revenues to the payment of the principal of and interest on the Bonds, the reserves therefor, and for all other required payments.

SECTION 4.02 ADDITIONAL SECURITY FOR BONDS. The Bonds shall additionally be payable from and secured equally and ratably by a first lien upon and pledge of lawfully available Impact Fees prior and superior to all other liens or encumbrances on such Impact Fees and the Issuer does hereby irrevocably pledge and grant a first lien upon such lawfully available Impact Fees to the payment of the principal of and interest on the Bonds.

SECTION 4.03 CREATION OF FUNDS AND ACCOUNTS. The following Funds and Accounts are hereby created and established: Operating Fund and the Rate Stabilization Fund therein; Debt Service Fund and Reserve Account and Bond Amortization Account therein; Renewal, Replacement and Improvement Fund; and Impact Fees Fund and the Impact Fees Carryforward Account therein.

A. TRUST FUNDS. The Funds and Accounts created and established above and any other special funds and accounts created and established by this Resolution shall constitute trust funds for the purposes provided herein for such Funds and Accounts, and shall be kept separate and distinct from all other funds of the Issuer and used only for the purposes and in the manner herein provided. All such Funds and Accounts shall be continuously secured in the same manner as county deposits are authorized to be secured by the laws of the State of Florida.

B. GOVERNMENT ACCOUNTING EFFECT. The cash required to be accounted for in each of the Funds and Accounts established herein may be deposited in a single bank account, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash on deposit therein for the various purposes of such Funds and Accounts. 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 Revenues, Impact Fees, if applicable, and certain other assets of the System for certain purposes and to establish certain priorities for application of such Revenues, Impact Fees and other assets as herein provided. The Impact Fee Fund and the Impact Fees Carryforward Account may be established or maintained as one or more accounting funds or accounts as necessary or desirable to account separately for water and wastewater Impact Fees or to reflect collection and expenditure districts, all in the manner required by law for the application of such Impact Fees.

SECTION 4.04 FLOW OF FUNDS. For as long as any of the principal of and interest on any of the Bonds shall be outstanding and unpaid, or until payment has been provided for as herein permitted, or until there shall have been set apart in the Debt Service Fund, including the Reserve Account therein, a sum sufficient to pay when due the entire principal of the Bonds remaining unpaid, together with interest accrued or to accrue thereon, the Issuer covenants with the Holders of any and all Bonds as follows:

A. APPLICATION OF IMPACT FEES. All lawfully available Impact Fees shall, upon receipt thereof, be deposited in the Impact Fees Fund. The Issuer shall from time to time whenever necessary create subaccounts in the Impact Fees Fund to segregate Impact Fees attributable to water, wastewater (including, without limitation, reuse or reclaimed water) and, if applicable, stormwater, and Impact Fees applicable to each series of Bonds to effectuate the purposes herein set forth. The aggregate amount of Impact Fees allocated and applied or paid to the aggregate Debt Service Requirements for all Bonds additionally secured by Impact Fees shall never exceed the amount of Impact Fees determined by the Issuer to be lawfully available under applicable Florida law for the Debt Service Requirements for such Bonds. Impact Fees at any time remaining on deposit in the Impact Fees Fund shall be disposed of before the 25th day of each month, commencing in the month immediately following the delivery of any Bonds additionally secured by Impact Fees or in the first month in which Impact Fees are received, as the case may be, in the following manner and in the following order of priority:

(1) Moneys in the Impact Fees Fund shall be first used to transfer from the Impact Fees Fund to the Debt Service Fund the amount of Impact Fees lawfully available to pay the principal of (including Amortization Installments) and interest on the Bonds becoming due in the then current Bond Year and to fund any deficiency in the amounts on deposit in the Reserve Account.

(2) Moneys remaining on deposit in the Impact Fees Fund after said amount has been transferred to the Debt Service Fund shall be accumulated in said Fund until the last day of the Bond Year and used to make future monthly transfers, and thereafter may be (a) transferred to the Impact Fees Carryforward Account, (b) withdrawn from the Impact Fees Fund and used by the Issuer to pay the cost of acquiring and constructing Expansion Facilities, or (c) withdrawn from the Impact Fees Fund and applied for any other lawful purpose.

Moneys on deposit in the Impact Fees Carryforward Account may, at the sole option of the Issuer, be withdrawn therefrom and (i) deposited again to the Impact Fees Fund and applied as provided above, (ii) applied to pay the cost of acquiring and constructing Expansion Facilities, or (iii) applied for any other lawful purpose.

B. APPLICATION OF REVENUES. All Gross Revenues shall be deposited in the Operating Fund. Moneys in the Operating Fund shall be applied to pay the Cost of Operation and Maintenance as due and then shall be applied on or before the 25th day of each month, commencing in the month immediately following the delivery of any Bonds, only in the following manner and in the following order of priority:

(1) Moneys on deposit in the Operating Fund shall be applied and allocated to the Debt Service Fund in such sums as will be sufficient, together with moneys then on deposit in the Debt Service Fund or transferred from the Impact Fees Fund as herein provided, to pay

(a) 1/6th of all interest becoming due on the Current Interest Paying Bonds on the next semiannual interest payment date therefor (if Bonds with a variable rate of interest are outstanding, the Issuer shall deposit in lieu of the 1/6th interest deposit described above, the interest actually accruing on such Bonds for such month, assuming the interest rate thereon on the first day of such month will continue through the end of such month, plus any deficiencies in interest deposits for the preceding month);

(b) 1/6th or 1/12th, as the case may be, of all principal maturing on the Current Interest Paying Serial Bonds authorized herein on the next maturity date;

(c) on a parity with the payments provided in subparagraph (b) above, 1/6th or 1/12th, as the case may be, of the Accreted Value next becoming due on any Serial Capital Appreciation Bonds, whether by reason of maturity or earlier redemption thereof.

(d) On a parity with the payments provided in subparagraphs (b) and (c) above, moneys on deposit in the Operating Fund shall be applied and allocated to the Bond Amortization Account, to the extent required, in such sums as will be equal to 1/12th of the Amortization Installment required to be made on the next annual payment date for Term Bonds. Such allocations shall be credited to a separate subaccount for each series of Term Bonds outstanding, and if there shall be more than one stated maturity for Term Bonds of a series, then into a separate subaccount in the Bond Amortization Account for each such separate maturity of Term Bonds.

Upon the sale of any Term Bonds, the Issuer shall, by resolution of the Board, establish the amounts and maturities of such Amortization Installments, and if there shall be more than one maturity of Term Bonds, the Amortization Installments for the Term Bonds of each maturity.

(2) Moneys on deposit in the Operating Fund (and amounts, if any, transferred from the Impact Fees Fund to the Debt Service Fund for this purpose as provided above) shall next be applied by the Issuer to maintain in the Reserve Account within the Debt Service Fund a sum equal to the Reserve Requirement on the Bonds. Such sum shall initially be deposited therein either (1) from the proceeds of sale of a series of Bonds, (2) from legally available moneys of the Issuer, (3) a Reserve Account Credit Facility, or (4) any combination of a Reserve Account Credit Facility and the deposit of Net Revenues and/or Impact Fees (to the extent lawfully available therefor) over a period of time as permitted by the Credit Facility Issuer. No further payments shall be required to be made into the Reserve Account when there has been

deposited therein and as long as there shall remain on deposit therein a sum equal to the Reserve Requirement on the Bonds. Notwithstanding the foregoing, if a Reserve Account Credit Facility has been drawn upon, moneys specified in the first sentence of this subsection shall be used first for the purposes of paying all Reserve Account Policy Costs then due and owing.

At any time after the issuance of the Bonds, the Issuer may, in its discretion, withdraw the amount of money on deposit in the Reserve Account and substitute in its place, a Reserve Account Credit Facility, in the face amount of such withdrawal, and deposit the surplus money so withdrawn into the Operating Fund. The Paying Agent for the Bonds shall hold the Reserve Account Credit Facility.

