3G-2

Agenda Item #: T/SV 7-0

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

R-2013-1158 and R-2013-1159

Meeting Date: September 10, 2013 [X] Consent [ ] Regular
[ ] Ordinance [ ] Public Hearing

Department: Office of Financial Management & Budget

I. Executive Brief

Motion and Title: Staff recommends motion to:

A. Adopt a Resolution of the Board of County Commissioners of Palm Beach County, Florida (I) authorizing the issuance of not exceeding $10,700,000 in original aggregate principal amount of its Improvement Revenue Bonds, Series 2013 (Sheriff's Equipment Project) for the purpose of financing road patrol vehicles with radio and mobile equipment and other electronic equipment required by the Sheriff's Office, and paying certain costs related thereto; (II) providing for the terms and payment of such series 2013 bonds; (III) providing for the rights, security and remedies of the holder thereof; (IV) making certain covenants and agreements in connection therewith; (V) delegating authority to proper officials of the County, in consultation with the County's financial advisor, to select a qualified financial institution pursuant to a competitive proposal process to purchase the series 2013 bonds and to award the sale of the series 2013 bonds to such purchaser, subject to certain parameters and other matters set forth in this resolution; (VI) approving the form and authorizing the execution and delivery of an agreement with the purchaser of the series 2013 bonds to set forth additional covenants of the county and matters relating to the series 2013 bonds as may be required by the purchaser; (VII) authorizing the proper officials of the county to do all other things deemed necessary or advisable in connection with the issuance of the series 2013 bonds; (VIII) providing for certain other matters in connection therewith; and providing for an effective date.

B. Approve Amendment No. 3, amending Agreement R-2010-1325, dated August 17, 2010, ("Agreement"), as amended by Amendment No. 1 (R-2011-0864), dated June 21, 2011, and by Amendment No. 2 (R-2013-0602), dated May 21, 2013, by and between Palm Beach County ("County") and Greenberg Traurig, P.A. ("Attorney").

Summary: As part of the Fiscal Year 2014 budget process, the Palm Beach Sheriff's Office (PBSO) requested $10.6M for the replacement of road patrol vehicles, computers, and radios. As part of the budget process, it was decided to issue debt for this request instead of funding from the operating budget. The County Financing Committee (CFC) met on August 5, 2013 and approved this issuance to be competitively bid as a direct bank placement as recommended by the County's Financial Advisor and recommended Greenberg Traurig as bond counsel for this financing. Approval of Amendment No. 3 will confirm Greenberg Traurig as bond counsel. As it is a direct bank placement, disclosure counsel is not needed. This issue is a covenant to budget and appropriate with an estimated annual debt service payment of approximately $2.2 million per year, for 5 years. **Countywide (PFK)**

Background and Justification: The bond resolution allows for the purchase of PBSO vehicles and equipment and the cost of issuance.

Attachments:

1. Bond Resolution
2. Amendment No. 3 to Agreement R-2010-1325

Recommended by: Elizabeth Dawson 8/12/13
Department Director Date

Approved By: 8/12/13
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures					
Operating Costs					
Debt Service Costs		194,133	2,265,837	2,299,000	2,298,069
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT		194,133	2,265,837	2,299,000	2,298,069
No. ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included In Proposed **Budget? Yes** X **No** ____
Budget Account No.: Fund 3900 **Department** 821 **Unit** 9801
Object E9911 **Reporting Category** ____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

The Resolution authorizes the sale of Bonds. The debt service payments are secured by a pledge of non-ad valorem revenues.

C. Departmental Fiscal Review: ____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

8/14/2013
OFMB
SG 8/13 RW 8/13 AM 8/13 KU 8/14 .SH

8/15/13
Contract Dev. and Control
8-15-13 CB w/ Keller

B. Legal Sufficiency:

Paul F. 8/16/13
Assistant County Attorney

C. Other Department Review:

____
Department Director

REVISED 9/03
ADM FORM 01
(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

RESOLUTION NO. R-2013 - 1158

PALM BEACH COUNTY, FLORIDA
IMPROVEMENT REVENUE BONDS, SERIES 2013
(SHERIFF'S EQUIPMENT PROJECT)

BOND RESOLUTION

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LIST OF EXHIBITS

A. Project Description
B. Form of Covenant Agreement
C. Form of Series 2013 Bond

RESOLUTION NO. R-2013 - 1158

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF NOT EXCEEDING $10,700,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF ITS IMPROVEMENT REVENUE BONDS, SERIES 2013 (SHERIFF'S EQUIPMENT PROJECT), FOR THE PURPOSE OF FINANCING ROAD PATROL VEHICLES WITH RADIO AND MOBILE EQUIPMENT AND OTHER ELECTRONIC EQUIPMENT REQUIRED BY THE SHERIFF'S OFFICE, AND PAYING CERTAIN COSTS RELATED THERETO; PROVIDING FOR THE TERMS AND PAYMENT OF SUCH SERIES 2013 BONDS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDER THEREOF; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; DELEGATING AUTHORITY TO PROPER OFFICIALS OF THE COUNTY, IN CONSULTATION WITH THE COUNTY'S FINANCIAL ADVISOR, TO SELECT A QUALIFIED FINANCIAL INSTITUTION PURSUANT TO A COMPETITIVE PROPOSAL PROCESS TO PURCHASE THE SERIES 2013 BONDS AND TO AWARD THE SALE OF THE SERIES 2013 BONDS TO SUCH PURCHASER, SUBJECT TO CERTAIN PARAMETERS AND OTHER MATTERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT WITH THE PURCHASER OF THE SERIES 2013 BONDS TO SET FORTH ADDITIONAL COVENANTS OF THE COUNTY AND MATTERS RELATING TO THE SERIES 2013 BONDS AS MAY BE REQUIRED BY THE PURCHASER; AUTHORIZING THE PROPER OFFICIALS OF THE COUNTY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2013 BONDS; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, any capitalized term not otherwise defined in these recitals shall have the meaning ascribed in Article I hereof; and

WHEREAS, Palm Beach County, Florida, a political subdivision of the State of Florida (the "County"), is authorized by Chapters 125 and 166 of the Florida Statutes and other applicable provisions of law to incur indebtedness of the County for the purpose of financing road patrol vehicles with radio and mobile equipment and other electronic equipment required by

the Sheriff's office, as more particularly described on Exhibit "A" attached hereto and all other costs necessary or incidental thereto (collectively, the "Project"); and

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the "Board") hereby finds it necessary and in the best interests of the County to authorize the issuance of its Palm Beach County, Florida, Improvement Revenue Bonds, Series 2013 (Sheriff's Equipment Project), in an original aggregate principal amount not exceeding $10,700,000 (the "Series 2013 Bonds") for the purpose of financing all or a portion of the Project and paying certain costs relating to the issuance of the Series 2013 Bonds; and

WHEREAS, the County may issue its indebtedness in the form of revenue bonds such as the Series 2013 Bonds; and

WHEREAS, County Resolution R-90-938, adopted June 26, 1990, provides that before the County shall issue any indebtedness payable from Non-Ad Valorem Revenues, the County must demonstrate that after the proposed issuance of such indebtedness, it shall meet the requirements set forth in Article III, Section 11(d) of said Resolution R-90-938; and

WHEREAS, the Series 2013 Bonds authorized under this Resolution will meet the tests provided under said Resolution R-90-938; and

WHEREAS, the Series 2013 Bonds authorized under this Resolution will be payable from Non-Ad Valorem Revenues, subject and subordinate to the payment from the sources of Non-Ad Valorem Revenues pledged to the payment of the principal of and interest on any obligations hereafter issued which have a prior pledge on any source of Non-Ad Valorem Revenues and are permitted to be issued under the terms of this Resolution; and

WHEREAS, pursuant to a competitive proposal process, the County has or will solicit proposals from qualified financial institutions to purchase the Series 2013 Bonds on a private

placement basis and, subject to the provisions of Article VIII, Section 1 hereof, the County Administrator (as defined herein) and the Debt Manager (as defined herein), in consultation with the Financial Advisor, will select a qualified financial institution to purchase the Series 2013 Bonds (the "Purchaser"); and

WHEREAS, subject to the provisions of Article VIII, Section 1 hereof, the Board desires to delegate, in consultation with the Financial Advisor, to the County Administrator and the Debt Manager the authority to award the Series 2013 Bonds to the Purchaser and to determine the final details of the Series 2013 Bonds, among other matters, as more fully set forth in this Resolution and the Covenant Agreement (as defined herein); and

WHEREAS, pursuant to Section 218.385, Florida Statutes, an authorized officer of the Purchaser will deliver to the County a disclosure statement and truth-in-bonding statement on behalf of the Purchaser and a customary investor letter as a condition to the issuance and delivery of the Series 2013 Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, THAT:

ARTICLE I
DEFINITIONS AND STATUTORY AUTHORITY

Section 1. DEFINITIONS. Unless the context indicates otherwise all terms used in this Resolution shall have the following meanings:

"ACT" shall mean the Constitution and laws of the State of Florida, including particularly, Chapters 125 and 166 of the Florida Statutes, the County Charter and other applicable provisions of law.

