

EXECUTION COPY

LOAN AGREEMENT

between

ST. LUCIE COUNTY, FLORIDA

and

TD BANK, N.A.

Dated as of November 3, 2014

TABLE OF CONTENTS

	<u>Page</u>
SECTION 1. DEFINITIONS.....	1
SECTION 2. INTERPRETATION.....	5
SECTION 3. THE LOAN.....	5
SECTION 4. DESCRIPTION OF BOND	5
SECTION 5. EXECUTION OF BOND	6
SECTION 6. REGISTRATION AND TRANSFER OF BOND.....	6
SECTION 7. BOND MUTILATED, DESTROYED, STOLEN OR LOST	7
SECTION 8. FORM OF BOND.....	7
SECTION 9. SECURITY FOR BOND; BOND NOT DEBT OF THE COUNTY	7
SECTION 10. COVENANTS OF THE COUNTY.....	8
SECTION 11. APPLICATION OF BOND PROCEEDS	11
SECTION 12. CONDITIONS PRECEDENT	11
SECTION 13. REPRESENTATIONS AND WARRANTIES.....	12
SECTION 14. TAX COMPLIANCE	12
SECTION 15. NOTICES.....	13
SECTION 16. EVENTS OF DEFAULT DEFINED.....	13
SECTION 17. REMEDIES.....	14
SECTION 18. NO RECOURSE.....	14
SECTION 19. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS	14
SECTION 20. DEFEASANCE.....	14
SECTION 21. WAIVER OF JURY TRIAL.....	15
SECTION 22. AMENDMENTS, CHANGES AND MODIFICATIONS	15
SECTION 23. BINDING EFFECT	15

TABLE OF CONTENTS
(continued)

	<u>Page</u>
SECTION 24. SEVERABILITY	15
SECTION 25. EXECUTION IN COUNTERPARTS	15
SECTION 26. APPLICABLE LAW	15

This LOAN AGREEMENT made and entered as of November 3, 2014, by and between ST. LUCIE COUNTY, FLORIDA (the "County") and TD BANK, N.A. (the "Lender").

W I T N E S S E T H

WHEREAS, the County has determined that it is necessary, desirable and in the best interests of the County and its inhabitants that the County issue \$10,495,000 in aggregate principal amount of its Capital Improvement Revenue Refunding Bond, Series 2014 (the "Bond"), for the principal purpose of refunding the County's Public Improvement Refunding Revenue Bonds, Series 2004A and State Revenue Sharing Improvement Revenue Bonds, Series 2005 (collectively, the "Refunded Bonds").

WHEREAS, the County has determined that it is without adequate currently available funds to refinance the Refunded Bonds and it is necessary that funds be made immediately available to the County in order to refinance the Refunded Bonds.

WHEREAS, the County has determined that it is in its best interest to accept the proposal of the Lender as set out herein.

WHEREAS, the Lender has agreed to lend the County the aggregate principal amount of \$10,505,000 in return for the Bond.

WHEREAS, the County has determined that it is in the best interest of the health, safety, and welfare of the County and the inhabitants thereof that the County covenant to budget and appropriate from its Non-Ad Valorem Revenues amounts sufficient to repay the principal of and interest on the Bond when due, as provided herein.

WHEREAS, the Bond shall not constitute a general obligation or indebtedness of the County as a "bond" within the meaning of any provision of the Constitution of the State, but shall be and is hereby declared to be a special, limited obligation of the County, the principal of and interest on which is payable solely from the Pledged Funds in the manner provided herein, and the principal of and interest on the Bond and all other payments provided for herein will be paid solely from the Pledged Funds, and it will never be necessary or authorized to levy taxes on any real property of or in the County to pay the principal of or interest on the Bond or other payments provided for herein. Furthermore, neither the Bond nor the interest thereon shall be or constitute a lien upon the projects financed by the Refunded Bonds or upon any other property of or in the County other than the Pledged Funds in the manner provided herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein set forth and other good and valuable consideration, the receipt and sufficient of which are hereby acknowledged, the parties do hereby agree as follows:

SECTION 1. DEFINITIONS. The following terms shall have the following meanings herein, unless the text otherwise expressly requires:

"Act" means Section 125.01, et seq., Florida Statutes, and other applicable provisions of law.

"Authorized Investments" means any obligations, deposit certificates, or other evidences of indebtedness legal for investment pursuant to law, to the extent not inconsistent with the terms of the investment policy of the County and applicable law.

"Board" means the Board of County Commissioners of the County.

"Bond" means the Bond of the County delivered to the Lender in substantially the form attached hereto as Exhibit A with such modifications thereto as may be approved by the Chair, upon the advice of the County Attorney, such approval to be presumed by the Chair's execution thereof.

"Business Day" means any day of the year on which banks in Fort Pierce, Florida are not required or authorized by law to remain closed and on which the Lender and the Paying Agent and the New York Stock Exchange, Inc. are open for business.