Except as provided in the immediately preceding paragraph, moneys in the Reserve Account shall be used only (1) for the purpose of the payment of maturing Amortization Installments or principal of or interest on the Bonds when the other money allocated to the Debt Service Fund and Bond Amortization Account is insufficient therefor, or (2) to reimburse amounts drawn under the Reserve Account Credit Facility, together with any Reserve Account Policy Costs and for no other purpose. However, if and whenever the money applied and allocated to the Reserve Account (except investment income to be deposited into the Operating Fund as hereinafter provided) exceeds the Reserve Requirement on all then outstanding Bonds, such excess shall be withdrawn and deposited into the Renewal, Replacement and Improvement Fund, or if the maximum amount required to be applied and allocated is then so applied and allocated in the Renewal, Replacement and Improvement Fund, then into the Operating Fund. Any withdrawal from the Reserve Account or any valuation of investments of amounts in the Reserve Account which results in the amount then on deposit or allocated to the Reserve Account being less than the Reserve Requirement shall be subsequently restored from the first Net Revenues and lawfully available Impact Fees available after all required current payments for the Debt Service Fund, Reserve Account and Bond Amortization Account, including all deficiencies for prior payments, have been made in full, in equal monthly installments over a 12 month period commencing the month following such withdrawal or valuation. Replenishment or repayment, as the case may be for withdrawals from the Reserve Account shall be made in the following order of priority: (1) reimbursement of Reserve Account Policy Costs, and (2) cash amounts, if any, withdrawn from the Reserve Account. If the Issuer has funded the Reserve Account with more than one Reserve Account Credit Facility, drawings under each Reserve Account Credit Facility, and repayment of all amounts due under each Reserve Account Credit Facility shall be made on a pro rata basis (calculated by reference to the maximum amounts available thereunder) after applying all available cash in the Reserve Account and prior to replenishment of any such cash draws, respectively. Cash amounts on deposit in the Reserve Account shall be used for the purposes herein required prior to any draw on the Reserve Account Credit Facility.

(3) Moneys on deposit in the Operating Fund shall next be applied and allocated to the Renewal, Replacement and Improvement Fund in an amount equal to the lesser of:

- (i) 1/12th of 5% of the Gross Revenues of the System for the preceding Fiscal Year, or,

(ii) the amount necessary to cause the unencumbered amount in the Renewal, Replacement and Improvement Fund to equal \$2,000,000, unless the Consulting Engineers shall have recommended in writing a larger or smaller amount for anticipated requirements for renewals, replacements, extensions and additions to the System.

The money in the Renewal, Replacement and Improvement Fund shall be used only for the purpose of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets of the System or for unusual or extraordinary repairs thereto, except that the money in such Fund shall first be used to supplement the Reserve Account whenever necessary to prevent a default in the payment of principal, Amortization Installments and interest on the Bonds, and to restore any deficiency in the Reserve Account.

(4) Moneys on deposit in the Operating Fund may, at the sole option of the Issuer, next be deposited into the Rate Stabilization Fund in said Operating Fund. Moneys in the Rate Stabilization Fund shall be applied by the Issuer: (i) to make up any deficiencies in the Debt Service Fund and the Reserve Account therein in the priority for depositing moneys from the Operating Fund as provided herein, and (ii) to, periodically, make Rate Stabilization Fund Withdrawals the Issuer authorizes to be made to the Operating Fund. Notwithstanding the foregoing, moneys on deposit in the Rate Stabilization Fund shall always be available to be used for the payment of the principal of, redemption premiums, if any, and interest on the Bonds whenever moneys in the Debt Service Fund are insufficient therefor.

(5) Thereafter the balance of any moneys remaining after the above required payments (including deficiencies for prior payments) have been made may be used by the Issuer for any lawful purpose of the System or for the optional redemption of Bonds.

C. CREDITS. Credit shall be allowed against the deposits for interest, Amortization Installment and principal due on the next interest and principal payment dates, respectively, for any other moneys, including Impact Fees, on hand and lawfully available for such purposes in the Debt Service Fund.

D. ADJUSTMENTS FOR ADDITIONAL PARITY BONDS. Upon the issuance of any Additional Parity Bonds under the terms, limitations and conditions as herein provided, the applications and allocations into the Debt Service Fund, and if Term Bonds are issued, into the Bond Amortization Account, shall be increased in such amounts as are necessary to make the payments required above for the principal of and interest on such Additional Parity Bonds, and, if Term Bonds are issued, the Amortization Installments with respect thereto, all on the same basis as hereinabove provided with respect to the Bonds initially issued under this Resolution. The maximum aggregate amount required to be applied and allocated to the Reserve Account shall be increased, if necessary, so as to equal the Reserve Requirement. The difference between the Reserve Requirement and the amount then applied and allocated to the Reserve Account shall be applied and allocated as follows: (i) from the proceeds of the Additional Parity Bonds; or, (ii) from lawfully available monies of the Issuer; or, (iii) by furnishing a Reserve Account Credit Facility, or (iv) a combination of such methods, all at the option of the Issuer.

E. INVESTMENT AND DISPOSITION OF INVESTMENT INCOME. Moneys on deposit in the Operating Fund (including the Rate Stabilization Fund therein), the Debt Service

Fund (excluding the Reserve Account therein), the Bond Amortization Account, the Renewal, Replacement and Improvement Fund and the Impact Fees Fund (including the Impact Fees Carryforward Account therein) may be invested and reinvested only in Authorized Investments maturing not later than the date on which the money therein will be needed. The moneys on deposit in the Reserve Account may be invested and reinvested in Authorized Investments, provided such investments mature not later than the final maturity date of the Bonds. Any and all income received by the Issuer from such investments of moneys in the above Funds (excluding the Impact Fees Fund and the Reserve Account) shall be deposited into the Operating Fund. Income received from the investment of money on deposit in the Reserve Account shall remain in the Reserve Account until it is fully funded, and so long as said Reserve Account is funded at its maximum required level, said income shall be deposited into the Operating Fund on the next business day following the receipt thereof. Income received from the investment of moneys on deposit in the Impact Fees Fund shall remain in such Fund and income received from the investment of moneys on deposit in the Impact Fees Carryforward Account shall be deposited in the Impact Fees Fund. The value of the above Authorized Investments shall be determined in accordance with Accounting Principles or as provided by subsequent resolution of the Issuer; provided that investments in the Reserve Account shall be valued at the market value thereof, exclusive of accrued interest.

F. OPERATION OF BOND AMORTIZATION ACCOUNT. Money held for the credit of the Bond Amortization Account shall be applied to the retirement of Term Bonds as follows:

(1) The Issuer shall endeavor to purchase Term Bonds then outstanding, at the most advantageous price obtainable with reasonable diligence, such price not to exceed the principal of such Term Bonds and the redemption premium which would be applicable if the money applied to such purchase were otherwise applied to the redemption of Term Bonds under paragraphs (2) or (3) below. The Issuer shall pay the interest accrued on such Term Bonds to the date of delivery thereof from the Debt Service Fund and the purchase price from the Bond Amortization Account, but no such purchase shall be made by the Issuer within the period of 45 days immediately preceding any interest payment date on which such Term Bonds are subject to call for redemption, except from money in excess of the amounts set aside or deposited for the redemption of Term Bonds.

(2) The Issuer shall call for redemption on each interest payment date on which Term Bonds are subject to redemption from moneys in the Bond Amortization Account, such amount of Term Bonds then subject to redemption as will exhaust the money then held in the Bond Amortization Account as nearly as may be practicable. Prior to calling Term Bonds for redemption, the Issuer shall withdraw from the Debt Service Fund and from the Bond Amortization Account and set aside in separate accounts or deposit with the paying agent the respective amounts required for paying the interest on the Term Bonds so called for redemption.

(3) Money in the Bond Amortization Account shall be applied by the Issuer in each Bond Year to the retirement of Term Bonds then outstanding in the following order:

(a) The Term Bonds of each series to the extent of the Amortization Installment, if any, for such Bond Year for the Term Bonds of each such series then outstanding and, if the amount available in such Bond Year shall not be sufficient therefor, then in proportion to the Amortization Installment, if any, for such Bond Year for the Term Bonds of each such series then outstanding; provided, however, that if the Term Bonds of any series shall not then be subject to redemption from money in the Bond Amortization Account and if the Issuer shall at any time be unable to exhaust the money applicable to the Term Bonds of such series under the provisions of this clause (a) in the purchase of such Term Bonds under the provisions of paragraph (1) above, such moneys or the balance of such money, as the case may be, shall be retained in the Bond Amortization Account and, as soon as it is feasible, applied to the retirement of Term Bonds of such series; and

(b) any balance then remaining, other than money retained under clause (a) of this paragraph, shall be applied to the retirement of the Bonds as the Issuer in its sole discretion shall determine, but in the case of the redemption of Bonds, only in such amounts and on such terms as may be provided in the resolution fixing the redemption provisions for such Bonds.