"ARBITRAGE CERTIFICATE" shall mean the Tax Certificate executed by the County on the Date of Issue, as a statement of facts and expectations of the County as of the Date of

Issue of the Series 2013 Bonds and source of guidance for achieving compliance with the Code, as such Arbitrage Certificate may be amended from time to time.

"AUTHORIZED DENOMINATIONS" shall mean, initially, the original aggregate principal amount of the Series 2013 Bonds on the Date of Issue and thereafter the aggregate principal amount of the Series 2013 Bonds Outstanding from time to time.

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

"BOND COUNSEL" shall mean a firm or firms of nationally recognized attorneys-at-law selected by the County and experienced in the financing of capital projects for governmental units through the issuance of tax-exempt revenue bonds under the exemption provided under Section 103(a) of the Code.

"BONDHOLDER" or "HOLDER" or "OWNER" or any similar term, shall mean, initially, the Purchaser and thereafter any transferee who shall be the registered owner of any Series 2013 Bond or Series 2013 Bonds Outstanding under the terms of this Resolution, subject to the provisions of Article II, Section 6 hereof.

"BUSINESS DAY" shall mean any day, except a Saturday or Sunday, on which the New York Stock Exchange is not closed and commercial banks located in New York, New York, are not required or authorized by law to remain closed and, if the Chief Financial Officer is not serving as the Paying Agent and/or Registrar, the cities in which the principal offices of the Registrar and the Paying Agent are located are not required or authorized by law to remain closed.

"CHIEF FINANCIAL OFFICER" or "CLERK" shall mean the Clerk & Comptroller of Palm Beach County, Florida and Ex-Officio Clerk of the Board or any deputy clerk acting in her

name, or such other officer of the County subsequently designated by law or County Charter to perform the duties of the chief financial officer of the County.

"CODE" shall mean the Internal Revenue Code of 1986, as amended, and all subsequent tax legislation duly enacted by the Congress of the United States to the extent applicable to the Series 2013 Bonds. Each reference to a section of the Code herein shall be deemed to include, if applicable, final, temporary or proposed regulations and any final, temporary or proposed regulations and revenue rulings and procedures, as promulgated under the Internal Revenue Code of 1954, as amended, by the Treasury Department or Internal Revenue Service of the United States.

"COUNTY" shall mean Palm Beach County, a political subdivision of the State of Florida.

"COUNTY ADMINISTRATOR" shall mean the person serving as the County Administrator of the County from time to time.

"COUNTY CHARTER" shall mean the Charter of Palm Beach County, Florida, as amended and supplemented from time to time.

"COUNTY MONEYS" shall mean the moneys budgeted and appropriated by the County, and deposited into the Sinking Fund or any other Fund established hereunder, from Non-Ad Valorem Revenues pursuant to the County's covenant to budget and appropriate Non-Ad Valorem Revenues contained in this Resolution.

"COVENANT AGREEMENT" shall mean the written agreement by and between the County and the Purchaser entered into as of the Date of Issue setting forth additional covenants of the County and other matters relating to the Series 2013 Bonds required by the Purchaser,

subject to the Parameters, as contemplated by this Resolution. The form of such Covenant Agreement is attached hereto as Exhibit "B."

"DATE OF ISSUE" shall mean the date the Series 2013 Bonds are first authenticated, issued and delivered pursuant to this Resolution.

"DEBT MANAGER" shall mean the person serving as the Debt Manager of the County from time to time.

"DEBT SERVICE: for any period shall mean, as of any date of calculation with respect to the Series 2013 Bonds, an amount equal to the sum of (i) interest accruing during such period on the Series 2013 Bonds, and (ii) that portion of each principal payment for such Series 2013 Bonds which would accrue during such period if such principal payment were deemed to accrue daily in equal amounts from the next preceding principal payment due date for the Series 2013 Bonds (or, if there shall be no such preceding principal payment from a date one year preceding the due date of such principal payment or from the Date of Issue, whichever date is later). Such interest and principal payments for the Series 2013 Bonds shall be calculated on the assumption that no Series 2013 Bonds Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each principal payment on the due date thereof. The term "principal payment," as used above in this definition, shall include any payment of principal on the Series 2013 Bonds as set forth in the amortization schedule attached to the definitive Series 2013 Bonds issued and delivered on the Date of Issue.

"DEFEASANCE OBLIGATIONS" shall mean, to the extent permitted by law and (other than with respect to the obligations described in clause (a) below), except as otherwise provided in the Covenant Agreement:

(a) Government Obligations which are not callable prior to maturity except by the holder thereof;

(b) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (i) which are not callable prior to maturity or as to which irrevocable instructions have been given to the trustee of such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (ii) which are secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations of the character described in clause (a) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the redemption date or dates specified in the irrevocable instructions referred to in subclause (i) of this clause (b), as appropriate, and (iii) as to which the principal of and interest on the bonds and obligations of the character described in clause (a) hereof which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (b) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (i) of this clause (b), as appropriate; and

(c) evidences of ownership of proportionate interests in future interest and principal payments on obligations described in (a) held by a bank or trust company as custodian.

"DETERMINATION OF TAXABILITY" shall mean a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that interest paid or payable on any Series 2013 Bond is or was includable in the gross income of an Owner of the Series 2013 Bonds for Federal income tax purposes; provided, that no such decree, judgment, or action will be considered final for this purpose, however, unless the County has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any Owner of a Series 2013 Bond, and until the conclusion of any appellate review, if sought.

"EVENT OF DEFAULT" as used herein shall have the meaning specified in Article VI, Section 1, hereof, subject to the Covenant Agreement.

"FINANCIAL ADVISOR" shall mean Spectrum Municipal Services, Inc.

"FISCAL YEAR" shall mean that period commencing on October 1 and continuing to and including the next succeeding September 30, or such other annual period as may be prescribed by law.

"GOVERNMENT OBLIGATIONS" shall mean the direct obligations of, or obligations on which the timely payment of principal and interest are fully and unconditionally guaranteed by, the United States of America.

"INVESTMENT OBLIGATIONS" shall mean, except as otherwise provided in the Covenant Agreement, any investment authorized under the laws of the State of Florida or by ordinance of the County.

"MATURITY DATE" shall mean the final maturity date of the Series 2013 Bonds as specified in the definitive Series 2013 Bonds issued and delivered on the Date of Issue which date shall be subject to the Parameters set forth herein.

"MAXIMUM DEBT SERVICE" shall mean, at any time, the maximum amount required in the then current or any future Fiscal Year to pay (a) all Non-Self-Supporting Debt, and (b) any proposed indebtedness of the County (i) which will be payable from Non-Ad Valorem Revenues, or (ii) for which the Non-Ad Valorem Revenues will be pledged. For the purposes hereof, the interest rate on obligations bearing a variable rate shall be calculated at the higher of (a) twelve percent (12% per annum) or (b) the average yield to par call for the Bond Buyer Municipal Bond Index (the "Bond Buyer 40") on the date of calculation.

"MAXIMUM INTEREST RATE" shall mean the maximum interest rate per annum allowable by applicable law.

"MAYOR" shall mean the person serving as the Mayor of the Board.

"NON-AD VALOREM REVENUES" shall mean available revenues of the County derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Debt Service on the Series 2013 Bonds, after the payment from the sources of Non-Ad Valorem Revenues pledged to the payment of the principal of and interest on any obligations of the County hereafter issued which have a prior pledge on any source of the Non-Ad Valorem Revenues; provided, however, that for the purposes of the test set forth in Article III Section 9(e) of this Resolution, "Non-Ad Valorem Revenues" shall mean all legally available revenues of the County derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Non-Self-Supporting Debt Service.

"NON-SELF-SUPPORTING DEBT" shall mean debt obligations of the County other than debt obligations relating to an enterprise fund or general obligation bonds of the County.

"NON-SELF-SUPPORTING DEBT SERVICE" shall mean the debt service on Non-Self-Supporting Debt.

"OPINION OF BOND COUNSEL" shall mean an opinion signed by Bond Counsel.

"OUTSTANDING" when used as of any particular time with reference to the Series 2013 Bonds, shall mean all Series 2013 Bonds theretofore authenticated and delivered by the Registrar under this Resolution except:

(a) Series 2013 Bonds theretofore canceled by the Registrar or surrendered to the Registrar for cancellation;

(b) Series 2013 Bonds for the payment of which money or securities in the necessary amount (as provided in Article V hereof) shall have heretofore been deposited with the Paying Agent or a financial institution or bank selected by the County (whether upon or prior to the maturity); and

(c) Series 2013 Bonds in lieu of or in substitution for which other Series 2013 Bonds shall have been authenticated and delivered by the Registrar pursuant to the terms of Article II, Section 7 hereof.

"PARAMETERS" shall mean the matters set forth in Article II, Section 4 of this Resolution.

"PAYING AGENT" shall mean, initially, the office of the Chief Financial Officer, and any successor appointed from time to time by the County pursuant to this Resolution to act as Paying Agent hereunder.

"PAYMENT DATE" shall mean, with respect to payment of accrued and unpaid interest on the Series 2013 Bonds, each June 1 and December 1, commencing June 1, 2014 and with respect to unpaid principal, each December 1, commencing December 1, 2014, unless different

dates are set forth in the Covenant Agreement. Payment Date shall also include any date the principal of the Series 2013 is optionally prepaid in whole or in part if, as set forth in the Covenant Agreement, the Series 2013 Bonds are subject to optional redemption.