"Chair" means the Chair of the Board, acting on behalf of the Board, and in his absence or unavailability, the Vice-Chair of the Board, and such other person or persons as may be duly authorized to act on their behalf.

"Clerk" means the Clerk of the Board, acting on behalf of the Board, any Deputy Clerk designated by the Clerk to act on his or her behalf, or such other person or persons as may be duly authorized to act on his or her behalf.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations, procedures and rules thereunder in effect or proposed.

"Covenant Debt" means all other indebtedness of the County payable from a covenant to budget and appropriate Non-Ad Valorem Revenues on the same basis as the Bond.

"County" means St. Lucie County, Florida, a political subdivision of the State of Florida.

"Default Rate" shall be six (6) percentage points in excess of the Stated Rate.

"Determination of Taxability" shall mean, if caused by action or inaction of the County (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Bond is includable for federal income tax purposes in the gross income of the owner thereof, which notice or notification is not contested by either the County or any owner of the Bond, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Bond is includable for federal income tax purposes in the gross income of the owner thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the County to the effect that interest on the Bond is includable for federal income tax purposes in the gross income of the owner thereof.

"Escrow Agent" means U.S. Bank National Association, its successors and assigns.

"Escrow Agreement" means the Escrow Deposit Agreement, dated as of November 3, 2014 between the County and the Escrow Agent, as the same may be amended and supplemented.

"Federal Securities" means direct obligations of the United States of America and obligations the principal of and interest on which are fully guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor.

"Fiscal Year" means the period from October 1 to the succeeding September 30, or such other period as may be prescribed by law.

"Lender" means TD Bank, N.A., as initial registered owner of the Bond, or its successor in interest or its assigns.

"Maturity Date" means the date which the principal and interest on the Bond, or any portion thereof, shall be payable.

"Maximum Debt Service Requirement" for the Bond, any Covenant Debt, or Senior Debt shall mean, as of any particular date of calculation and with respect to any period, the amount of principal of and interest on the Bond, such Covenant Debt or Senior Debt coming due in the then current or any future period in which such sum is the greatest.

"Non-Ad Valorem Revenues" means all revenues of the County derived from any source whatsoever other than ad valorem taxation and legally available to pay principal of and interest on the Bond, but only after provision has been made by the County for the payment of all essential or legally mandated services.

"Paying Agent" means the Clerk.

"Person" or words importing persons, means firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities and natural persons.

"Pledged Funds" means, until applied in accordance with the provisions of this Loan Agreement, all moneys, including investments thereof, in the Sinking Fund established hereunder. Pledged Funds shall include all amounts transferred to the Sinking Fund as a result of the County's covenant to budget and appropriate Non-Ad Valorem Revenues contained herein.

"Refunded Bonds" shall mean the County's Public Improvement Refunding Revenue Bonds, Series 2004A and State Revenue Sharing Improvement Revenue Bonds, Series 2005.

"Register" means the books maintained by the Registrar in which are recorded the name and address of the holder of the Bond.

"Registrar" means the Person maintaining the Register. The Registrar shall be the Clerk.

"Regulations" means the Income Tax Regulations promulgated by the Internal Revenue Service under Sections 103, 141 through 150 and 265 of the Internal Revenue Code of 1986 in effect from time to time.

"Resolution" means Resolution No. 2014-191, adopted by the Board on October 21, 2014.

"Senior Debt" shall mean any debt of the County secured by a lien on or a pledge of any specific source of Non-Ad Valorem Revenues.

"Sinking Fund" means the fund created and established pursuant to Section 10(D) hereof.

"State" means the State of Florida.

"Stated Rate" shall mean 2.41%, subject to adjustment as follows: (i) In the event a Determination of Taxability shall have occurred, the rate of interest on the Bond shall be increased to the Taxable Rate, effective retroactively to the date on which the interest payable on the Bond is includable for federal income tax purposes in the gross income of the owner thereof. In addition, the owner of the Bond or any former owners of the Bond, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States of America by the owner or former owners of the Bond as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the County within sixty (60) days following the Determination of Taxability and demand by the owner.

(ii) In the alternative, in the event that interest on the Bond during any period becomes partially taxable as a result of a Determination of Taxability applicable to less than all of the Bond, then the interest rate on the Bond shall be increased during such period by an amount equal to: $(A-B) \times C$ where:

- (A) "A" equals the Taxable Rate (expressed as a percentage);
- (B) "B" equals the interest rate on the Bond (expressed as a percentage); and
- (C) "C" equals the portion of the Bond the interest on which has become taxable as the result of such tax change (expressed as a decimal).

In addition, the owner of the Bond or any former owner of the Bond, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the owner or former owners of the Bond as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the County within sixty (60) days following the Determination of Taxability and demand by the owner.

"Taxable Rate" means a rate equal to that rate which after the Determination of Taxability will result in the same after-tax yield to the owner of the Bond as before said Determination of Taxability.