(4) The Issuer shall deposit into the Bond Amortization Account, Amortization Installments for the amortization of the principal of the Current Interest Paying Term Bonds of any series, and for the payment of the Maturity Amounts for the Capital Appreciation Term Bonds of any series, together with any deficiencies for prior required deposits into the Bond Amortization Account, such Amortization Installments to be in such amounts (or calculable amounts) and to be due on such date or dates and in such years as shall be determined by resolution of the Board on or prior to the sale of the Bonds of such series. With respect to Capital Appreciation Term Bonds, subparagraphs (1) through (3) above shall not apply.

After all other required payments have been made, the Issuer shall pay from the Operating Fund all expenses in connection with any such purchase or redemption.

G. COMPLETION OF FUNDING REQUIREMENT. The Issuer shall not be required to make any further applications or allocations to the Debt Service Fund, the Bond Amortization Account or the Reserve Account when the aggregate sums applied and allocated thereto are and remain at least equal to the sum of all of the annual Debt Service Requirements then due and becoming due in all ensuing years for the Bonds then outstanding, plus the amount of redemption premiums, if any, then due and thereafter to become due on the Bonds then outstanding by operation of the Bond Amortization Account.

ARTICLE V

CERTAIN COVENANTS WITH BONDHOLDERS

SECTION 5.01 OPERATION AND MAINTENANCE. The Issuer will maintain or cause to be maintained the System and all parts thereof in good condition, and will operate or cause to be operated the same in an efficient and economical manner, making or causing to be made such expenditures for equipment and for renewals, repairs and replacements as may be proper for the economical operation and maintenance thereof. In furtherance of the covenant contained in this Section 5.01 the Issuer shall allocate and draw upon the resources of the System, including water supply and treatment resources and wastewater treatment and effluent disposal resources, in the manner deemed by the Issuer to be most beneficial to the long-term efficient and economic operation of the System.

SECTION 5.02 ANNUAL BUDGET. The Issuer shall annually prepare and adopt on or prior to the beginning of such Fiscal Year, a detailed budget of the estimated income and expenditures for operation and maintenance of the System during such next succeeding Fiscal Year. The Issuer shall make such annual budget available for inspection and copying at reasonable times by any Holder or Holders of Bonds, upon request therefor.

SECTION 5.03 RATE COVENANT. The Issuer will fix, establish and maintain such rates and will collect such fees, rentals and other charges for the use of the product, services and facilities of the System and revise the same from time to time, whenever necessary,

(a) as will always provide Revenues (adjusted to include Rate Stabilization Fund Withdrawals but exclude the amount of Revenues deposited into the Rate Stabilization Fund) in each Bond Year sufficient to pay the sum of the following:

- (i) 100% of the Debt Service Requirement for said Bond Year,
- (ii) 100% of the Cost of Operation and Maintenance for said Bond Year, and
- (iii) 100% of all required deposits to the Reserve Account (including Reserve Account Policy Costs) and the Renewal, Replacement and Improvement Fund, AND

(b) as will always provide Revenues (adjusted to include all Rate Stabilization Fund Withdrawals but exclude the amount of Revenues deposited into the Rate Stabilization Fund), together with lawfully available Impact Fees (adjusted to include all Impact Fees Carryforward Account Withdrawals but exclude the amount of Impact Fees deposited into the Impact Fees Carryforward Account), in each Bond Year as shall be also sufficient to pay:

- (i) 120% of the Debt Service Requirement for said Bond Year,
- (ii) 100% of the Cost of Operation and Maintenance for said Bond Year, and

(iii) 100% of all required deposits to the Reserve Account (including Reserve Account Policy Costs) and the Renewal, Replacement and Improvement Fund for said Bond Year; OR

(c) instead of the requirements of (a) and (b) above, as will always provide Revenues (adjusted to include Rate Stabilization Fund Withdrawals but exclude the amount of Revenues deposited into the Rate Stabilization Fund) in each Bond Year sufficient to pay the sum of the following:

- (i) 110% of the Debt Service Requirement for said Bond Year,
- (ii) 100% of the Cost of Operation and Maintenance for said Bond Year, and
- (iii) 100% of all required deposits to the Reserve Account (including Reserve Account Policy Costs) and the Renewal, Replacement and Improvement Fund for said Bond Year.

Such rates, fees, rentals or other charges shall not be reduced so as to be insufficient to provide Revenues for such purposes.

The Issuer further covenants and agrees that it will annually within a reasonable time after adoption of the budget described in the Section 5.02 hereof, revise such fees, rates, rentals and other charges for the use of the product, services and facilities of the System to the extent necessary to comply with the rate covenant contained in the preceding paragraph.

The Issuer will not reduce its schedule of rates, fees, rentals and other charges unless (1) the Issuer is not in breach of any covenant or provision of this Resolution, (2) all required payments under this Resolution have been made in full, and (3) the Qualified Independent Consultant certifies that the proposed reduced schedule will provide sufficient Revenues in each Bond Year to comply with all covenants and required payments under this Resolution.

In calculating compliance with this Section, the Issuer shall first deduct from Revenues the amount of Reserve Account Policy Costs due and owing at such time.

SECTION 5.04 ACCOUNTING RECORDS. The Issuer shall maintain separately identifiable accounting records for the operation of the System by the use of an enterprise fund as such term is commonly used in governmental accounting, and any Bondholder shall have the right at all reasonable times to inspect all records, accounts and data of the Issuer relating thereto.

SECTION 5.05 ANNUAL AUDIT. The Issuer shall after the close of each Fiscal Year, cause the books, records and accounts relating to the System to be properly audited by a recognized Accountant, and shall require the Accountant to complete its audit report within 180 days after the close of the Fiscal Year. Such audit shall contain, but not be limited to, the statements required by generally accepted accounting principles applicable to governmental units, and a certificate by the Accountant regarding compliance with the covenants herein. A copy of such annual audit shall be made available, at all reasonable times, for inspection by any Bondholder, upon request therefor.

SECTION 5.06 NO MORTGAGE OR SALE OF THE SYSTEM. As long as any of the Bonds are outstanding, the Issuer irrevocably covenants, binds and obligates itself not to sell, lease, encumber or in any manner dispose of the System as a whole.

The Issuer may sell or dispose of, for fair market value, any properties or parts of the System if the Consulting Engineers certify in writing that (1) such properties or parts of the System are not necessary for the continued operation of the System and (2) the sale or disposal of such properties or parts of the System will not materially adversely affect the Revenues to be derived from the System to such an extent that the Issuer will fail to comply with the covenants of the Resolution, and particularly the rate covenant contained in the Resolution; provided, however, the Issuer shall have and hereby expressly reserves the right to (i) sell, lease or otherwise dispose of any of the property comprising a part of the System not in excess of 10% of the value of the fixed assets of the System according to the most recent annual audit that it shall, in its sole discretion, determine to be no longer necessary or useful for the continued operation of the System, such determination to be made in writing by the Utilities Director, and (ii) sell, lease, donate or otherwise dispose of any of the property comprising a part of the System which the Issuer shall, in its sole discretion have determined to have become unserviceable, inadequate, obsolete, worn out, or unfit to be used in the operation of the System or no longer necessary, material to, useful or profitable in such operation, such determination to be made in writing by the Utilities Director.

The proceeds derived from any sale or disposal of any properties or parts of the System as provided for in the above paragraph shall, in the discretion of the Issuer, be (1) deposited in the Renewal, Replacement and Improvement Fund and used for the purposes of such Fund, or (2) deposited in the Optional Redemption Fund for the purchase or retirement of Bonds.

SECTION 5.07 INSURANCE. For so long as any of the Bonds are outstanding, the Issuer will make adequate provision to maintain adequate fire and windstorm insurance on all buildings and structures of the works and properties of the System which are subject to loss through fire or windstorm; public liability insurance; and other insurance of such types and in such amounts as are normally carried in the operation of similar public water and wastewater utilities within the State of Florida, for all of which insurance the Issuer be a self insurer to the extent permitted by law. Any such insurance shall be placed with nationally recognized and reputable insurers or under authorized self-insurance programs or any combination of both and shall be carried for the benefit of the Holders of the Bonds. All money received for losses under any of such insurance, except public liability, and for de minimus items which are not integral for the operation of the System and which are not revenue producing, are hereby pledged by the Issuer as security for the Bonds, until and unless such proceeds are used to remedy the loss or damage for which such proceeds are received, either by repairing the property damaged or replacing the property destroyed with due diligence after the receipt of such proceeds.

SECTION 5.08 NO FREE SERVICE. The Issuer will not render or cause to be rendered any free services of any nature by its System. The Issuer, including its departments, agencies and instrumentalities, shall avail itself of the services provided by the System, or any part thereof, and the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged to the Issuer and any such department, agency or instrumentality. Such charges shall be paid as they accrue, and the Issuer shall transfer from its

relevant funds sufficient sums to pay such charges. The revenues so received shall be deemed to be Revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other Revenues derived from such operation of the System.