"PLEDGED REVENUES" shall mean (a) County Moneys, (b) any proceeds of Series 2013 Bonds originally deposited with the County and all moneys deposited and held from time to time by the County in the funds and accounts established under this Resolution in each case until applied in accordance with this Resolution, (c) investment income received by the County in the funds and accounts established under this Resolution, and (d) any other moneys received by the Paying Agent in connection with repayment of the Series 2013 Bonds.

"PROJECT" shall mean the capital projects financed in whole or in part with the net proceeds of the Series 2013 Bonds, as such capital projects are more particularly described on Exhibit "A" attached hereto.

"PURCHASER" shall have the meaning set forth in the recitals to this Resolution.

"RECORD DATE" shall mean the fifteenth day of the calendar month next preceding any Payment Date; provided, however, that if such day is not a Business Day then the next preceding Business Day.

"REGISTRAR" shall mean, initially, the office of the Chief Financial Officer, and any successor appointed from time to time by the County pursuant to this Resolution to act as Registrar.

"RESOLUTION" shall mean this Resolution as the same may from time to time be amended and supplemented in accordance with the terms hereof.

"SERIES 2013 BONDS" shall mean the County's Improvement Revenue Bonds, Series 2013 (Sheriff's Equipment Project), issued in an original aggregate principal amount of not exceeding $10,700,000, as more fully provided for in Article VIII, Section 1 of this Resolution.

"VICE MAYOR" shall mean the person serving as the Vice Mayor of the Board from time to time.

"WRITTEN CONSENT," "WRITTEN DEMAND," "WRITTEN DIRECTION," "WRITTEN ELECTION," "WRITTEN NOTICE," "WRITTEN ORDERS" and "WRITTEN REQUEST OF THE COUNTY" shall mean, respectively, a written consent, demand, direction, election, notice, order or request signed on behalf of the County by its Chief Financial Officer, the Mayor or Vice Mayor, the County Administrator or the Debt Manager.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. The word "person" shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

Section 2. **AUTHORITY FOR THIS RESOLUTION**. This Resolution is adopted pursuant to the Act.

Section 3. **RESOLUTION CONSTITUTES CONTRACT**. In consideration of the acceptance of the Series 2013 Bonds authorized to be issued hereunder by the party who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the County and such Owner, and the covenants and agreements herein set forth to be performed by said County shall be for the equal benefit, protection and security of the

Owner of any and all of such Series 2013 Bonds, all of which shall be of equal rank and without preference, priority, or distinction of any of the Series 2013 Bonds over any other thereof except as expressly provided therein and herein.

[End of Article I]

ARTICLE II
AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF SERIES 2013 BONDS

Section 1. **AUTHORIZATION OF SERIES 2013 BONDS**. Subject and pursuant to the provisions of this Resolution, obligations of the County to be known as "Improvement Revenue Bonds, Series 2013 (Sheriff's Equipment Project)" are hereby authorized to be issued in an original aggregate principal amount of not exceeding $10,700,000 for the purpose of financing, in whole or in part, the Project and to pay the costs of issuance of such Series 2013 Bonds, all as provided in this Resolution.

Section 2. **INTEREST ON SERIES 2013 BONDS; ADJUSTMENTS**. The Series 2013 Bonds shall bear interest from the Date of Issue until payment of the principal thereof shall have been made or provided for in accordance with the provisions hereof. Interest accrued on the Series 2013 Bonds shall be computed on the basis of a 360-day year, consisting of twelve (12) thirty (30) day months. The Series 2013 Bonds shall bear interest at the stated rate of interest on the definitive Series 2013 Bonds, unless there has been a Determination of Taxability or an occurrence of an Event of Default, in which case the interest rate on the Series 2013 Bonds shall be adjusted as provided in the Covenant Agreement.

Section 3. **MANNER OF PAYMENT OF SERIES 2013 BONDS.**

(a) Except as otherwise set forth below or in the Covenant Agreement, principal and interest due on the Series 2013 Bonds shall be payable by wire transfer in immediately available funds to an account with a financial institution within the United States designated by the registered Bondholder and on file with the Paying Agent as of the applicable Record Date.

(b) Except as otherwise provided in the Covenant Agreement, if and to the extent that there shall be a default in the payment of the principal or interest due on any Payment Date therefor, such defaulted principal and/or interest shall be paid to the Owner in whose name the

Series 2013 Bonds (or any Series 2013 Bond or Series 2013 Bonds issued upon transfer or exchange thereof) are registered at the close of business on the fifteenth Business Day next preceding the date of payment of such defaulted principal and/or interest established by notice mailed by the Registrar to the registered Owner not less than the tenth day preceding the Payment Date. All payments of principal and interest shall be made in such coin or currency of the United States of America as, at the respective times of payment, shall be legal tender for the payment of public and private debts.

Section 4. **DESCRIPTION OF SERIES 2013 BONDS**. The Series 2013 Bonds shall be issued in the form of one fully registered fixed rate term bond; shall have the amortization schedule to be affixed to the definitive Series 2013 Bonds; shall be issued in an original aggregate principal amount not exceeding $10,700,000; shall be dated the Date of Issue; shall mature on the Maturity Date (which shall not be later than December 1, 2018); shall bear interest from the Date of Issue as calculated herein at a rate of interest per annum not exceeding 6.00%, subject to adjustment upon certain circumstances, including upon a Determination of Taxability, but in no event in excess of the Maximum Interest Rate per annum; shall be permitted, but not required, to be subject to optional redemption prior to the Maturity Date; shall be lettered and numbered R-1; and shall be issued in Authorized Denominations, with the final details of the Series 2013 Bonds being set forth in the definitive Series 2013 Bonds issued and delivered on the Date of Issue and in the Covenant Agreement in the basic form attached hereto as Exhibit "B," subject in all respects to the foregoing Parameters.

Section 5. **EXECUTION OF SERIES 2013 BONDS**. The Series 2013 Bonds shall be executed in the name of the County by the manual signature of the Mayor or the Vice Mayor in the absence of the Mayor (or any other member of the Board in the absence of the Mayor or

the Vice Mayor) and its official seal shall be affixed thereto or imprinted or reproduced thereon and attested by the manual signature of the Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2013 Bonds shall cease to be such officer of the County before the Series 2013 Bonds so signed and sealed shall have been actually sold and delivered, such Series 2013 Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 2013 Bonds had not ceased to hold such office. Any Series 2013 Bond may be signed and sealed on behalf of the County by such person who at the actual time of the execution of such Series 2013 Bond shall hold the proper office, although at the date such Series 2013 Bonds shall be actually delivered such person may not have held such office or may not have been so authorized.

The Series 2013 Bonds shall bear thereon a certificate of authentication, in the form set forth in the form of the Series 2013 Bonds attached hereto as Exhibit "C," executed manually by the Registrar. Only such Series 2013 Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Resolution and no Series 2013 Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Registrar. Such certificate of the Registrar upon any Series 2013 Bond executed on behalf of the County shall be conclusive evidence that the Series 2013 Bond so authenticated has been duly authenticated and delivered under this Resolution and that the Owner thereof is entitled to the benefits of this Resolution.

Section 6. NEGOTIABILITY, REGISTRATION AND TRANSFER OF SERIES 2013 BONDS. Upon request of the registered Holder and upon surrender of the Series 2013 Bonds at the office of the Chief Financial Officer (or if the office of the Chief Financial Officer is not serving as the Registrar, the designated corporate trust office of the Registrar) with

a written instrument of transfer satisfactory to the Registrar duly executed by the registered Holder or his duly authorized attorney and upon payment by such Holder of any charges which the Registrar may make as provided in this Section, the Series 2013 Bonds may be exchanged for Series 2013 Bonds of the same interest rate and maturity of any other Authorized Denominations.

The Registrar shall keep books for the registration of Series 2013 Bonds and for the registration of transfers of Series 2013 Bonds. Unless otherwise provided in the definitive form of Series 2013 Bonds executed and delivered on the Date of Issue, the Series 2013 Bonds may only be transferred or assigned in whole, but not in part, subject to the prior written consent of the County, which consent shall not be unreasonably withheld, provided that the proposed transferee or assignee delivers to the County an investor letter in form and substance similar to that delivered to the County by the Purchaser on the Date of Issue as required by Article VIII, Section 1 hereof. The Series 2013 Bonds shall be transferable by the Holder thereof in person or by his attorney duly authorized in writing only upon the registration books of the County kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the Holder or his duly authorized attorney, together with evidence of the County's written consent to such transfer. Upon the transfer of any such Series 2013 Bond, the County shall issue in the name of the transferee a new Series 2013 Bond or Series 2013 Bonds.

The County and the Paying Agent and the Registrar shall deem and treat the person in whose name any Series 2013 Bond shall be registered upon the books kept by the Registrar as the absolute Holder of such Series 2013 Bond, whether such Series 2013 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on

such Series 2013 Bond as the same become due and for all other purposes. All such payments so made to any such Holder or upon his or her order shall be valid and effectual to satisfy and discharge the liability upon such Series 2013 Bond to the extent of the sum or sums so paid, and neither the County, the Paying Agent nor the Registrar shall be affected by any notice to the contrary.