SECTION 2. INTERPRETATION. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

SECTION 3. THE LOAN.

A. Loan. The Lender hereby makes and the County hereby accepts the loan in the principal amount of \$10,495,000 upon the terms and conditions herein.

B. Disbursement of Proceeds. Proceeds of the loan shall be made available to the County on the date of closing of the loan.

SECTION 4. DESCRIPTION OF BOND. (A) The loan shall be evidenced by the Bond. The Bond shall be dated as of the date of initial delivery thereof; shall mature on October 1, 2025, shall be in registered form; and shall bear interest from its date until payment of the principal amount thereof, at the Stated Rate. Interest on the Bond shall be payable on each April 1 and October 1, commencing April 1, 2015 and at the maturity of the Bond, calculated on a basis of 360 days comprised of twelve, 30-day months. Principal shall be paid each October 1, commencing October 1, 2015 in the amounts set forth in the form of Bond attached hereto as Exhibit A. All payments shall be made by auto debit in such manner as shall be acceptable to the Lender.

(B) The Bond is subject to redemption prior to maturity, at the option of the County and with five days' prior written notice to the Lender, in whole or in part at any time, upon payment of a redemption price equal to the greater of (i) 101% of the outstanding principal amount of the Bond, plus accrued interest to the redemption date, and (ii) the outstanding principal amount of the Bond, plus accrued interest to the redemption dates, plus a "Yield Maintenance Fee" in an amount computed as follows:

The current cost of funds, specifically the bond equivalent yield for United States Treasury securities (bills on a discounted basis shall be converted to a bond equivalent yield) with a maturity date closest to the remaining term of the Bond, shall be subtracted from the Stated Rate, or Default Rate if applicable. If the result is zero or a negative number, there shall be no Yield Maintenance Fee due and payable. If the result is a positive number, then the resulting percentage shall be multiplied by the scheduled outstanding principal balance for each remaining monthly period of the remaining term of the Bond. Each resulting amount shall be divided by 360 and multiplied by the number of days in the monthly period. Said amounts shall be reduced to present values calculated by using the above referenced current costs of funds divided by 12. The resulting sum of

present values shall be the yield maintenance fee due to the Lender upon prepayment of the principal of the Bond plus any accrued interest due as of the prepayment date.

(C) Upon and during the continuance of an Event of Default, the Bond shall bear interest at the Default Rate until all amounts then due under the Bond are paid in full, or the Event of Default is cured.

(D) The County also agrees to pay to the Lender a late charge on any scheduled payment of principal of and, to the extent legally enforceable, interest on, the Bond that shall not have been paid by the sixteenth (16th) day following the date such scheduled payment is due and payable, in an amount equal to six percent (6%) of such scheduled payment. The fee is not a penalty, but liquidated damages to defray administrative and related expenses due to such late payment. The fee shall be immediately due and payable and shall be paid by the County to the Lender without notice or demand. This provision for a fee is not and shall not be deemed a grace period and the Lender has no obligation to accept a late payment. Further, the acceptance of a late payment shall not constitute a waiver of any default then existing or thereafter arising under the Bond. The foregoing right to a late charge is in addition to, and not in limitation of, any other rights which the Lender may have upon the County's failure to make a timely payment.

SECTION 5. EXECUTION OF BOND. The Bond shall be executed in the name of the County by the Chair, and attested and countersigned by the Clerk, and its official seal or a facsimile thereof shall be affixed thereto or reproduced thereon. The Bond may be signed and sealed on behalf of the County by any person who at the actual time of the execution of such Bond shall hold such office in the County, although at the date of such Bond such person may not have been so authorized. The Bond may be executed by the facsimile signatures of the Chair or Clerk.

SECTION 6. REGISTRATION AND TRANSFER OF BOND. The Bond shall be and shall have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code-Investment Securities Laws of the State of Florida, and each registered owner, in accepting the Bond, shall be conclusively deemed to have agreed that such Bond shall be and have all of the qualities and incidents of negotiable instruments thereunder.

There shall be a Registrar who shall be responsible for maintaining the Register. The person in whose name ownership of the Bond is shown on the Register shall be deemed the owner thereof by the County and the Registrar, and any notice to the contrary shall not be binding upon the County or the Registrar. The County and the Registrar may treat the registered owner as the absolute owner of the Bond for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

Ownership of the Bond may be transferred only upon the Register. Upon surrender to the Registrar for transfer or exchange of any Bond accompanied by an assignment or written authorization for exchange, whichever is applicable, duly executed by the registered owner or its attorney duly authorized in writing, the Registrar shall deliver in the name of the registered owner or the transferee or transferees, as the case may be, a new fully registered Bond of authorized denominations and of the same maturity and interest rate and for the aggregate principal amount as the Bond surrendered.

The Bond presented for transfer, exchange, redemption or payment (if so required by the County or the Registrar) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the County or the Registrar, duly executed by the registered owner or by his duly authorized attorney.