SECTION 5.09 MANDATORY CUT OFF. The Issuer shall establish a written policy consistent with sound business judgment for the disconnection from the System of any customer who fails to pay for services rendered by the System, and shall enforce such policy diligently and fairly.

SECTION 5.10 ENFORCEMENT OF COLLECTIONS. The Issuer will diligently enforce and collect the Revenues herein pledged; will take all reasonable steps, actions and proceedings for the enforcement and collection of such Revenues as shall become delinquent; and will maintain accurate records with respect thereof. All such Revenues herein pledged shall, as collected, be held in trust to be applied as herein provided and not otherwise.

SECTION 5.11 REMEDIES. Any trustee or any Holder of Bonds issued under the provisions hereof acting for the Holders of all Bonds may by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State of Florida, or granted and contained herein, and may enforce and compel the performance of all duties herein required or by any applicable statutes to be performed by the Issuer or by any officer thereof. Nothing herein, however, shall be construed to grant to any Holder of such Bonds any lien on any property of or within the corporate boundaries of the Issuer. No Holder of Bonds, however, shall have any right in any manner whatever to affect, disturb or prejudice the security of this Resolution or to enforce any right hereunder except in the manner herein provided, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Holders of Bonds.

If any payments of Debt Service Requirements are made by a Credit Facility Issuer with respect to Bonds which have not been defeased in accordance with the provisions of Section 6.08 hereof, the lien upon and pledge of the money on deposit from time to time in the Funds and Accounts created and established herein and all covenants and other obligations of the Issuer to the Holders of such Bonds shall continue to exist and the Credit Facility Issuer shall be subrogated to the rights of the Holders of such Bonds with respect to the Debt Service Requirements paid or insured by such Credit Facility Issuer.

SECTION 5.12 CONSULTING ENGINEERS AND QUALIFIED INDEPENDENT CONSULTANTS. The Issuer will retain Consulting Engineers and Qualified Independent Consultants from time to time as needed to perform the duties set forth herein.

SECTION 5.13 NO COMPETING FACILITIES. To the full extent permitted by law, the Issuer will not grant, or cause, consent to, or allow the granting of, any franchise or permit to any person, firm, corporation or body, or agency or instrumentality whatsoever, for the furnishing of water or wastewater services which will materially compete with those of the System. This covenant shall not limit or prevent the Issuer's right to grant, cause, consent or allow the granting of franchises or operation of water and wastewater facilities within or without the Issuer which provide service to areas not served by the System or which are determined by

the Qualified Independent Consultant not to materially compete with the System. In addition, the Issuer may create, own, and operate independent self-supporting water or wastewater systems (other than and apart from the System) provided that any such separate system is determined by the Qualified Independent Consultant not to materially compete with the System.

SECTION 5.14 ISSUANCE OF ADDITIONAL PARITY BONDS. Except as provided herein, the Issuer hereby covenants and agrees not to incur any other obligations or indebtedness payable from the same source as the Bonds, unless such obligations contain an express statement that such obligations are junior and subordinate in all respects to the Bonds herein authorized as to lien on and source and security for payment from the Net Revenues and lawfully available Impact Fees. No Additional Parity Bonds, payable on a parity from the Net Revenues and Impact Fees with the Bonds shall be issued after the issuance of any Bonds, herein authorized, except for the repair or improvement or construction and acquisition of additions, extensions and improvements to the System or for refunding purposes and except upon the conditions and in the manner provided below.

(1) There shall have been obtained and filed with the Issuer a certificate of an Accountant of suitable experience and responsibility stating that the books and records of the Issuer relating to the collection and receipt of Revenues and lawfully available Impact Fees have been reviewed by him, such books and records, after making the adjustments permitted or required by subsection (2) below, demonstrate compliance with paragraphs (I)(A) and (I)(B) below or demonstrate compliance with paragraph (II) below.

(I)(A) The Net Revenues for the Computation Period shall have at least equalled 100% of the amount of the Maximum Debt Service Requirement for the next succeeding four Fiscal Years on all Bonds to be outstanding as of the date of such issuance;

(B) Net Revenues and lawfully available Impact Fees for the Computation Period shall have equalled at least 120% of the amount of the Maximum Debt Service Requirement for the next succeeding four Fiscal Years on all Bonds to be outstanding as of the date of such issuance.

(II) Net Revenues for the Computation Period shall have equalled at least 110% of the amount of the Maximum Debt Service Requirement for the next succeeding four Fiscal Years on all Bonds to be outstanding as of the date of such issuance.

(2) If desirable, the Net Revenues and lawfully available Impact Fees, may be adjusted by the Qualified Independent Consultants or Consulting Engineers as follows: (a) to reflect changes made in the rates, fees, rentals or other charges for the operation of the System placed in effect prior to the date of the certificate provided for in paragraph (1) above or to become effective during the Computation Period; (b) to reflect any change in such Net Revenues or lawfully available Impact Fees caused by any new project, including the acquisition of any existing water and/or wastewater systems, having been placed into use and operation prior to the date of such certificate provided for in paragraph (1) above, including but not limited to appropriate adjustments made for public

ownership of such projects with respect to taxes and depreciation, (c) to include the estimated incremental Net Revenues and lawfully available Impact Fees to be derived following the estimated date of, and on account of, the completion of the last component of (I) the project to be constructed or acquired from the proceeds of the proposed Additional Parity Bonds and (II) projects under construction on the date of issuance of the proposed Additional Parity Bonds. For the purpose of determining such incremental Net Revenues and lawfully available Impact Fees under this subparagraph (c), the Qualified Independent Consultant or Consulting Engineers shall only consider in such adjustment potential additional customers within the "service area" (as defined below), not then connected to the System, (i) that by ordinance, agreement, law, or regulation will be required to connect to the System, (ii) that have paid a rate, fee, or charge to reserve capacity or to guarantee availability of service, or (iii) that by virtue of the proximity of service provided by such Projects or otherwise are projected by such Qualified Independent Consultant or Consulting Engineers to connect to the System. For purposes of the preceding sentence of this subparagraph (c), the term "service area" shall include those portions of the service areas of the System in which the facilities will be made available during such period as a result of such Project. In addition, the Maximum Debt Service Requirement shall be adjusted by eliminating any credit for interest provided by payments from Bond proceeds.

(3) For purposes of determining the Maximum Debt Service Requirement for the issuance of Additional Parity Bonds which will bear a variable rate of interest, the interest shall be calculated as provided in clause (ii) of paragraph (1) of the definition of "Debt Service Requirement" contained in Section 1.02 hereof.

(4) Each resolution authorizing the issuance of Additional Parity Bonds will recite that all of the covenants herein contained applicable to the Bonds will be applicable to such Additional Parity Bonds.

(5) No event of default under this Resolution shall have occurred and be continuing; the Issuer shall not be in breach of the covenants and obligations assumed hereunder; and all payments herein required to have been made into the funds and accounts, as provided hereunder, shall have been made to the full extent required.

(6) Notwithstanding the above provisions, any series of Bonds issued for refunding purposes are not required to meet the conditions set forth in paragraphs (1), (2) and (3) above if said Bonds will have a lower net interest cost rate than the refunded Bonds.

(7) Notwithstanding the above provisions, any series of Bonds issued to pay the cost of completion of a project with respect to which Bonds have previously been issued hereunder shall not be subject to the provisions of paragraphs (1), (2) and (3) above.

(8) Prior to or upon the issuance of Additional Parity Bonds, the Reserve Account shall be fully funded to the Reserve Requirement. No Additional Bonds may be issued if Reserve Account Policy Costs are past due and owing.

(9) In determining compliance with paragraph (1) of this Section 5.14, the Issuer shall deduct from Net Revenues for the Computation Period any Reserve Account Policy Costs then due and owing.

SECTION 5.15 CONNECTIONS WITH SYSTEM. The Issuer will require all lands, buildings and structures within the service area which can use the facilities and services of the System, to the extent economically feasible, to connect with and use the facilities and services of the System, and to cease all other means and methods for the supply of water and treatment of wastewater.

SECTION 5.16 TAX COMPLIANCE. The Issuer at all times while the Bonds and the interest thereon are outstanding will comply with the requirements of the Code in order to maintain the exclusion from federal income tax of the interest on the Bonds.

SECTION 5.17 PAYMENT OF BONDS. The Issuer will duly and timely pay or cause to be paid from the Net Revenues of the System, and the lawfully available Impact Fees, when applicable, the principal of, redemption premiums, if any, and interest on the Bonds, when due, by transferring money in the required amounts from the Funds and Accounts created herein to the principal office of the paying agent at least one business day prior to the date on which such payments of principal, premium and interest are due.