In all cases in which the privilege of exchanging Series 2013 Bonds or transferring Bonds is exercised, the County shall execute and the Registrar shall authenticate and deliver Series 2013 Bonds in accordance with the provisions of this Resolution. All Series 2013 Bonds surrendered in any such exchanges or transfers shall forthwith be delivered to the Registrar and canceled by the Registrar in the manner provided in this Section. There shall be no charge for any such exchange or transfer of Series 2013 Bonds, but the County or the Registrar may require the payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the County nor the Registrar shall be required to transfer or exchange Series 2013 Bonds for a period from a Record Date to the next succeeding Payment Date on such Series 2013 Bonds. However, if less than all of the Series 2013 Bonds are defeased, the County shall execute and the Registrar shall authenticate and deliver, upon the surrender of such Series 2013 Bonds, without charge to the Bondholder, for the unpaid balance of the principal amount of such Series 2013 Bonds so surrendered, a registered Series 2013 Bond in the appropriate Authorized Denomination and interest rate.

All Series 2013 Bonds paid at maturity shall be delivered to the Registrar promptly after such payment is made, and such Series 2013 Bonds, together with all Series 2013 Bonds purchased by the County with the intent of cancellation, shall thereupon be promptly canceled. Series 2013 Bonds so canceled may at any time be destroyed by the Registrar, who shall execute

a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Series 2013 Bonds so destroyed, and one executed certificate shall be filed with the County and the other executed certificate shall be retained by the Registrar.

Section 7. **SERIES 2013 BONDS MUTILATED, DESTROYED, STOLEN OR LOST.** In case any Series 2013 Bonds shall become mutilated, or be destroyed, stolen or lost, the County may in its discretion cause to be executed, and the Registrar shall authenticate and deliver, new Series 2013 Bonds of like date and tenor as the Series 2013 Bonds so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Series 2013 Bonds upon surrender and cancellation of such mutilated Series 2013 Bonds or in lieu of and substitution for the Series 2013 Bonds destroyed, stolen or lost, and upon the holder furnishing the County and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the County and the Registrar may prescribe and paying such expenses as the County and the Registrar may incur. All Series 2013 Bonds so surrendered shall be canceled by the County. If any of the Series 2013 Bonds shall have matured or be about to mature, instead of issuing a substitute Series 2013 Bonds, the County may pay the same, upon being indemnified as aforesaid, and if such Series 2013 Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2013 Bonds issued pursuant to this Section 7 shall constitute original, additional contractual obligations on the part of the County whether or not the lost, stolen or destroyed Series 2013 Bonds be at any time found by anyone, and such duplicate Series 2013 Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as all other Series 2013 Bonds issued hereunder.

Section 8. **PREPARATION OF DEFINITIVE SERIES 2013 BONDS**. Subject to the Parameters and the final terms of the Covenant Agreement, the text of the Series 2013 Bonds and Certificate of Authentication thereon shall be substantially in the form set forth in Exhibit "C" attached hereto.

[End of Article II]

ARTICLE III
FUNDS AND APPLICATION THEREOF, SECURITY AND COVENANTS

Section 1. **SERIES 2013 BONDS SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY**. The Series 2013 Bonds are special obligations of the County and are payable solely in the manner and to the extent set forth in this Resolution. The Pledged Revenues are hereby pledged for the payment of the principal of, redemption premium, if any, and interest on, the Series 2013 Bonds in accordance with the terms and the provisions of this Resolution. The Series 2013 Bonds shall not be or constitute general obligations of the County within the meaning of the Constitution of the State of Florida but shall be payable solely from and secured by a lien upon and a pledge of the Pledged Revenues in the manner and to the extent provided in this Resolution. No Bondholder shall ever have the right to compel the exercise of the ad valorem taxing power of the County or taxation in any form on any real or personal property to pay such Bonds or the interest thereon, nor shall any Bondholder be entitled to payment of such principal or interest from any other funds of the County other than as provided in this Resolution. Furthermore, no Bondholder shall ever have a lien on any component of the Project or any other real or personal property of the County, except for the Pledged Revenues in the manner and to the extent provided in this Resolution.

Section 2. **COVENANT TO BUDGET AND APPROPRIATE**. Until the Series 2013 Bonds are no longer Outstanding pursuant to the provisions of this Resolution, the County hereby covenants to appropriate in its annual budget in each Fiscal Year, by amendment if necessary, Non-Ad Valorem Revenues in amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Series 2013 Bonds, as the same become due, and to restore any deficiency in any other fund or account created and established hereunder for the Series 2013 Bonds. Notwithstanding the foregoing covenant of the County, the County does not

covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues.

To the extent that the County is in compliance with the covenant contained above and Section 9(e) of Article III of this Resolution, the obligations of the County contained herein shall not be construed as a limitation on the ability of the County to pledge or covenant with respect to the Non-Ad Valorem Revenues for other indebtedness or other legally permissible purposes.

Such covenant to budget and appropriate Non-Ad Valorem Revenues is not a pledge by the County of such Non-Ad Valorem Revenues and is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues hereafter entered into, including the payment of debt service on bonds or other obligations. Such covenant to budget and appropriate is subject to the provisions of Section 129.07, Florida Statutes, which makes it unlawful for the County to expend moneys not appropriated and in excess of the County's current budgeted revenues. Such covenant does not require the County to levy and collect any particular source of Non-Ad Valorem Revenues nor to maintain or increase any regulatory fees or user charges with respect to any particular source of Non-Ad Valorem Revenues. Such covenant does not give the Owner a prior claim on such Non-Ad Valorem Revenues as opposed to claims of general creditors of the County until such time as a deposit of such Non-Ad Valorem Revenues is made into the Sinking Fund or other fund hereunder for the purposes of this Article.

Section 3. **ESTABLISHMENT OF FUNDS AND ACCOUNTS**. There are hereby created and established with the County the following funds: (1) Sinking Fund (the "Sinking Fund"), and (2) Project Fund (the "Project Fund") and therein a Cost of Issuance Account (the "Cost of Issuance Account"). Within the Sinking Fund there shall be created a Principal and

Interest Account (the Principal and Interest Account"). The Sinking Fund and the Project Fund, and all accounts therein shall constitute trust funds for the purposes hereof.

Section 4. **APPLICATION OF BOND PROCEEDS**. All moneys received by the County from the sale of the Series 2013 Bonds authorized and issued pursuant to this Resolution shall be disbursed in the following manner and order of priority:

(a) From the proceeds of the sale of the Series 2013 Bonds in an amount determined by the Debt Manager which, together with other moneys lawfully available therefor, if any, shall be deposited in the Project Fund. Amounts in the Project Fund shall be applied by the County to pay the cost of the Project.

Before any such application of any amounts in the Project Fund shall be made, the County shall prepare a requisition, signed by an authorized officer of the County showing with respect to each payment to be made, the name of the person to whom payment is due and the amount to be paid, and stating that the obligation to be paid was incurred and is a proper charge against the Project Fund and evidencing: (i) that obligations in the stated amounts, including any amounts retained by the County in the Project Fund to be paid at such later date, have been incurred by the County and that each item thereof is a proper charge against the Project Fund and has not been the basis of any previous requisition and (ii) that there has not been filed with or served upon the County notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such requisition which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

Any earnings from moneys held in the Project Fund invested pursuant to the requirements of this Resolution, other than such amounts needed for the Project or for the County to meets its obligations under the Arbitrage Certificate, shall be credited to the Principal and Interest Account of the Sinking Fund. Amounts on deposit in the Project Fund shall be invested by the County in Permitted Investments maturing not later than the dates such moneys will be needed for its intended purpose.

(b) The balance of the proceeds derived from the sale of the Series 2013 Bonds shall be deposited in the Cost of Issuance Account of the Project Fund to pay the cost of issuing the Series 2013 Bonds which may include the fees and expenses of Purchaser's counsel unless such fees and expenses have been deducted from the gross proceeds of the Series 2013 Bonds. The County shall pay the cost of issuing the Series 2013 Bonds to each payee by wire transfer on the date of issuance of the Series 2013 Bonds or as soon thereafter as reasonably practicable.

Any of the proceeds from the sale of the Series 2013 Bonds deposited in the Project Fund shall be and constitute trust funds for the purposes hereinabove provided and there is hereby created a lien upon such moneys, until so applied, in favor of the Owners of the Series 2013 Bonds. The Owners of the Series 2013 Bonds shall not have a lien on the moneys in the Cost of Issuance Account.

Section 5. APPLICATION OF REVENUES.

(a) On or before 12:00 Noon on the last Business Day prior to each Payment Date, the County shall deposit into the Sinking Fund an amount of Non-Ad Valorem Revenues (which at the time of such deposit become "Pledged Revenues") at least equal to the Debt Service due on such Payment Date

(b) As soon as practicable after the deposit of Pledged Revenues in the Sinking Fund, as provided in paragraph (a) above, and in any case no later than the close of business on the Business Day preceding such Payment Date, the County shall credit moneys therein to the Principal and Interest Account, the amount, if any, required so that the balance in said account shall equal the amount of principal of and interest on the Series 2013 Bonds coming due on the next Payment Date.