The Registrar or the County may require payment from the registered owner or his transferee, as the case may be, of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto by any governmental body other than the County. Such charges and expenses shall be paid before any such new Bond shall be delivered.

The new Bond delivered upon any transfer or exchange shall be a valid obligation of the County, evidencing the same debt as the Bond surrendered, shall be secured under this Agreement, and shall be entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.

Whenever any Bond shall be delivered to the Registrar for cancellation, upon payment of the principal amount thereof, or for replacement, transfer or exchange, such Bond shall be canceled and destroyed by the Registrar, and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the County.

SECTION 7. BOND MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall be mutilated, or be destroyed, stolen or lost, upon the registered owner furnishing the Registrar proof of its ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the County may prescribe and paying such expenses as the County may incur, the Registrar shall issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in lieu of or substitution for the Bond, if any, destroyed, stolen or lost, or in exchange and substitution for such mutilated Bond, upon surrender of such mutilated Bond, if any, to the Registrar and the cancellation thereof; *provided, however,* if the Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the County may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof. Any Bond surrendered under the terms of this Section 7 shall be canceled by the Registrar.

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

SECTION 8. FORM OF BOND. The Bond shall be in substantially the form of Exhibit A hereto with such variations, omissions and insertions as may be necessary, desirable and authorized or permitted by this Agreement.

SECTION 9. SECURITY FOR BOND; BOND NOT DEBT OF THE COUNTY. The payment of the principal of and interest on the Bond shall be secured forthwith, by a lien upon

and a pledge of the Pledged Funds. Until the Bond is paid or deemed paid pursuant to the provisions of this Agreement, the County hereby covenants and agrees to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues lawfully available in each Fiscal Year, amounts sufficient to pay the principal and interest on the Bond until the maturity thereof. Such covenant and agreement on the part of the County to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. 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.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor does it preclude the County from pledging in the future its Non-Ad Valorem Revenues, nor does it require the County to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the registered owner of the Bond a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the County. Such covenant to budget and appropriate Non-Ad Valorem Revenues 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 and other debt instruments). However, the covenant to budget and appropriate in its general annual budget for the purposes and in the manner stated herein shall have the effect of making available for the payment of principal and interest on the Bond, in the manner described herein, Non-Ad Valorem Revenues and placing on the County a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations hereunder; subject, however, to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the County or which are legally mandated by applicable law. The County agrees that its covenant and agreement to budget and appropriate Non-Ad Valorem Revenues shall be deemed entered into for the benefit of the Holders of the Bond, and this obligation may be enforced by a court of competent jurisdiction.

The Bond shall not constitute a general obligation or indebtedness of the County and the Lender shall never have the right to require or compel the levy of taxes upon any property of or in the County for the payment of the principal of and interest on the Bond. The County does hereby irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Bond.

SECTION 10. COVENANTS OF THE COUNTY. So long as any of the principal of or interest on the Bond shall be outstanding and unpaid or until provision for payment of the Bond shall have been made pursuant to Section 21 hereof, the County covenants with the Lender as follows:

A. Tax Compliance. The County will take all actions necessary to maintain the exclusion from gross income of interest on the Bond to the same extent as such existed on the date of issuance of the Bond.

B. Financial Statements. Not later than 210 days following the end of each Fiscal Year, the County shall provide the Lender (in electronic format, if available) the annual audited financial statement of the County audited by the County's certified public accountants together with the report of such accountants containing only such qualifications as are reasonably acceptable to the Lender. The County shall also provide the Lender with a certificate that no Event of Default has occurred and is continuing hereunder, and that the County is in compliance with all covenants on its part set forth herein.

C. Annual Budget and Other Information. The County shall prepare its annual budget in accordance with Florida law, and shall provide the registered owner of the Bond a copy of its final annual budget for each Fiscal Year within 60 days of adoption thereof by the Board and such other information the registered owner of the Bond may reasonably request.

D. Sinking Fund. The County hereby creates and establishes a special separate fund to be called the "St. Lucie County, Florida Capital Improvement Revenue Refunding Bond, Series 2014 Sinking Fund" (hereinafter called the "Sinking Fund").

On or before the Business Day prior to each date fixed for the payment of principal or interest on the Bond, the County shall deposit from Non-Ad Valorem Revenues budgeted and appropriated pursuant to the covenant contained herein to the Sinking Fund the amounts sufficient to pay the interest and principal becoming due on the Bond on the next payment date therefor.

The amounts remaining on deposit in the Sinking Fund on the day following the respective interest or principal payment may be withdrawn by the County and applied for other County purposes. In no event shall any moneys remain on deposit in the Sinking Fund for a period greater than 13 months.

Amounts on deposit in the Sinking Fund may be invested and reinvested by the County in Authorized Investments maturing or redeemable at the option of the County not later than the date such amounts are needed for the payments required hereunder.