SECTION 5.18 BONDS SECURED BY REVENUES OF STORMWATER UTILITY SYSTEM. In the event the Issuer hereafter constructs or acquires a stormwater utility system and determines to combine the System with such stormwater utility system into a single, combined utility system and to issue Additional Parity Bonds payable from the net revenues of the combined utility system, the net revenues derived from the operation of such combined utility system shall be pledged to the payment of the Bonds issued pursuant to this Resolution and any Additional Parity Bonds hereafter issued under the terms and conditions of this Resolution.

ARTICLE VI

CERTAIN PROVISIONS REGARDING MUNICIPAL BOND INSURANCE AND RESERVE ACCOUNT CREDIT FACILITY FOR SERIES 1993 BONDS

SECTION 6.01 COVENANTS RELATING TO BOND INSURANCE POLICY FOR SERIES 1993 BONDS. The Bond Insurer will issue the Bond Insurance Policy relating to the Series 1993 Bonds. The Issuer shall comply with the following provisions so long as any Series 1993 Bonds shall be outstanding, and provisions of this Article VI shall, in the case of any conflict, control over any other provisions of this Resolution.

SECTION 6.02 NOTICES TO CREDIT FACILITY ISSUER; ACTIONS TO BE TAKEN UPON DEFAULT OF PAYMENT BY ISSUER. Whenever a Credit Facility Issuer shall be providing a Credit Facility with respect to any Bonds issued hereunder, such Credit Facility Issuer shall be entitled to receive and shall be provided by certified mail all notices and reports which are required herein to be prepared and to be sent or made available to Holders of such Bonds. So long as the Credit Facility Issuer with respect to the Series 1993 Bonds is the Bond Insurer, notices shall be sent to the following:

Financial Guaranty Insurance Company
115 Broadway
New York, New York 10006
Attention: General Counsel

and

Citibank, N.A.
20 Exchange Place - 16th Floor
New York, New York 10005
Attention: Municipal Trust and Agency
Services Administration

If, on the third day preceding any interest payment date for the Series 1993 Bonds there is not on deposit with the Paying Agent sufficient moneys available to pay all principal of and interest on the Series 1993 Bonds due on such date, the Paying Agent shall immediately notify the Bond Insurer and Citibank, N.A., New York, New York or its successor as its Fiscal Agent (the "Fiscal Agent") of the amount of such deficiency. If, by said interest payment date, the Issuer has not provided the amount of such deficiency, the Paying Agent shall simultaneously make available to the Bond Insurer and to the Fiscal Agent the registration books for the Series 1993 Bonds maintained by the Paying Agent. In addition:

A. The Paying Agent shall provide the Bond Insurer with a list of the Bondholders entitled to receive principal or interest payments from the Bond Insurer under the terms of the Bond Insurance Policy and shall make arrangements for the Bond Insurer and its Fiscal Agent (1) to mail checks or drafts to Bondholders entitled to receive full or partial interest payments from the Bond Insurer and (2) to pay principal of the Series 1993 Bonds surrendered to the Fiscal

Agent by the Bondholders entitled to receive full or partial principal payments from the Bond Insurer; and

B. The Paying Agent shall, at the time it makes the registration books available to the Bond Insurer pursuant to (A) above, notify Bondholders entitled to receive the payment of principal of or interest on the Series 1993 Bonds from the Bond Insurer (1) as to the fact of such entitlement; (2) that the Bond Insurer will remit to them all or part of the interest payments coming due subject to the terms of the Bond Insurance Policy; (3) that, except as provided in paragraph (ii) below, in the event that any Bondholder is entitled to receive full payment of principal from the Bond Insurer, such Bondholder must tender his Series 1993 Bond with the instrument of transfer in the form provided on the Series 1993 Bond executed in the name of the Bond Insurer, and (4) that, except as provided in paragraph (ii) below, in the event that such Bondholder is entitled to receive partial payment of principal from the Bond Insurer, such Bondholder must tender his Series 1993 Bond for payment first to the Paying Agent, which shall note on such Series 1993 Bond the portion of principal paid by the Paying Agent, and then, with an acceptable form of assignment executed in the name of the Bond Insurer, to the Fiscal Agent, which will then pay the unpaid portion of principal to the Bondholder subject to the terms of the Bond Insurance Policy.

In the event that the Paying Agent has notice that any payment of principal of or interest on a Series 1993 Bond has been recovered from a Bondholder pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Paying Agent shall, at the time it provides notice to the Bond Insurer, notify all Bondholders that in the event that any Bondholder's payment is so recovered, such Bondholder will be entitled to payment from the Bond Insurer to the extent of such recovery, and the Paying Agent shall furnish to the Bond Insurer its records evidencing the payments of principal of and interest on the Series 1993 Bonds which have been made by the Paying Agent and subsequently recovered from Bondholders, and the dates on which such payments were made.

The Bond Insurer shall, to the extent it makes payment of principal of or interest on the Series 1993 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy and, to evidence such subrogation, (1) in the case of subrogation as to claims for past due interest, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books maintained by the Paying Agent upon receipt from the Bond Insurer of proof of the payment of interest thereon to the Bondholders of such Series 1993 Bonds and (2) in the case of subrogation as to claims for past due principal, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the Series 1993 Bonds maintained by the Paying Agent upon receipt of proof of the payment of principal thereof to the Bondholders of such Series 1993 Bonds. Notwithstanding anything in this Ordinance or the Series 1993 Bonds to the contrary, the Paying Agent shall make payment of such past due interest and past due principal directly to the Bond Insurer to the extent that the Bond Insurer is a subrogee with respect thereto.

C. Other notices and provisions governing the Paying Agent shall be as follows:

1. Notice of Amendments. Any rating agency rating the Bonds must receive notice of any modification or amendment to the Resolution and a copy thereof at least 15 days in advance of its execution or adoption.

2. Notice to Bond Insurer of Any Default. The Bond Insurer shall receive immediate notice of any payment default and notice of any other default known to the County or the Paying Agent within 30 days of the notifying party's knowledge thereof.

3. Resignation of Paying Agent. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent. The Bond Insurer shall be furnished with written notice of the resignation or removal of the Paying Agent and the appointment of any successor thereto.

4. Paying Agent. The Bond Insurer shall be provided with written notice of the resignation or removal of the Paying Agent and the appointment of a successor thereto and of the issuance of additional indebtedness of the Issuer at 115 Broadway, New York, New York 10006 Attention: Managing Counsel.

SECTION 6.03 BOND INSURER INFORMATION REQUIREMENTS.

The Bond Insurer shall be provided with the following information:

A. Within 180 days after the end of the Issuer's fiscal year, budget for the new year, annual audited financial statements, a statement of the amount of deposit in the Reserve Account as of the last valuation, and, if not presented in the audited financial statements, a statement of the Net Revenues pledged to payment of Bonds in such fiscal year;

B. Official statement or other disclosure, if any, prepared in connection with the issuance of additional debt, whether or not it is on a parity with the Bonds, within 30 days after the sale thereof;

1. Notice of any draw upon or deficiency due to market fluctuation in the amount, if any, on deposit in the Debt Service Reserve Fund;

2. Notice of the redemption, other than mandatory sinking fund redemption, of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof; and

3. Simultaneously with the delivery of the annual audited financial statements:

(a) The number of System users as of the end of the fiscal year;

(b) Notification of the withdrawal of any System user comprising 4% or more of System sales measured in terms of revenue dollars since the last reporting date; and

(c) Any significant plant retirements or expansions planned or undertaken since the last reporting date;

4. Such additional information as the Bond Insurer may reasonably request from time to time.

SECTION 6.04 PAYMENT PROCEDURE FOR SERIES 1993 BONDS RESERVE ACCOUNT CREDIT FACILITY. The Issuer shall ascertain the necessity for a claim upon the Policy and provide notice to the Insurer in accordance with the terms of the Reserve Policy at least two business days prior to each date upon which interest or principal is due on the Series 1993 Bonds.

SECTION 6.05 RESERVED.

SECTION 6.06 DEFAULTS AND REMEDIES. In determining whether a payment default has occurred or whether a payment on the Bonds has been made under the Resolution, no effect shall be given to payments made under the Bond Insurance Policy.