(c) In addition, subject to the foregoing, the County shall pay from County Moneys the fees and expenses, at such times as are necessary, of the Paying Agent, the Registrar and any other fees and expenses of the County relating to the Series 2013 Bonds.

Section 6. **SINKING FUND--PRINCIPAL AND INTEREST ACCOUNT**. The County shall pay out of the Principal and Interest Account to the Paying Agent on or before each Payment Date for the Series 2013 Bonds (i) the amount required for the interest payable on such Payment Date; and (ii) the amount of principal of such Series 2013 Bonds due on such Payment Date. Such amounts shall be applied by the Paying Agent on and after the due dates thereof.

Section 7. **COST OF ISSUANCE ACCOUNT**. Moneys on deposit in the Cost of Issuance Account shall be used to pay costs of issuing the Series 2013 Bonds to the extent not paid from other sources. Any moneys remaining in the Cost of Issuance Account not needed for the purposes thereof may be transferred to the Principal and Interest Account of the Sinking Fund.

Section 8. **COVENANTS OF THE COUNTY.**

(a) The County covenants to comply with each applicable requirement of the Code, and any successor provisions thereto, in order to maintain the exclusion of the interest on the Series 2013 Bonds from gross income for federal income tax purposes pursuant to Section 103(a)

of the Code. In furtherance of the covenant contained in the preceding sentence, the County agrees to comply with the provisions of the Arbitrage Certificate executed by the County on the Date of Issue.

(b) The County shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Series 2013 Bonds pursuant to Section 148(f) of the Code from amounts on deposit in the funds and accounts established under this Resolution and available therefor or from any other legally available source.

(c) Notwithstanding any other provision of this Resolution to the contrary, as long as necessary in order to maintain the exclusion of interest on the Series 2013 Bonds from gross income for federal income tax purposes, the covenants contained in this Section shall survive the payment of the Series 2013 Bonds, including any payment or defeasance thereof pursuant to Article V of this Resolution.

(d) The County shall not take or permit any action or fail to take any action which would cause the Series 2013 Bonds to constitute private activity bonds within the meaning of section 141(a) of the Code, and the County shall not take or permit any action of fail to take any action which would cause the Series 2013 Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(e) The County shall set aside moneys in the Project Fund at the times and in the amounts prescribed in the Arbitrage Certificate. All moneys on deposit in the Project Fund for such purpose, including any investment earnings therefrom, shall be applied in accordance with the terms and provisions of the Arbitrage Certificate and shall not be considered Pledged Revenues.

(f) The County covenants that in each Fiscal Year of the County, while the Series 2013 Bonds are Outstanding the total Non-Self-Supporting Debt Service due for each such Fiscal Year of the County shall not exceed 50% of Non-Ad Valorem Revenues of the County. In furtherance of such covenant, the County covenants and agrees that it will not issue any indebtedness or incur any indebtedness payable from or supported by a pledge of the Non-Ad Valorem Revenues unless the County can show that following the issuance of or incurrence of such additional indebtedness, (i) the total amount of Non-Ad Valorem Revenues (based on the most recent Fiscal Year) will be greater than 2.00 times the Maximum Debt Service, (ii) the total amount of Non-Ad Valorem Revenues in each Fiscal Year in which Bonds are Outstanding (based on reasonable projections of the County) will be greater than 2.00 times the Non-Self-Supporting Debt Service in each such Fiscal Year; and (iii) the aggregate principal amount of Non-Self-Supporting Debt bearing a variable interest rate will not exceed twenty-five per cent (25%) of the aggregate principal amount of Non-Self-Supporting Debt.

(g) The County shall in each Fiscal Year prepare and adopt an annual budget in accordance with the provisions of Section 129, Florida Statutes. Unless otherwise provided in the Covenant Agreement, a copy of such annual budget shall be furnished to the registered Owner upon request.

(h) The County covenants that within 270 days (or such different period of time as set forth in the Covenant Agreement, but not less than 180 days) following the end of each Fiscal Year while the Series 2013 Bonds are Outstanding, it shall cause an annual audit (prepared in accordance with generally accepted accounting principles consistently applied) of the County to be conducted by a recognized firm of independent public accountants following the end of each

Fiscal Year. Unless otherwise provided in the Covenant Agreement, a copy of such annual audit shall be furnished to the registered Owner upon request.

[End of Article III]

ARTICLE IV
INVESTMENT OF FUNDS AND ACCOUNTS

(a) Moneys held in all funds and accounts established under this Resolution shall be invested in Investment Obligations. All Investment Obligations shall mature or shall be subject to redemption at the option of the holder thereof not later than the respective dates when moneys held for the credit of such funds or accounts will be required for the purposes intended, including, in particular, the payment of principal of and interest on the Series 2013 Bonds when due.

(b) Whenever a payment or transfer of moneys between two or more of the funds or accounts established pursuant to Article III hereof is permitted or required, such payment or transfer may be made in whole or in part by transfer of one or more Investment Obligations at a value determined in accordance with this Article IV; provided that the Investment Obligations transferred are those in which moneys of the receiving fund or account could be invested at the date of such transfer.

[End of Article IV]

ARTICLE V
DEFEASANCE

(a) If the County shall cause to be paid, or there shall be otherwise paid or provision for payment made to or for the Owner of the Series 2013 Bonds the principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall cause to be paid to the Paying Agent or a bank or trust company appointed as escrow agent all sums of money due or to become due according to the provisions hereof, including the fees, expenses and costs of the Paying Agent or escrow agent as contemplated herein, then this Resolution and the lien, rights and interest created hereby shall cease, determine and become null and void (except as to any surviving rights of payment, registration, transfer or exchange of Series 2013 Bonds herein provided for and except with respect to the covenants of the County, which by the terms of this Resolution survive the defeasance of the Series 2013 Bonds).

(b) In addition, any Series 2013 Bond or Authorized Denominations thereof shall be deemed to be paid within the meaning of this Resolution when (a) payment of the principal of on such Series 2013 Bond or Authorized Denominations thereof, plus interest thereon to the due date thereof either (i) shall have been provided by irrevocably depositing with the Paying Agent or a bank or trust company acting as escrow agent in trust and irrevocably setting aside exclusively for such payment lawful money of the United States of America in an amount equal to the principal amount and all unpaid interest thereon to the due dates thereof; (ii) shall have been provided for by irrevocably depositing with the Paying Agent or a bank or trust company acting as escrow agent in trust and irrevocably setting aside exclusively for such payment Defeasance Obligations maturing as to principal and interest in such amount and at such time as will ensure the availability of sufficient moneys to make such payment, and (b) all necessary and proper fees, compensation and expenses of the Paying Agent or escrow agent pertaining to any

such deposit shall have been paid or the payment thereof provided for to the satisfaction of the Paying Agent or escrow agent, as the case may be. At such times as a Series 2013 Bond or Authorized Denominations thereof shall be deemed to be paid hereunder, as aforesaid, such Series 2013 Bond or Authorized Denominations thereof shall no longer be secured by or entitled to the benefits of this Resolution except for the purposes of any such payment from such moneys and/or Defeasance Obligations.

Notwithstanding the foregoing paragraph, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be deemed a payment of such Series 2013 Bond or Authorized Denominations thereof as aforesaid until: (a) the County shall have given irrevocable instructions to notify, as soon as practicable, the Owner of such Bond, that the deposit required by clause (a)(ii) of the immediately preceding paragraph has been made with the Paying Agent or escrow agent, as the case may be, and that said Series 2013 Bond or Authorized Denominations thereof is deemed to have been paid in accordance with this Article and stating the dates upon which moneys are to be available for the payment of the principal of said Series 2013 Bond or Authorized Denominations thereof, plus interest thereon to the due dates thereof, and (b) the County shall have caused to be delivered to the Paying Agent or escrow agent, as the case may be, a verification report of an independent, nationally recognized, certified public accountant showing the sufficiency of such deposit.

(c) Notwithstanding any provision of any other Article of this Resolution which may be contrary to the provisions of this Article, all moneys and/or Defeasance Obligations set aside and held in trust pursuant to the provisions of this Article and necessary for the payment of Series 2013 Bonds or Authorized Denominations thereof (including interest) shall be applied to and used solely for the payment of the Series 2013 Bonds or Authorized Denominations thereof

(including interest) with respect to which such moneys and/or Defeasance Obligations have been so set aside in trust until payment of such Series 2013 Bonds or Authorized Denominations thereof.

(d) Anything in Article IX hereof to the contrary notwithstanding, if moneys or Defeasance Obligations have been deposited or set aside with the Paying Agent or escrow agent, as applicable, pursuant to this Article for the payment of Series 2013 Bonds or Authorized Denominations thereof and the interest thereon shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Owner of the Series 2013 Bonds.

(e) The provisions of this Article V may be modified by the Covenant Agreement.