Except to the extent otherwise required by any provision hereof or of any tax compliance certificate delivered in connection with the delivery of the Bond, all income from the investment of moneys in the fund and accounts established by this Agreement shall, upon receipt thereof, be deposited to the credit of the Sinking Fund and used for the purposes thereof.

The designation of a special fund by this Agreement shall not be construed to require the establishment of any completely independent, self-balancing funds, as such term is commonly used and defined in governmental accounting, but is intended solely to constitute an earmarking of certain moneys and investments for certain purposes and to establish certain priorities for application of such moneys and investments as herein provided. The moneys and investments required to be accounted for in the foregoing fund established herein may be deposited in a single fund or account, provided that adequate accounting records are maintained to reflect the allocation of the moneys and investments on deposit therein into the fund established hereunder and to control the restricted uses of such moneys and investments for the various purposes as herein provided.

The County shall not be required to make any further payments into the Sinking Fund when the aggregate amount of money and Authorized Investments in said funds and accounts is at least equal to the total principal of and interest on the Bond then outstanding.

E. Rebate Fund. The County hereby creates and establishes a special separate fund to be called the "St. Lucie County, Florida Capital Improvement Revenue Refunding Bond, Series 2014 Rebate Fund" (herein called the "Rebate Fund"). The County hereby agrees to cause the arbitrage rebate amount to be calculated as set forth in the County's Certificate as to Arbitrage and Certain Other Tax Matters delivered at the time of closing of the Bond, and to cause the required amount to be deposited into the Rebate Fund herein established. Amounts on deposit in the Rebate Fund shall be held in trust by the County and used solely to make the required rebates to the United States of America, and neither the Lender nor the County shall have any right or claim to such moneys.

F. Issuance of Other Obligations. Except for the Bond, the County will not issue any other obligations payable from the Non-Ad Valorem Revenues nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge against the Non-Ad Valorem Revenues, or any part thereof, except as set out below.

No additional indebtedness payable from or secured by Non-Ad Valorem Revenues shall be issued by the County unless the actual receipts of Total Governmental Funds of the County (as specified in the County's audited financial statements) for the prior Fiscal Year, less ad valorem revenues, less Non-Ad Valorem Revenues from Total Governmental Funds pledged to secure Senior Debt, and less the amount required to pay for Essential Services of the County for the prior Fiscal Year equal at least 150% of such maximum annual debt service on all Debt payable from such Non-Ad Valorem Revenues. "Debt" is defined as on any date (without duplication) all of the following to the extent that they are obligations of the County or are payable in whole or in part from Non-Ad Valorem Revenues: (i) all obligations of the County for borrowed money evidenced by bonds, debentures, or other similar instruments, including the additional indebtedness proposed to be issued; (ii) all obligations of the County to pay the deferred purchase price of property or services, except trade accounts payable under normal trade terms and which arise in the ordinary course of business; (iii) all obligations of the County as lessee under capitalized leases; and (iv) all indebtedness of other Persons to the extent guaranteed by, or secured by Non-Ad Valorem Revenues of the County. For purposes of this covenant, "Essential Services" are those services identified by the County in its annual audit as general government and public safety expenditures from Total Governmental Funds, less expenditures paid from ad valorem revenues.

G. Payment of Costs. The County will pay to the Lender on demand any and all costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements, court costs, litigation and other expenses) incurred or paid by the Lender in connection with enforcement of its rights hereunder.

H. Minimum Ratings. The County covenants and agrees that at no point will all long-term debt of the County for which a rating (or, if credit-enhanced, an underlying rating) is maintained by Moody's Investors Service ("Moody's") or Standard & Poor's Ratings Services

("S&P") fall below a "Baa2" by Moody's or a "BBB" by S&P. The foregoing does not obligate the County to maintain a rating on any given issue of indebtedness; provided that the County covenants and agrees that it will not request withdrawal of a rating in anticipation of a downgrade or for any other credit-related reason in order to avoid a default under this paragraph 10(H).

I. Parity Covenant. The County covenants and agrees that if the County grants to any lender or holder of Covenant Debt (i) any right related to Non-Ad Valorem Revenues or Pledged Funds or (ii) any event of default or remedy, that is not already contained in this Agreement, such right, event of default or remedy shall be deemed to apply hereunder as if expressly set forth herein.

SECTION 11. APPLICATION OF BOND PROCEEDS. The proceeds of the Bond shall first be applied by the County to pay the costs of preparation and issuance of the Bond and thereafter shall be transferred by the County to the Escrow Agent, to be held and applied to the redemption of the Refunded Bonds as provided in the Escrow Agreement.

SECTION 12. CONDITIONS PRECEDENT. The obligation of the Lender to make the initial disbursement of proceeds is subject to the satisfaction of each of the following conditions precedent on or before the closing date:

A. Action. The Lender shall have received copies of all action taken by the County approving the execution and delivery by the County of this Agreement and the financing documents to which the County is a party, in each case certified as complete and correct as of the closing date.