For purposes of exercising the remedies and rights granted to the Registered Owners of the Bonds, the Bond Insurer shall be deemed to be the sole holder and owner of the Series Bonds for so long as it is not in default under the Bond Insurance Policy. In addition, in the event a receiver or trustee is judicially appointed with respect to the System, the Bond Insurer shall be entitled to (i) notify such trustee of the occurrence of an event of default and (ii) request such Trustee to intervene in judicial proceedings that affect the Bonds or the security thereof. Any such Trustee is hereby authorized and required to accept notice of default from the Bond Insurer.

SECTION 6.07 BOND INSURANCE NOT TO BE CONSIDERED. The County and the Paying Agent shall not take the Bond Insurance Policy into account in determining whether the rights of the Registered Owners of the Bonds are adversely affected by actions taken pursuant to the terms and provisions of the Resolution.

SECTION 6.08 DISCHARGE OF RESOLUTION. The Resolution shall not be discharged until all Reserve Account Policy Costs owing to the Bond Insurer shall have been paid in full.

ARTICLE VII

MISCELLANEOUS PROVISIONS

SECTION 7.01 MODIFICATION OR AMENDMENT. No adverse material modification or amendment of this Resolution or of any ordinance or resolution amendatory hereof or supplemental hereto may be made without the consent in writing of the Registered Owners of 51% or more in aggregate principal amount of the Bonds then outstanding or the Registered Owners of all the Bonds so affected by such modification or amendment and, if the Bonds or any series of Bonds then outstanding are insured by a Credit Facility, the Credit Facility Issuer; provided, however, that no modification or amendment shall permit a change in the maturity of the Bonds or a reduction in the rate of interest thereon, or in the amount of principal obligation thereof, or adversely affect the promise of the Issuer to pay the principal of and interest on the Bonds as the same shall become due from the Revenues, or reduce the percentage of the Registered Owners of the Bonds required to consent to any adverse material modification or amendment hereof (herein "Material Modifications") without the consent of the Registered Owners of all Bonds and the Credit Facility, if any.

The Issuer, from time to time and at any time and without the consent or concurrence of any Registered Owners of any Bonds, may adopt a resolution amendatory hereof or supplemental hereto, if the provisions of such supplemental resolution shall not adversely affect the rights of the Registered Owners of the Bonds then outstanding, for any one or more of the following purposes:

- (1) to make any changes or corrections in this Resolution which the Issuer shall have been advised by counsel are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or omission or mistake or manifest error contained herein, or to insert in this Resolution such provisions clarifying matters or questions arising hereunder as are necessary or desirable;
- (2) to add additional covenants and agreements of the Issuer for the purpose of further securing the payment of the Bonds;
- (3) to surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms hereof;
- (4) to confirm by further assurance any lien, pledge or charge created or to be created by the provisions hereof;
- (5) to grant to or confer upon the Registered Owners any additional right, remedies, powers, authority or security that lawfully may be granted to or conferred upon them;
- (6) to assure compliance with the Internal Revenue Code of 1986, as amended;

(7) to provide such changes which, in the opinion of the Issuer, based upon such certificates and opinions of the Consulting Engineer, Accountant, bond counsel, financial advisors or other appropriate advisors as the Issuer may deem necessary or appropriate, will not materially adversely affect the security of the Registered Owners, including, but not limited to, such changes as may be necessary in order to adjust the terms hereof so as to facilitate the issuance of other types of obligations, including, but not limited to, bonds, notes, certificates, warrants or other evidences of indebtedness, which are subordinated obligations;

(8) to conform to the conditions set forth in the commitment for the issuance of a policy of municipal bond insurance;

(9) to modify any of the provisions of this Resolution in any other respects, provided that such modification shall not be effective (a) with respect to the Bonds outstanding at the time such amendatory or supplemental resolution is adopted or (b) shall not be effective (i) until the Bonds outstanding at the time such amendatory or supplemental resolution is adopted shall cease to be outstanding, or (ii) until the Registered Owners thereof consent thereto.

The foregoing provisions notwithstanding, (1) no consent of any Registered Owners shall be required with respect to modification or amendment with respect to Bonds as to which a Credit Facility is in place and to which modification or amendment the Credit Facility Issuer has provided its prior written consent, except with respect to any Material Modification, as defined above, (2) no modification or amendment shall be effective without the prior written consent to such modification or amendment of the Credit Facility Issuer, (3) no modification or amendment shall be effective with respect to any Bonds as to which a Reserve Account Credit Facility is effective without the prior written consent of the Reserve Account Credit Facility Insurer, and (4) the Bond Insurer shall be provided with all proceedings relating to any modification or amendment hereof.

SECTION 7.02 SALE OF BONDS. The Bonds shall be issued and sold at public or private sale at such price or prices consistent with the provisions of the Act and the requirements of this Resolution as the Issuer shall hereafter determine by resolution; provided, that the Bonds shall be sold and delivered only if the proceeds will be sufficient, together with other funds of the Issuer, to effect the refunding program described herein.

SECTION 7.03 TEMPORARY BONDS. Until Bonds are ready for delivery in definitive form, the Issuer may execute, and upon its request in writing, the Bond Registrar shall authenticate and deliver in lieu of said definitive Bonds, one or more printed, lithographed or typewritten Bonds in temporary form. The Bonds in temporary form shall be substantially of the tenor of the Bonds described in this Resolution, with appropriate omissions, variations and insertions, and shall be subject to the same provisions, limitations and conditions set forth in this Resolution. The Issuer shall without unreasonable delay prepare, execute and deliver to the Bond Registrar, and upon surrender of the Bond or Bonds in temporary form to the Bond Registrar, the Bond Registrar shall authenticate and deliver, in exchange therefor, a Bond or Bonds of the same maturity, in definitive form, in authorized denominations and for the same aggregate principal amount as the Bond or Bonds in temporary form surrendered. The expense

of such exchange shall be borne by the Issuer and there shall be no charge therefor to any Bondholder.

SECTION 7.04 SEVERABILITY OF 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, 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 or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued hereunder.

SECTION 7.05 NO RECOURSE. No recourse shall be had for the payment of the principal of, premium, if any, and interest on the Bonds, or for any claim based thereon or on this Resolution, against any present or former member or officer of the governing body of the Issuer or any person executing the Bonds.

SECTION 7.06 DEFEASANCE. If, at any time, the Issuer shall have paid, or shall have made provision for payment of, the principal, interest and redemption premiums, if any, with respect to any series of Bonds, any maturity or maturities of Bonds within a series, or any portion of any such maturity, then, and in that event, the pledge of any lien on the Net Revenues and the lawfully available Impact Fees with respect to said Bonds in favor of the holders of the Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit of Defeasance Obligations or bank certificates of deposit fully secured as to principal and interest by Defeasance Obligations in irrevocable trust with a banking institution or trust company, for the sole benefit of the bondholders, in respect to which such Defeasance Obligations or certificates of deposit, the principal and interest received will be sufficient to make timely payment of the principal, interest, and redemption premiums, if any, on the outstanding Bonds, shall be considered "provision for payment." Nothing herein shall be deemed to require the Issuer to call any of the outstanding Bonds 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.

In the event that the principal of or interest due on the Bonds shall be paid by a Credit Facility Issuer pursuant to a Credit Facility, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer and the covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of the Credit Facility Issuer, and the Credit Facility Issuer shall be subrogated to the rights of such registered owners.

In the event of an advance refunding, the County shall cause to be delivered to the Bond Insurer a verification report of an independent nationally recognized certified public accountant, verifying the mathematical accuracy of the calculations used for such refunding purposes.

SECTION 7.07 REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 7.03 EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage.

PASSED AND DULY ADOPTED THIS 4th day of MAY, 1993.

(SEAL)

BOARD OF COUNTY COMMISSIONERS
OF SARASOTA COUNTY, FLORIDA

ATTEST:

By: _____
Chairman

KAREN E. RUSHING, Clerk of
the Circuit Court and Ex-Officio
Clerk of the Board of County
Commissioners of Sarasota County,
Florida

By: _____
Deputy Clerk

Exhibit A
Form of Bond

R2007-062

CUSIP: _____

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF FLORIDA
SARASOTA COUNTY
UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 1993

RATE OF INTEREST

MATURITY DATE

DATE OF ORIGINAL ISSUE

October 1, _____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL MEN BY THESE PRESENTS, that Sarasota County, Florida (hereinafter called "County"), for value received hereby promises to pay to the Registered Owner designated above, or registered assigns, solely from the special funds hereinafter mentioned, on the Maturity Date specified above, the principal sum shown above, upon the presentation and surrender hereof at the corporate trust office of _____, _____, _____, as Paying Agent and Bond Registrar, and to pay solely from such special funds interest hereon from the date of this bond or from the most recent interest payment date to which interest has been paid, whichever is applicable, until payment of such sum, at the rate per annum set forth above, payable on _____, and semiannually thereafter on _____ 1 and _____ 1 in each year (or if any such date is not a business day, then on the next business day thereafter), by check or draft mailed to the registered owner at his address as it appears at 5:00 P.M. on the fifteenth day of the month preceding the applicable interest payment date, on the registration books of the County kept by the Bond Registrar. The principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America.