[End of Article V]

ARTICLE VI
DEFAULTS AND REMEDIES

Section 1. **EVENTS OF DEFAULT**. Each of the following events, as may be modified by the Covenant Agreement, together with any Event of Default specified in the Covenant Agreement, shall constitute and is referred to in this Resolution as an 'Event of Default":

(a) A failure by the County to pay the principal of the Series 2013 Bonds when the same shall become due and payable; or

(b) A failure by the County to pay an installment of interest on the Series 2013 Bonds after such interest has become due and payable; or

(c) A failure by the County to observe and perform any covenant, condition, agreement or provision (other than as specified in clauses (a) and (b) of this Section) contained in the Series 2013 Bonds or in this Resolution or in the Covenant Agreement on the part of the County to be observed or performed, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the County by the request of Owner of the Outstanding Series 2013 Bonds, unless such Owner shall agree in writing to an extension of such period prior to its expiration, provided, however, that the Owner shall be deemed to have agreed to an extension of such period if corrective action is initiated by the County, or on behalf of the County, within such period and is being diligently pursued.

If on the date payment of principal of or interest on the Series 2013 Bonds is due, sufficient moneys are not available to make such payment, the Paying Agent shall give immediate notice by telephone, telegraph or other electronic means, promptly confirmed in writing of such insufficiency to the Owner of the Outstanding Series 2013 Bonds.

Section 2. **REMEDIES; RIGHT'S OF OWNER**. Upon the occurrence of an Event of Default, the Owner of the Series 2013 Bonds may pursue any available remedy at law or in equity or by statute, including any applicable law or statute of the United States of America or of the State, to enforce the payment of principal of and interest on the Series 2013 Bonds then Outstanding or the obligations of the County hereunder. Notwithstanding anything contained in this Section to the contrary the Owner shall not have the right to accelerate the payment of principal of and interest on the Series 2013 Bonds.

No right or remedy by the terms of this Resolution is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

No delay or omission in exercising any right or remedy accruing upon any default or Event of Default shall impair any such right or remedy or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and every such right or remedy may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Section 3. **RESTORATION TO FORMER POSITION**. In the event that any proceeding taken to enforce any right under this Resolution shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then the County, and the

Owner shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers shall continue as though no such proceeding had been taken.

Section 4. **OWNER'S RIGHT TO DIRECT PROCEEDINGS**. Anything in this Resolution to the contrary notwithstanding, the Owner shall have the right, by an instrument in writing, to direct the time, method and place of conducting all remedial proceedings available under this Resolution or exercising any power conferred by this Resolution.

Section 5. **NO IMPAIRMENT OF RIGHT TO ENFORCE PAYMENT**. Notwithstanding any other provision in this Resolution, the right of the Owner of Series 2013 Bonds then Outstanding to receive payment of the principal of and interest on such Series 2013 Bonds, on or after the respective due dates expressed therein, or to institute suit for the enforcement of any such payment on or after such respective date, shall not be impaired or affected without the consent of such Owner.

[End of Article VI]

ARTICLE VII
PAYING AGENT AND REGISTRAR

Section 1. **COUNTY AS INITIAL PAYING AGENT AND REGISTRAR; COMPENSATION, EXPENSES AND ADVANCES**. Initially, the office of the Chief Financial Officer shall serve as Paying Agent and Registrar. The County reserves the right, without obtaining the consent of the registered Owner, to appoint a successor Paying Agent and Registrar as provided herein.

The Paying Agent and the Registrar (when other than the office of the Chief Financial Officer) pursuant to the terms of this Resolution, shall be entitled to reasonable compensation for their services rendered hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for their actual out-of-pocket expenses (including reasonable counsel fees) reasonably incurred in connection therewith except as a result of their negligence or willful misconduct.

Section 2. **DEALINGS IN SERIES 2013 BONDS AND WITH THE COUNTY**. The Registrar and the Paying Agent in its or their individual capacity or capacities (other than when the office of the Chief Financial Officer is serving as Registrar and/or Paying Agent), may in good faith buy, sell, own, hold and deal in any of the Series 2013 Bonds issued hereunder, and may join in any action which the Owner of Series 2013 Bonds may be entitled to take with like effect as if it did not act in any capacity hereunder. The Registrar or the Paying Agent, in its individual capacity, either as principal or agent (other than when the office of the Chief Financial Officer is serving as Registrar and/or Paying Agent), may also engage in or be interested in any financial or other transaction with the County and may act as depository, trustee or agent for the Owner of the Series 2013 Bonds secured hereby or other obligations of the County, as freely as if it did not act in any capacity hereunder.

Section 3. **ALLOWANCE OF INTEREST**. The Paying Agent may, but shall not be obligated to, allow and credit interest upon any moneys which it may at any time receive under any of the provisions of this Resolution, at such rate, if any, as it customarily allows upon similar funds of similar size and under similar conditions, provided that such allowance and credit shall not result in any violation of Article III, Section 9(d) or Article III, Section 10 hereof relating to arbitrage. All interest allowed on any such moneys shall be credited to the appropriate fund or otherwise applied as provided in Article III with respect to interest on investments. Funds held by the County or Paying Agent (when other than the office of the Chief Financial Officer) hereunder need not be segregated from other funds held by the County or Paying Agent (when other than the office of the Chief Financial Officer) except to the extent required by law.

Section 4. **PAYING AGENT**. The Paying Agent shall:

(a) hold all sums held by it for the payment of the principal of or interest on Bonds in trust for the benefit of the Owner of the Outstanding Series 2013 Bonds until such sums shall be paid to such Owner or otherwise disposed of as herein provided, and

(b) keep such books and records as shall be consistent with prudent industry practice, and make such books and records available for inspection by the County and the Owner at all reasonable times.

Section 5. **QUALIFICATIONS OF PAYING AGENT; RESIGNATION, REMOVAL**. Any Paying Agent (when other than the office of the Chief Financial Officer) appointed hereunder shall be a commercial bank or trust company duly organized under the laws of the United States of America or any state or territory thereof, having (or its parent having) a combined capital stock, surplus and undivided profits of at least $50,000,000 or $500,000,000

under trust management and authorized by law to perform all the duties imposed upon it by this Resolution. The Paying Agent (when other than the County) may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) days' notice to the County, however, that no resignation of the Paying Agent shall take effect until a successor has been appointed by the County and has accepted the duties of Paying Agent. The office of the Chief Financial Officer may resign as Paying Agent, however, that such resignation shall not take effect until a successor has been appointed by the County.

The Paying Agent (when other than the office of the Chief Financial Officer) may be removed by the County by an instrument or instruments in writing which may be accompanied by an instrument of appointment by the County of a successor and filed with the Bondholder.

In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor.

In the event that the County shall fail to appoint a Paying Agent hereunder, or in the event that the Paying Agent shall resign or be removed, or be dissolved, or if the property or affairs of the Paying Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the County shall not have appointed its successor as Paying Agent, the office of the Chief Financial Officer of the County shall ipso facto be deemed to be, or continue to be, the Paying Agent for all purposes of this Resolution until the appointment by the County of the Paying Agent or successor Paying Agent, as the case may be.

Section 6. **REGISTRAR**. The Registrar hereby agrees, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the County and the Bondholder at all reasonable times.

The County shall cooperate with the Registrar to cause the necessary arrangements to be made and to be thereafter continued whereby Series 2013 Bonds, executed by the County and authenticated by the Registrar or any authenticating agent, shall be made available for exchange, registration and registration of transfer at the designated office of the Registrar. The County shall cooperate with the Registrar to cause the necessary agreements to be made and thereafter continued whereby the Registrar shall be furnished such records and other information, at such times, as shall be required to enable the Registrar to perform the duties and obligations imposed upon him hereunder.

Section 7. **QUALIFICATIONS OF REGISTRAR; RESIGNATION; REMOVAL**. The Registrar, initially, shall be the office of the Chief Financial Officer. Any successor appointed hereunder (when not the office of the Chief Financial Officer) shall be a corporation duly organized under the laws of the United States of America or any state or territory thereof, having (or its parent having) a combined capital stock, surplus and undivided profits of at least $50,000,000 or $500,000,000 under trust management and authorized by law to perform all the duties imposed upon it by this Resolution. The Registrar (when not the office of the Chief Financial Officer) may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) days' notice to the County and the Paying Agent (if not also the Registrar). The Registrar may be removed at any time, at the direction of the County by an instrument, signed by the County, filed with the Registrar and the Paying Agent (if not also the Registrar) and the Bondholder. The office of the Chief Financial Officer may resign as Registrar, however, that such resignation shall not take effect until a successor has been appointed by the County.

In the event of the resignation or removal of the Registrar, the Registrar shall deliver any Series 2013 Bonds held by it in such capacity to its successor or, if there be no successor, to the Paying Agent.

In the event that the County shall fail to appoint a Registrar hereunder, or in the event that the Registrar shall resign or be removed, or be dissolved, or if the property or affairs of the Registrar shall be taken under the control of any state or federal court or administrative body because of bankruptcy or insolvency, or for any other reason, and the County shall not have appointed a successor as Registrar, the Paying Agent (if not also the Registrar) shall ipso facto be deemed to be the Registrar for all purposes of this Resolution until the appointment by the County of the Registrar or successor Registrar, as the case may be.

Section 8. **SEVERAL CAPACITIES**. Anything in this Resolution to the contrary notwithstanding, the same entity may serve hereunder as the Registrar, the Paying Agent and the authenticating agent and in any other combination of such capacities, to the extent permitted by law.