B. Incumbency of Officers. The Lender shall have received an incumbency certificate of the County in respect of each of the officers who is authorized to sign this Agreement and the financing documents to which it is a party on behalf of the County.

C. Opinion of Counsel to the County. The Lender shall have received a written opinion of counsel to the County covering matters relating to the transactions contemplated by this Agreement and the financing documents, in form and substance satisfactory to the Lender.

D. Opinion of Bond Counsel. The Lender shall have received an opinion from bond counsel in respect of the Bond, in form and substance satisfactory to the Lender. The opinion shall, at a minimum, address (i) the enforceability of the Resolution and this Agreement, (ii) that this Loan Agreement and the Bond create a valid lien on the Pledged Funds and Non-Ad Valorem Revenues budgeted, appropriated and deposited in the Sinking Fund in accordance with their terms, and (iii) the status of interest on the Bond being excluded from gross income for federal income tax purposes under the provisions of Section 103 of the Code. The Lender shall also receive an opinion from bond counsel to the effect that the Refunded Bonds have been defeased and are no longer outstanding under the documents under which the Refunded Bonds were issued.

E. No Default, Etc. No Default shall have occurred and be continuing as of the closing date or will result from the execution and delivery of this Agreement; the representations and warranties made by the County shall be true and correct in all material respects on and as of the closing date, as if made on and as of such date; and the Lender shall have received a certificate from the County to the foregoing effect.

F. Other Documents. The Lender shall have received such other documents, certificates and opinions as the Lender or its counsel shall have reasonably requested.

SECTION 13. REPRESENTATIONS AND WARRANTIES. The County represents and warrants to the Lender that:

A. Organization. The County is a political subdivision of the State of Florida.

B. Authorization of Agreement and Related Documents. The County has the power and has taken all necessary action to authorize the execution, delivery and performance of the County's obligations under this Agreement and each of the financing documents to which it is a party in accordance with its respective terms. This Agreement has been duly executed and delivered by the County and is, and each of the financing documents to which it is a party when executed and delivered will be, legal, valid and binding obligations of the County enforceable against the County in accordance with their respective terms, except as may be limited by bankruptcy, insolvency, reorganization or moratorium applicable to the County and general equitable principles regarding the availability of specific performance.

C. Non-Ad Valorem Revenues. The County currently receives the Non-Ad Valorem Revenues, and is legally entitled to covenant to budget and appropriate from such Non-Ad Valorem Revenues sufficient amounts in each Fiscal Year to pay the principal of and interest on the Bond, when due, subject to any prior liens or encumbrances on such Non-Ad Valorem Revenues, whether now existing or hereafter created. The Non-Ad Valorem Revenues are estimated to be sufficient to pay the principal of and interest on the Bond as the same becomes due and to make all other payments required to be made from such Non-Ad Valorem Revenues by the terms of this Agreement or other instruments to which the County is a party or pursuant to which all or any portion of the Non-Ad Valorem Revenues may be obligated.

D. Financial Statements. The financial statements of the County for the year ended September 30, 2013, copies of which have been furnished to the Lender, have been prepared in accordance with generally accepted accounting principles and present fairly the financial condition of the County as of such date and the results of its operations for the period then ended. Since such date, there has been no material adverse change in the financial condition, revenues (including, without limitation, Non Ad-Valorem Revenues), properties or operations of the County.

SECTION 14. TAX COMPLIANCE. Neither the Board nor any third party over whom the Board or the County have control, will make any use of the proceeds of the Bond or the Pledged Funds at any time during the term thereof which would cause the Bond to be a "private activity bond" within the meaning of Section 103(b)(1) of the Code or "arbitrage bond" within

the meaning of Section 103(b)(2) of the Code. The Board covenants throughout the term of the Bond to comply with the requirements of the Code and the Regulations, as amended from time to time.

SECTION 15. NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

County: St. Lucie County, Florida
2300 Virginia Avenue
Fort Pierce, Florida 34982
Attention: Clerk

Lender: TD Bank, N.A.
5900 North Andrews Avenue
Fort Lauderdale, Florida 33309

Either of the above parties may, by notice in writing given to the other, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Communication to the Lender via telecopier shall be confirmed by delivery of a hard copy thereof to the Lender not later than two Business Days after such communication by telecopier. Notices to the Paying Agent shall be effective only upon the receipt thereof by the Paying Agent.