This bond is one of an authorized issue of bonds issued to refund certain outstanding debt of the County previously issued to finance the cost of the acquisition and construction of additions, extensions and improvements to the utility system (hereinafter called the "System") of the County, all under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 125, Florida Statutes, Ordinance No. 72-30, as amended and supplemented, of the County and other applicable provisions of law, and Resolution No. 93-011 duly adopted by the Board of County Commissioners of the County on the 12th day of January 1993, as supplemented, amended and restated (hereinafter collectively called "Resolution"), and is subject to all the terms and conditions of such Resolution.

This bond and the interest thereon are payable solely from and secured by a prior lien upon and pledge of the Net Revenues derived by the County from the operation of the System and are additionally payable from lawfully available Impact Fees levied and collected by the County, all as defined and in the manner provided in the Resolution. This bond does not

constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation.

It is expressly agreed by the holder of this bond that such holder shall never have the right to require or compel the levy of ad valorem taxes for the payment of the principal of and interest on this bond or for the making of any sinking fund or other payment specified in the Resolution. This bond and the indebtedness evidenced thereby shall not constitute a lien upon any property of or in the County, but shall constitute a lien only upon the Net Revenues and the legally available Impact Fees, in the manner provided in the Resolution.

(To be inserted where appropriate on face of bond:

"REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH ON THIS SIDE.")

This bond may be transferred only upon the books of the County kept by the Bond Registrar upon surrender thereof at the principal office of the Bond Registrar with an assignment duly executed by the registered owner or his duly authorized attorney, but only in the manner, subject to the limitations and upon payment of a sum sufficient to cover any tax, fee or governmental charge, if any, that may be imposed in connection with any such exchange, as provided in the Resolution. Upon any such transfer, there shall be executed in the name of the transferee, and the Bond Registrar shall deliver, a new registered bond or bonds authorized denominations and in the same aggregate principal amount, series, maturity and interest rate as this bond.

In like manner, subject to such conditions and upon the payment of a sum sufficient to cover any tax, fee or governmental charge, if any, that may be imposed in connection with any such exchange, the registered owner of any bond or bonds may surrender the same (together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of fully registered bonds in authorized denominations and of the same series, maturity and interest rate as this bond.

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 the issuance of this bond exist, have happened and have been performed in regular and due form and time as required by the Statutes and Constitution of the State of Florida applicable thereto; and that the issuance of this bond and of the issue of bonds of which this bond is one, does not violate any constitutional or statutory limitation.

(Insert redemption provisions).

Notice of such redemption shall be given in the manner required by the Resolution.

This bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been executed by the Bond Registrar.

IN WITNESS WHEREOF, Sarasota County, Florida, has issued this bond and has caused the same to be executed by the Chairman of its Board of County Commissioners and attested and countersigned by the Clerk of such Board, either manually or with their facsimile signatures, and its corporate seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the first day of _____, ____.

SARASOTA COUNTY, FLORIDA

(SEAL)

By: _____
Chairman

ATTESTED AND COUNTERSIGNED:

Clerk

BOND REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds of the issue described in the Resolution.

As Bond Registrar

By: _____
Authorized Signature

Date of Authentication

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in
common
TEN ENT - as tenants by the
entireties
JT TEN - as joint tenants with
right of survivorship
and not as tenants in
common

UNIF GIF MIN ACT - _____
(Cust.)
Custodian for _____
(Minor)
under Uniform Gifts to Minors
Act of _____
(State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to _____

PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING
NUMBER OF ASSIGNEE

the within bond and does hereby irrevocably constitute and appoint the Bond Registrar as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____
Signature guaranteed: _____

(Bank, (Trust Company or Firm)

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

R 2007-062

No. _____

CUSIP: _____

\$ _____

UNITED STATES OF AMERICA
STATE OF FLORIDA
SARASOTA COUNTY
UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 1993

<u>RATE OF</u> <u>INTEREST</u>	<u>MATURITY</u> <u>DATE</u>	<u>DATE OF</u> <u>ORIGINAL</u> <u>ISSUE</u>	<u>ORIGINAL</u> <u>PRINCIPAL</u> <u>AMOUNT</u>	<u>COMPOUND</u> <u>AMOUNT AT</u> <u>MATURITY</u>
Compounded Amount at Maturity	_____		Per \$5000	\$5000

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL MEN BY THESE PRESENTS, that Sarasota County, Florida (hereinafter called "County"); for value received hereby promises to pay to the Registered Owner designated above, or registered assigns, solely from the special funds hereinafter mentioned, on the Maturity Date specified above, the principal sum shown above, upon the presentation and surrender hereof at the corporate trust office of _____, _____, _____, as Paying Agent and Bond Registrar, the Maturity Amount specified above representing the principal amount hereof plus interest thereon at the Rate of Interest specified above compounded semiannually on _____ 1 and _____ 1 in each year from the Date of Original Issue specified above to the Maturity Date specified above. The principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America.

This bond is one of an initial installment of an authorized issue of bonds in the aggregate principal amount of \$ _____, consisting of \$ _____ current interest paying bonds and \$ _____ capital appreciation bonds, of like tenor and affect, except as to date, number, interest rate and date of maturity, issued to refund certain outstanding debt of the County previously issued to finance the cost of the acquisition and construction of additions, extensions and improvements to the utility system (hereinafter called the "System") of the County, all under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter, Florida Statutes, Ordinance No. 72-30, as amended and supplemented, of the County and other applicable provisions of law, and Resolution No. 93-011 duly adopted by the Board of County Commissioners of the County on the 12th day of January, 1993, as supplemented, amended and restated (hereinafter collectively called "Resolution"), and is subject to all the terms and conditions of such Resolution.

R2007-062

This bond and the interest thereon are payable solely from and secured by a prior lien upon and pledge of the Net Revenues derived by the County from the operation of the System and are additionally payable from lawfully available Impact Fees levied and collected by the County, all as defined and in the manner provided in the Resolution. This bond does not constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation.

It is expressly agreed by the holder of this bond that such holder shall never have the right to require or compel the levy of ad valorem taxes for the payment of the principal of and interest on this bond or for the making of any sinking fund or other payment specified in the Resolution. This bond and the indebtedness evidenced thereby shall not constitute a lien upon any property of or in the County, but shall constitute a lien only upon the Net Revenues and the legally available Impact Fees, in the manner provided in the Resolution.

(To be inserted where appropriate on face of bond:

"REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH ON THIS SIDE.")

This bond may be transferred only upon the books of the County kept by the Bond Registrar upon surrender thereof at the principal office of the Bond Registrar with an assignment duly executed by the registered owner or his duly authorized attorney, but only in the manner, subject to the limitations and upon payment of a sum sufficient to cover any tax, fee or governmental charge, if any, that may be imposed in connection with any such exchange, as provided in the Resolution. Upon any such transfer, there shall be executed in the name of the transferee, and the Bond Registrar shall deliver, a new registered bond or bonds authorized denominations and in the same aggregate principal amount, series, maturity and interest rate as this bond.

In like manner, subject to such conditions and upon the payment of a sum sufficient to cover any tax, fee or governmental charge, if any, that may be imposed in connection with any such exchange, the registered owner of any bond or bonds may surrender the same (together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of fully registered bonds in authorized denominations and of the same series, maturity and interest rate as this bond.

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 the issuance of this bond exist, have happened and have been performed in regular and due form and time as required by the Statutes and Constitution of the State of Florida applicable thereto; and that the issuance of this bond and of the issue of bonds of which this bond is one, does not violate any constitutional or statutory limitation.