[End of Article VII]

ARTICLE VIII
ADDITIONAL MATTERS RELATING TO SERIES 2013 BONDS

Section 1. SALE OF THE SERIES 2013 BONDS. The Board hereby finds that, based on present market conditions, the volatility of interest rates and the recommendation of the Financial Advisor, it would be in the best interest of the County that the Series 2013 Bonds be sold on a negotiated private placement basis as hereafter described. The County Administrator and Debt Manager, in consultation with the Financial Advisor, are hereby authorized to conduct a competitive proposal process to identify qualified financial institutions interested in purchasing the Series 2013 Bonds and to select as the Purchaser the institution that provides, in the judgment of the County Administrator and Debt Manager (in consultation with the Financial Advisor), the most favorable overall proposal to the County for the purchase of the Series 2013 Bonds. In order to set forth additional covenants of the County and other matters that may be required by the Purchaser in connection with the Series 2013 Bonds, the execution and delivery of the Covenant Agreement is hereby authorized in substantially the form attached hereto as Exhibit "B." Such form of Covenant Agreement, subject to the Parameters, shall contain provisions not in conflict with this Resolution, except as such conflicting provisions may be permitted hereby, and may include additional covenants of the County required by the Purchaser, all as shall be approved by the County Administrator and Debt Manager, in consultation with the Financial Advisor and Bond Counsel. Upon such approval, the Mayor or the Vice Mayor in the absence of the Mayor (or any member of the Board in the absence of the Mayor or Vice Mayor) is hereby authorized and directed to execute, and the Clerk is hereby authorized and directed to attest, the Covenant Agreement. The execution and delivery of the Covenant Agreement shall constitute conclusive evidence of the approval thereof. It shall be a condition to the issuance and delivery of the Series 2013 Bonds that the Purchaser provide the County with a Disclosure and Truth-in-

Bonding Statement as required by Section 218.385, Florida Statutes and a customary investor letter executed on behalf of the Purchaser on the Date of Issue. The continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12 shall not apply to the Series 2013 Bonds.

Section 2. **APPOINTMENT OF PAYING AGENT AND REGISTRAR; COMPENSATION, EXPENSES AND ADVANCES**. The office of the Chief Financial Officer is hereby appointed as initial Paying Agent and initial Registrar with respect to the Series 2013 Bonds.

The Paying Agent and the Registrar (other than the office of the Chief Financial Officer or other County official), pursuant to the terms of this Resolution, shall be entitled to reasonable compensation for their services rendered under this Resolution and hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for their actual out-of-pocket expenses (including reasonable counsel fees) reasonably incurred in connection therewith except as a result of their negligence or willful misconduct.

To the extent necessary to evidence the rights, duties and obligations of the Paying Agent and Registrar, the Mayor or the Vice Mayor in the absence of the Mayor (or any member of the Board in the absence of the Mayor or Vice Mayor), in consultation with the Financial Advisor and Bond Counsel, is hereby authorized and directed to execute an agreement or agreements with the Paying Agent and Registrar setting forth such rights, duties and obligations. The Clerk is authorized and directed to attest such agreement. The execution and delivery of any such

agreement by the Mayor or Vice Mayor (or any member of the Board in the absence of the Mayor or Vice Mayor) shall constitute conclusive evidence of the approval thereof.

[End of Article VIII]

ARTICLE IX
MISCELLANEOUS PROVISIONS

Section 1. **MODIFICATION OR AMENDMENT.**

(a) Except as provided in paragraph (b) below, no material modification or amendment of this Resolution or of any resolution amendatory thereof or supplemental thereto, may be made without the consent in writing of the Owner of the Outstanding Series 2013 Bonds.

(b) Except as may otherwise be set forth in the Covenant Agreement, this Resolution may be amended, changed, modified and altered without the consent of the Owner of the Outstanding Series 2013 Bonds, (i) to cure any ambiguity, correct or supplement any provisions contained herein which may be defective or inconsistent with any other provisions contained herein, (ii) to provide other changes which will not adversely affect the interest of such Owner, or (iii) to maintain the exclusion of interest on the Series 2013 Bonds from gross income for federal income tax purposes.

Section 2. **SEVERABILITY OF INVALID PROVISIONS**. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions, and shall in no way affect the validity of any of the other provisions of this Resolution or of the Series 2013 Bonds issued hereunder.

Section 3. **EFFECTIVE DATE**. This Resolution shall take effect immediately upon its adoption.

The foregoing resolution was offered by Commissioner Taylor who moved its adoption. The motion was seconded by Commissioner Vana, and upon being put to a vote, the motion passed as follows:

Commissioner Steven L. Abrams, Mayor	-	Aye
Commissioner Priscilla A. Taylor, Vice Mayor	-	Aye
Commissioner Hal R. Valeche	-	Aye
Commissioner Paulette Burdick	-	Aye
Commissioner Shelley Vana	-	Aye
Commissioner Mary Lou Berger	-	Aye
Commissioner Jess R. Santamaria	-	Aye

The Mayor thereupon declared the resolution duly passed and adopted this 10th day of September, 2013.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

SHARON R. BOCK, CLERK & COMPTROLLER

By: _____
Deputy Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____
County Attorney

EXHIBIT "A"

PROJECT

Vehicles:

Replacement road patrol vehicles equipped with radio and mobile equipment

Computer Technology:

Replacement of PCs and field ruggedized laptops
Jail wireless and Jail video conferencing projects

Radios:

Upgrade/replacement of Deputy radios from analog to digital

and any other capital equipment in addition or in replacement of the above so required by the Sheriff's office.

EXHIBIT "B"

Form of Covenant Agreement

COVENANT AGREEMENT

THIS COVENANT AGREEMENT (this "Agreement") is made and entered into as of the ____ day of September, 2013 by and between **PALM BEACH COUNTY, FLORIDA** (the "County") and **[NAME OF PURCHASER]** (the "Bank") in connection with the County's $_____ Improvement Revenue Bonds, Series 2013 (Sheriff's Equipment Project) being issued on this day and purchased by the Bank (the "Bonds").

RECITALS:

WHEREAS, on September 10, 2013, the County adopted Resolution No. R-2013-____ authorizing the issuance of the Bonds (the "Resolution") (all capitalized terms not otherwise defined herein having the meaning ascribed thereto in the Resolution); and

WHEREAS, as contemplated by the Resolution, following the date of adoption thereof, the Bank was selected to purchase the Bonds; and

WHEREAS, the Resolution contemplates the execution of this Agreement to set forth additional covenants of the County and certain requirements of the Bank in connection with its purchase of the Bonds.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Bank agree as follows:

1. [INSERT SPECIAL COVENANTS AND OTHER MUTUALLY AGREEABLE TERMS AND CONDITIONS IN ALL CASES SUBJECT TO THE PARAMETERS].

2. This Agreement is prepared and entered into with the intention that the law of the State of Florida shall govern the construction of this Agreement, the Resolution and the Bonds. The County hereby submits itself to jurisdiction in the State of Florida for any action or cause of action arising out of or in connection with this Agreement, the Resolution or the Bonds, and agrees that venue for any such action shall be in Palm Beach County, Florida, and waives any and all rights under the laws of any state to object to jurisdiction or venue within Palm Beach County, Florida.

3. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT EACH MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE RESOLUTION OR THE BONDS OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY WITH RESPECT HERETO OR THERETO. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO ENTER INTO AND ACCEPT THIS AGREEMENT AND TO PURCHASE THE BONDS.

4. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but one and the same instrument. Signature and acknowledgment pages, if any, may be

detached from the counterparts and attached to a single copy of this document to physically form one document.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date first written above.

PALM BEACH COUNTY, FLORIDA

By: _____
Name: Steve Abrams, Mayor/Chairman
Title: Board of County Commissioners

[Seal]

Attest:

SHARON A. BROCK, CLERK AND COMPTROLLER

_____
By: Chief Deputy Clerk of the Circuit Court and Ex-Officio clerk of the Board of County Commissioners of Palm Beach County, Florida

[NAME OF PURCHASER]

By: _____
Title: Senior Vice-President

WPB 383064438v2/013000.012600

EXHIBIT "C"

FORM OF SERIES 2013 BONDS

The text of the Series 2013 Bonds shall be of substantially the tenor set forth below, with such changes as may be necessary to conform to the Covenant Agreement.

THIS OBLIGATION MAY BE TRANSFERRED ONLY WITH THE

WRITTEN CONSENT OF THE COUNTY AS DESCRIBED HEREIN.

No. R-1 $_____

UNITED STATES OF AMERICA
STATE OF FLORIDA
PALM BEACH COUNTY
IMPROVEMENT REVENUE BOND, SERIES 2013
(SHERIFF'S EQUIPMENT PROJECT)

Interest Rate	**Maturity Date**	**Dated Date**
_____%	_____ 1, 20__	_____, 2013

Registered Owner: [Purchaser]

Principal Amount: _____ DOLLARS ($_____)

KNOW ALL MEN BY THESE PRESENTS, that Palm Beach County, Florida (the "County"), for value received, hereby promises to pay, solely from the Pledged Revenues (hereinafter defined) to the Registered Owner or registered assigns on the Maturity Date specified above the Principal Amount stated hereon, and to pay, solely from the Pledged Revenues, interest on the Principal Amount from the date hereof to the Maturity Date at the Interest Rate per annum set forth above, subject to adjustment as herein provided. The Principal Amount and accrued interest thereon is payable in any coin or currency of the United States of America, which, on the date of payment thereof, shall be legal tender for the payment of public and private debts. All capitalized terms not otherwise defined herein shall have the meaning

ascribed thereto in the Resolution (hereinafter defined). Promptly following the payment of the principal of this Bond, the Registered Owner shall provide the County with evidence of the cancellation hereof. The office of the Chief Financial Officer is serving as the Initial Paying Agent and Registrar for this Bond. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Resolution.