SECTION 16. EVENTS OF DEFAULT DEFINED. The following shall be "Events of Default" under this Agreement and the term "Events of Default" shall mean (except where the context clearly indicates otherwise), whenever such term is used in this Agreement, any one or more of the following events:

- A. Failure by the County to timely pay any amount due hereunder;
- B. Failure by the County to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period of 30 days after written notice, except to the extent some other grace period shall be provided in regard to a covenant, specifying such failure and requesting that it be remedied, is given to the County by the Lender, unless the Lender shall agree in writing to an extension of such time prior to its expiration;
- C. Any warranty, representation or other statement by the County or by an officer or agent of the County contained in this Agreement or in any instrument furnished in compliance with or in reference to this Agreement is false or misleading in any material adverse respect;
- D. A petition is filed against the County under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and an order for relief is entered or such petition is not dismissed within 60 days of such filing;

E. The County files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;

F. The County admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including without limitation a receiver, liquidator or trustee) of the County or any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than 60 days; or

G. Any debt of or assumed by the County (i) is not paid when due nor within any applicable grace period in any agreement or instrument relating to such debt, (ii) becomes due and payable before its normal maturity by reason of a default or event of default or acceleration, however described, or (iii) becomes subject to a moratorium.

SECTION 17. REMEDIES. The Lender may sue to protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State of Florida, of the United States of America, or granted and contained in this Agreement, and to enforce and compel the performance of all duties required by this Agreement or by any applicable laws to be performed by the County, the Board or by any officer thereof, and may take all steps to enforce this Agreement to the full extent permitted or authorized by the laws of the State of Florida or the United States of America. Notwithstanding the foregoing, the declaration of all payments of principal and interest on the Bond to be immediately due and payable is not a remedy except upon the occurrence of Event of Default described in Section 16A hereof.

SECTION 18. NO RECOURSE. No recourse shall be had for the payment of the principal of and interest on the Bond or for any claim based on the Bond or on this Agreement, against any present or former member or officer of the Board or any person executing the Bond.

SECTION 19. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS. In any case where the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Agreement, shall be other than a Business Day, then such payment or performance shall be made on the succeeding Business Day with the same force and effect as if done on the nominal date provided in this Agreement.

SECTION 20. DEFEASANCE. If, at any time, the County shall have paid, or shall have made provision for payment of, the principal and interest with respect to the Bond and all costs and expenses of the Lender payable under this Agreement, then, and in that event, the pledge of and lien on the Pledged Funds in favor of the Lender shall be no longer in effect and the County shall have no further obligation to comply with the covenants contained in Section 10 hereof, other than the covenant contained in paragraph (A) of Section 10. For purposes of the preceding sentence, deposit of Federal Securities in irrevocable trust with a banking institution or trust company, for the sole benefit of the Bond, with respect to which Federal Securities the principal

of and interest will be sufficient to make timely payment of the principal and interest on the Bond, shall be considered "provision for payment."

SECTION 21. WAIVER OF JURY TRIAL. With respect to any suit or action between the County and the Lender relating to the Bond or this Agreement or any other aspect of the transaction between the County and the Lender, the County and the Lender each expressly waives any right to a jury trial, and agrees that the exclusive venue for any such suit or action shall be St. Lucie County, Florida.

SECTION 22. AMENDMENTS, CHANGES AND MODIFICATIONS. This Agreement may be amended by the County, with the prior written consent of the Lender.

SECTION 23. BINDING EFFECT. To the extent provided herein, this Agreement shall be binding upon the County and the Lender and shall inure to the benefit of the County and the Lender and their respective successors and assigns.

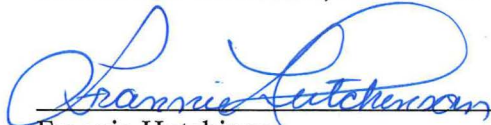
SECTION 24. SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 25. EXECUTION IN COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 26. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State.


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

BOARD OF COUNTY COMMISSIONERS
ST. LUCIE COUNTY, FLORIDA



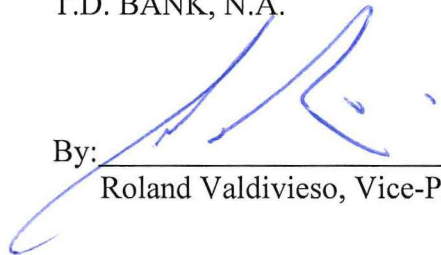
Frannie Hutchinson
Its: Chair

ATTEST:



Joseph E. Smith
Its: Ex-Officio Clerk

T.D. BANK, N.A.

By: 

Roland Valdivieso, Vice-President

EXHIBIT A
FORM OF BOND

No. R-1

ST. LUCIE COUNTY, FLORIDA
CAPITAL IMPROVEMENT REVENUE REFUNDING BOND, SERIES 2014

RATE OF INTEREST	MATURITY DATE	DATE OF ISSUE
2.41%*	October 1, 2025	November 3, 2014

REGISTERED OWNER: T.D. BANK, N.A.