The current interest paying serial bonds maturing in the years ____ to ____, both inclusive, are not subject to redemption prior to their respective stated dates of maturity. The

current interest paying serial bonds maturing in the year _____, and thereafter, and the current interest paying term bonds, at the option of the County, other than by operation of the Bond Amortization Account, shall be redeemable in whole at any time or in part on any interest payment date, and if less than all, then by lot within a maturity, on or after _____ 1, _____, at the redemption price of par and accrued interest to the date of redemption plus the following premiums, expressed as a percentage of the principal amount of the bonds so redeemed if redeemed during the following redemption periods:

REDEMPTION PERIODS
(Both Dates Inclusive)

REDEMPTION PRICE

The current interest paying term bonds maturing on _____ 1, _____, are subject to mandatory redemption at the price of par plus accrued interest by operation of the Bond Amortization Account on _____ 1, in the following years and amounts:

YEAR

AMOUNT

The capital appreciation serial bonds, at the option of the County, other than by operation of the Bond Amortization Account, shall be redeemable in whole or in part on any interest payment date, and if less than all, then by lot within a maturity, on or after _____ 1, _____, at the redemption price of the compounded amounts on the redemption date plus the redemption premium for each such bond to be redeemed (such redemption price including premium expressed as a percentage of the compounded amounts below).

REDEMPTION DATES

REDEMPTION PRICE

Notice of such redemption shall be given in the manner required by the Resolution.

This bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been executed by the Bond Registrar.

IN WITNESS WHEREOF, Sarasota County, Florida, has issued this bond and has caused the same to be executed by the Chairman of its Board of County Commissioners and attested and countersigned by the Clerk of such Board, either manually or with their facsimile signatures, and its corporate seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the _____ day of _____, _____.

SARASOTA COUNTY, FLORIDA

(SEAL)

By: _____
Chairman

ATTESTED AND COUNTERSIGNED:

Clerk

This bond is one of the bonds of the issue described in the Resolution.

As Bond Registrar

By: _____
Authorized Signature

Date of Authentication

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The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in
common
TEN ENT - as tenants by the
entireties
JT TEN - as joint tenants with
right of survivorship
and not as tenants in
common

UNIF GIF MIN ACT - _____
(Cust.)
Custodian for _____
(Minor)
under Uniform Gifts to Minors
Act of _____
(State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to _____

PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING
NUMBER OF ASSIGNEE

the within bond and does hereby irrevocably constitute and appoint the Bond Registrar as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____
Signature guaranteed: _____

(Bank, (Trust Company or Firm)

(Authorized Officer)

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Exhibit B

Reserve Account Credit Facility Requirements

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RESERVE ACCOUNT CREDIT FACILITY REQUIREMENTS

The Issuer may satisfy the requirement (the "Reserve Requirement") to deposit a specified amount in the debt service reserve account (the "Reserve Account") by the deposit of a surety bond, insurance policy or letter of credit as set forth below. The following requirements shall be satisfied in the event the Reserve Requirement is fulfilled by a deposit of a credit instrument (other than a credit instrument issued by the Bond Insurer) in lieu of cash:

1. A surety bond or insurance policy issued to the entity serving as paying agent (the "Fiduciary"), as agent of the bondholders, by a company licensed to issue an insurance policy guaranteeing the timely payment of debt service on the Bonds (a "municipal bond insurer") may be deposited in the Reserve Account to meet the Reserve Requirement if the claims paying ability of the issuer thereof shall be rated "AAA" or "Aaa" by S&P or Moody's, respectively.
2. A surety bond or insurance policy issued to the Fiduciary, as agent of the bondholders, by an entity other than a municipal bond insurer may be deposited in the Reserve Account to meet the Reserve Requirement if the form and substance of such instrument and the issuer thereof shall be approved by the Bond Insurer.
3. An unconditional irrevocable letter of credit issued to the Fiduciary, as agent of the bondholders, by a bank may be deposited in the Reserve Account to meet the Reserve Requirement if the issuer thereof is rated at least "AA" by S&P. The letter of credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal or interest on the Bonds. The draws shall be payable within two days of presentation of the sight draft. The letter of credit shall be for a term of not less than three years. The issuer of the letter of credit shall be required to notify the Issuer and the Fiduciary, not later than 30 months prior to the stated expiration date of the letter of credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date.

If such notice indicates that the expiration date shall not be extended, the Issuer shall deposit in the Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the Reserve Account, together with any other qualifying Reserve Account Credit Facility, to equal the Reserve Requirement on all outstanding Bonds, such deposit to be paid in equal installments on at least a semiannual basis over the remaining term of the letter of credit, unless the Reserve Account Credit Facility is replaced by a Reserve Account Credit Facility meeting the requirements in any of 1-3 above. The letter of credit shall permit a draw in full not less than two weeks prior to the expiration or termination of such letter of credit if the letter of credit has not been replaced or renewed.

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The Fiduciary shall draw upon the letter of credit prior to its expiration or termination unless an acceptable replacement is in place or the Reserve Account is fully funded in its required amount.

4. The use of any Reserve Account Credit Facility pursuant to this paragraph shall be subject to receipt of an opinion of counsel acceptable to the Bond Insurer and in form and substance satisfactory to the Bond Insurer as to the due authorization, execution, delivery and enforceability of such Reserve Account Credit Facility in accordance with its terms, subject to applicable laws affecting creditors' rights generally, and, in the event the issuer of such Reserve Account Credit Facility is not a domestic entity, an opinion of foreign counsel in form and substance satisfactory to the Bond Insurer. In addition, the use of an irrevocable letter of credit shall be subject to receipt of an opinion of counsel acceptable to and in form and substance satisfactory to the Bond Insurer to the effect that payments under such letter of credit would not constitute avoidable preferences under Section 547 of the U.S. Bankruptcy Code or similar state laws with avoidable preference provisions in the event of the filing of a petition for relief under the U.S. Bankruptcy Code or similar state laws by or against the issuer of the Bonds (or any other account party under the letter of credit).
5. The obligation to reimburse the issuer of a Reserve Account Credit Facility for any fees, expenses, claims or draws upon such Reserve Account Credit Facility shall be subordinate to the payment of debt service on the Bonds. The right of the issuer of a Reserve Account Credit Facility to payment or reimbursement of its fees and expenses shall be subordinated to cash replenishment of the Reserve Account, and, subject to the second succeeding sentence, its right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the Reserve Account. The Reserve Account Credit Facility shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Account Credit Facility to reimbursement will be further subordinated to cash replenishment of the Reserve Account to an amount equal to the difference between the full original amount available under the Reserve Account Credit Facility and the amount then available for further draws or claims. If (a) the issuer of a Reserve Account Credit Facility becomes insolvent or (b) the issuer of a Reserve Account Credit Facility defaults in its payment obligations thereunder or (c) the claims-paying ability of the issuer of the insurance policy or surety bond falls below an S&P "AAA" or Moody's "Aaa" or (d) the rating of the issuer of the letter of credit falls below an S&P "AA", the obligation to reimburse the issuer of the Reserve Account Credit Facility shall be subordinate to the cash replenishment of the Reserve Fund.

6. If (a) the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or (b) the rating of the claims paying ability of the issuer of the surety bond or insurance policy falls below an S&P "AAA" or a Moody's "Aaa" or (c) the rating of the issuer of the letter of credit falls below an S&P "AA", the Issuer shall either (i) deposit into the Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the Reserve Account to equal the Reserve Requirement on all outstanding Bonds, such amount to be paid over the ensuing five years in equal installments deposited at least semiannually or (ii) replace such instrument with a surety bond, insurance policy or letter of credit meeting the requirements in any of 1-3 above within six months of occurrence. In the event (a) the rating of the claims-paying ability of the issuer of the surety bond or insurance policy falls below "A" or (b) the rating of the issuer of the letter of credit falls below "A" or (c) the issuer of the Reserve Account Credit Facility defaults in its payment obligations or (d) the issuer of the Reserve Account Credit Facility becomes insolvent, the Issuer shall either (i) deposit into the Reserve Account an amount sufficient to cause the cash or permitted investments on deposit in the Reserve Account to equal the Reserve Requirement on all outstanding Bonds, such amount to be paid over the ensuing year in equal installments on at least a monthly basis or (ii) replace such instrument with a surety bond, insurance policy or letter of credit meeting the requirements in any of 1-3 above within six months of such occurrence.
7. Where applicable, the amount available for draws or claims under the Reserve Account Credit Facility may be reduced by the amount of cash or permitted investments deposited in the Reserve Account pursuant to clause (i) of the preceding paragraph 6.

STATE OF FLORIDA)
COUNTY OF SARASOTA)
I HEREBY CERTIFY THAT THE FOREGOING IS A
TRUE AND CORRECT COPY OF THE ORIGINAL FILES
IN THIS OFFICE. WITNESS MY HAND AND OFFICIAL

SEAL THIS DATE April 12, 2007
KAREN E. RUSHING, CLERK OF THE CIRCUIT COURT
EX-OFFICIO CLERK TO THE BOARD OF COUNTY
COMMISSIONERS, SARASOTA COUNTY, FLORIDA
BY: [Signature]
DEPUTY CLERK