Interest on this Bond shall be calculated on the basis of a 360 day year consisting of twelve 30 day months and shall be payable on each June 1 and December 1 through the Maturity Date, commencing on June 1, 2014 in accordance with the amortization schedule attached hereto. Principal on this Bond shall be payable annually on each December 1, commencing [December 1, 2014] through the Maturity Date in accordance with the amortization schedule attached hereto. [The principal of this Bond may also be subject to optional prepayment by the County in the manner described below.]

[In the event any payment of the principal of and interest on this Bond is not paid when due, the unpaid amounts shall bear interest, from and after five (5) days after the due date, at the Default Rate (as hereinafter defined). The term "Default Rate" shall mean [_____].

[Add additional adjustments to interest rate per annum required by Purchaser]

This Bond [shall] [shall not] be redeemable prior to the Maturity Date at the option of the County. [Include optional redemption features, if any.]

This Bond represents all of an authorized issue of bonds of the County designated as its Improvement Revenue Bonds, Series 2013 (Sheriff's Equipment Project) (the "Series 2013 Bonds") issued under the authority of and in full compliance with the Constitution, the County Charter, as amended and supplemented, and laws of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes and other applicable provisions of law, and a resolution

duly adopted by the Board on September 10, 2013 (the "Resolution") is issued for the purposes set forth in the Resolution, and is subject to all the terms and conditions of the Resolution. This Bond is issuable only as a registered bond without coupons in Authorized Denominations equal to the Outstanding principal amount of this Bond from time to time.

This Bond is a special obligation of the County and is payable solely in the manner and to the extent set forth in the Resolution. The County has pledged the Pledged Revenues for the payment of the principal of and interest on this Bond in accordance with the terms and the provisions of the Resolution. This Bond shall not be or constitute a general obligation of the County within the meaning of the Constitution of the State of Florida but shall be payable solely from and secured by a lien upon and a pledge of the Pledged Revenues, in the manner and to the extent provided in the Resolution. No Owner shall ever have the right to compel the exercise of the ad valorem taxing power of the County or taxation in any form on any real or personal property to pay this Bond or the interest thereon, nor shall any Owner be entitled to payment of such principal or interest from any other funds of the County other than as provided in the Resolution. Furthermore, no Owner shall ever have a lien on the Project or any other real or personal property of the County, except for the Pledged Revenues, in the manner and to the extent provided in the Resolution.

Until this Bond is paid or deemed paid pursuant to the provisions of the Resolution, the County covenants to appropriate in its annual budget in each Fiscal Year, by amendment if necessary, Non-Ad Valorem Revenues in amounts sufficient to pay the principal of and interest on this Bond, as the same become due.

The Resolution provides that notwithstanding the foregoing covenant of the County, the County does not covenant to maintain any services or programs, now provided or maintained by

the County, which generate Non-Ad Valorem Revenues. The Resolution further provides that to the extent that the County is in compliance with the foregoing covenant and Section 9(e) of Article III of the Resolution, the obligations of the County contained in the Resolution shall not be construed as a limitation on the ability of the County to pledge or covenant with respect to the Non-Ad Valorem Revenues for other indebtedness or other legally permissible purposes.

Such covenant to budget and appropriate Non-Ad Valorem Revenues is not a pledge by the County of such Non-Ad Valorem Revenues and is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into, including the payment of debt service on bonds or other obligations. Such covenant to budget and appropriate is subject to the provisions of Section 129.07, Florida Statutes, which makes it unlawful for the County to expend moneys not appropriated and in excess of the County's current budgeted revenues. Such covenant does not require the County to levy and collect any particular source of Non-Ad Valorem Revenues nor to maintain or increase any regulatory fees or user charges with respect to any particular source of Non-Ad Valorem Revenues. Such covenant does not give the Paying Agent a prior claim on such Non-Ad Valorem Revenues as opposed to claims of general creditors of the County until such time as a deposit of such Non-Ad Valorem Revenues is made into the Sinking Fund or other fund created under the Resolution for the Bonds.

"Pledged Revenues" means: (i) moneys budgeted and appropriated by the County, and deposited into the Sinking Fund or any other Fund established under the Resolution, from Non-Ad Valorem Revenues (until deposited into the Sinking Fund in the manner and at the time specified in the Resolution such moneys do not constitute Pledged Revenues); (ii) any proceeds of Bonds originally deposited with the County and all moneys deposited and held from time to

time by the County in the funds and accounts established pursuant to the Resolution; (iii) investment income received by the County in the funds and accounts established pursuant to the Resolution; and (iv) any other moneys received by the Paying Agent in connection with repayment of the Bonds.

"Non-Ad Valorem Revenues" means available revenues of the County derived from any source whatever other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Debt Service on this Bond, including, after the payment from the sources of Non-Ad Valorem Revenues pledged thereto of the principal of and interest on any obligations of the County hereafter issued which have a prior pledge on any source of the Non-Ad Valorem Revenues; provided however that for the purpose of the anti-dilution test set forth in of the Resolution, "Non-Ad Valorem Revenues" means all available revenues of the County derived from any source whatever other than ad valorem taxation on real and personal property which are legally available for payment by the County of Non-Self-Supporting Debt Service.

The original Registered Owner, and each successive Registered Owner of this Bond shall be conclusively deemed to have agreed and consented to the terms and conditions of the Resolution and this Bond, including the following:

(1) The Registrar shall maintain the books of the County for the registration of this Bond as provided in the Resolution. Notwithstanding anything to the contrary in the Resolution, the Initial Registered Owner may not participate the obligations evidenced hereby. Further, notwithstanding anything to the contrary in the Resolution, this Bond may only be transferred or assigned in whole, but not in part, subject to the prior written consent of the County, which consent shall not be unreasonably withheld, provided that

the proposed transferee or assignee delivers to the County an investor certificate in form and substance identical to that delivered to the County by the initial Registered Owner hereof.

(2) The Paying Agent and Registrar shall deem and treat the person in whose name this Bond shall be registered upon the books kept by the Registrar as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond as the same becomes due, and for all other purposes. All such payments so made to any such Registered Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the County, directly and in its capacity as Paying Agent and Registrar, shall not be affected by any notice to the contrary.

(3) If less than all of this Bond is defeased, the County shall execute and the Chief Financial Officer, as Registrar, shall authenticate and deliver, upon the surrender of this Bond, without charge to the Bondholder, for the unpaid balance of the principal amount of this Bond so surrendered, a registered Bond in the appropriate Authorized Denominations and interest rate.

THE COUNTY, BY EXECUTION HEREOF, AND THE REGISTERED OWNER, BY ACCEPTANCE HEREOF, MUTUALLY AND WILLINGLY WAIVE THE RIGHT TO A TRIAL BY JURY OF ANY AND ALL CLAIMS MADE BETWEEN THEM WHETHER NOW EXISTING OR ARISING IN THE FUTURE, INCLUDING, WITHOUT LIMITATION, ANY AND ALL CLAIMS, AND INTERVENOR'S CLAIMS WHETHER ARISING FROM OR

RELATED TO THE NEGOTIATION, EXECUTION, AND PERFORMANCE OF THE TRANSACTIONS TO WHICH THIS BOND RELATES.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to the 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 laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Bond is in full compliance with all constitutional or statutory limitations or provisions.

IN WITNESS WHEREOF, Palm Beach County, Florida, has issued this Bond and has caused the same to be executed by the manual signature of its Mayor and the official seal of the County to be affixed hereto or lithographed or imprinted or reproduced hereon, and attested by the manual signature of the Chief Deputy Clerk, all as of the Dated Date.

PALM BEACH COUNTY, FLORIDA

(OFFICIAL SEAL)

By: _____
Mayor of the Board of County Commissioners

ATTEST:

_____
Chief Deputy Clerk of the Circuit Court
and Ex-Officio Clerk of the
Board of County Commissioners of
Palm Beach County, Florida

[FORM OF CERTIFICATE OF AUTHENTICATION]

Date of Authentication: _____, 2013

This Bond represents all of the Series 2013 Bonds delivered pursuant to the within mentioned Resolution.

_____, as Registrar

By: _____
Authorized Officer

AMORTIZATION SCHEDULE

[To follow]

STATE OF FLORIDA, COUNTY OF PALM BEACH
I, SHARON R. BOCK, Clerk and Comptroller
certify this to be a true and correct copy of the original
filed in my office on SEP 10 2013
dated at West Palm Beach, FL on 9/13/13
By: _____ Deputy Clerk
BOARD OF COUNTY COMMISSIONERS PALM BEACH COUNTY FLORIDA