PRINCIPAL AMOUNT: TEN MILLION FOUR HUNDRED NINETY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that St. Lucie County, Florida (the "County"), for value received, hereby promises to pay to the Registered Owner on the Maturity Date specified above the principal amount then outstanding pursuant to the terms of that certain Loan Agreement dated as of November 3, 2014 between the County and the Registered Owner (the "Agreement"), plus interest thereon from the Date of Issue set forth above to the date of payment thereof, at the Stated Rate until payment of the Principal Amount above stated, such interest to be calculated on a 360-day year comprised of twelve 30-day months. This Bond shall bear interest at a fixed rate of interest equal to 2.41%. The Rate of Interest on this Bond is subject to adjustment as set forth in the Agreement under the definition of "Stated Rate." Upon and during the continuance of an Event of Default, this Bond shall bear interest at the "Default Rate", as provided in the Agreement. Interest on the Bond shall be payable on each April 1 and October 1, commencing April 1, 2015 and at the maturity of the Bond. Principal due on this Bond shall be paid each October 1, commencing October 1, 2015, in the amounts set forth below:

<u>Year (October 1)</u>	<u>Amount</u>
2015	\$265,000
2016	1,030,000
2017	1,060,000
2018	1,080,000
2019	1,115,000
2020	1,135,000
2021	1,165,000
2022	1,035,000
2023	890,000
2024	850,000
2025	870,000

*Subject to adjustment as set forth in the definition of "Stated Rate."

The County also agrees to pay to the Registered Owner a late charge on any scheduled payment of principal of and, to the extent legally enforceable, interest on, this Bond that shall not have been paid by the sixteenth (16th) day following the date such scheduled payment is due and payable, in an amount equal to six percent (6%) of such scheduled payment. The fee is not a penalty, but liquidated damages to defray administrative and related expenses due to such late payment. The fee shall be immediately due and payable and shall be paid by the County to the Registered Owner without notice or demand. This provision for a fee is not and shall not be deemed a grace period and the Registered Owner has no obligation to accept a late payment. Further, the acceptance of a late payment shall not constitute a waiver of any default then existing or thereafter arising under this Bond. The foregoing right to a late charge is in addition to, and not in limitation of, any other rights which the Registered Owner may have upon the County's failure to make a timely payment.

This Bond may be prepaid in whole or in part prior to maturity upon five (5) Business Days' prior written notice to the Registered Owner and upon payment of the prepayment price set forth in the Agreement. Capitalized terms used herein and not defined are used as defined in the Agreement.

This Bond is issued under the authority of Chapter 125, Florida Statutes, as amended, and other applicable provisions of law, and pursuant and subject to the terms and conditions of the Agreement and the Resolution duly adopted by the Board of County Commissioners of the County on October 21, 2014 (the "Resolution"), to which reference should be made to ascertain those terms and conditions.

Subject to the limitations and restriction set forth in the Agreement, the County has covenanted in the Agreement to budget and appropriate in each Fiscal Year while this Bond is outstanding sufficient amounts, from legally available Non-Ad Valorem Revenues, to pay the principal of and interest on this Bond during such Fiscal Year, as more particularly provided in the Agreement.

This Bond shall not constitute a general obligation or indebtedness of the County, and the Lender shall never have the right to require or compel the levy of taxes on any property of or in the County for the payment of the principal of and interest on this Bond. This Bond shall not constitute a lien upon the projects financed or refinanced with proceeds of the Refunded Bonds (as defined in the Agreement), or upon any property of or in the County, but shall be payable solely from the Pledged Funds in the manner provided in the Agreement. Reference is made to the Agreement for the provisions relating to the security for payment of this Bond and the duties and obligations of the County hereunder.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of Florida to happen, exist and be performed precedent to and in the issuance of this Bond, have happened, exist and have been performed in regular and due form and time as so required.

IN WITNESS WHEREOF, the Board of County Commissioners of St. Lucie County, Florida, has caused this Bond to be executed by its Chair, and attested by its Clerk, either manually or with their facsimile signatures, and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, and this Bond to be dated November 3, 2014.

**BOARD OF COUNTY COMMISSIONERS
ST. LUCIE COUNTY, FLORIDA**

Frannie Hutchinson
Its: Chair

ATTEST:

Joseph E. Smith
Its: Ex-Officio Clerk

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

TEN COM - as tenants in common

JT TEN - as joint tenants with right of survivorship

TEN ENT - as tenants by the entireties and not as tenants in common

UNIF GIF MIN ACT - _____ UNIF TRANS MIN ACT - _____ (Cust.)

Custodian for _____ Custodian for _____
(Minor)

under Uniform Gifts to Minor under Uniform Transfers to

Minors Act of _____ Minors Act of _____
(State)

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

ASSIGNMENT

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

PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING
NUMBER OF ASSIGNEE the within Bond and does hereby irrevocably constitute and appoint

as his agent to transfer the Bond on the books kept for registration thereof, with full
power of substitution in the premises.

Dated: _____

Signature guaranteed:

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

NOTICE: The signature to this assignment must
correspond with the name of the Registered
Owner as it appears upon the face of the within
Bond in every particular, without alternation or
enlargement or change whatever.

(Authorized Officer)