

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE BY THE COUNTY OF ITS NOT TO EXCEED \$16,600,000 SOUTH AMELIA ISLAND SHORE STABILIZATION SPECIAL ASSESSMENT NOTE, SERIES 2021, TO FINANCE THE COST OF CERTAIN CAPITAL IMPROVEMENTS BENEFITTING PROPERTY WITHIN THE SOUTH AMELIA ISLAND SHORE STABILIZATION MUNICIPAL SERVICES BENEFIT UNIT; PLEDGING AS SECURITY FOR PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH NOTE THE SPECIAL ASSESSMENTS LEVIED ANNUALLY UPON PROPERTIES WHICH SHALL BE SPECIALLY BENEFITTED BY SUCH IMPROVEMENTS, ALL MONEYS ON DEPOSIT IN AND INVESTMENTS HELD FOR THE CREDIT OF CERTAIN FUNDS CREATED HEREUNDER, AND THE EARNINGS ON SUCH INVESTMENTS; MAKING CERTAIN COVENANTS AND AGREEMENTS FOR THE BENEFIT OF THE HOLDER OF SAID NOTE; PROVIDING FOR THE TERMS AND DETAILS OF THE NOTE, INCLUDING AUTHORIZING A NEGOTIATED SALE OF THE NOTE TO SYNOVUS BANK; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA, AS FOLLOWS:

**ARTICLE I
GENERAL**

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

"Act" shall mean Section 125.01, Florida Statutes, et seq., the Assessment Ordinance, the MSBU Ordinance, and other applicable provisions of law.

"Approved Costs" shall mean those Costs set forth in the Project Budget on file with the Clerk which can lawfully be funded from Note proceeds, with such modifications as may be lawful and shall be established from time to time by the Issuer.

"Assessment Administrator" shall mean South Amelia Island Shore Stabilization Association, Inc., or such successor entity as appointed by the Issuer.

"Assessment Ordinance" shall mean Ordinance No. 2000-37, enacted by the Governing Body on September 25, 2000, as the same may be amended and supplemented.

"Assessment Resolution" shall mean, collectively, Resolution No. 2021-009 of the Governing Body, adopted January 25, 2021, and Resolution No. _____, adopted April 12, 2021, as amended and supplemented.

"Authorized Investments" shall mean any investments which shall be authorized from time to time by applicable laws of the State for deposit or purchase by the Issuer for the temporary investment of its funds.

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

"Bond Counsel" shall mean Nabors, Giblin & Nickerson, P.A., or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Business Day" shall mean any day other than a Saturday or Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in New York, New York.

"Chairman" shall mean the Chairman of the Governing Body or such other person as may be duly authorized by the Issuer to act on his or her behalf.

"Clerk" shall mean the Clerk of the Circuit Court and Comptroller, ex-officio Clerk of the Governing Body, or such other person as may be duly authorized by the Clerk to act on his or her behalf.

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

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

"Cost" or "Costs" when used in connection with the Project, shall mean (1) costs of construction by or for the Issuer of any part of the Project; (2) costs incidental to such construction; (3) the cost of any insurance or indemnity or surety bond necessitated by the Project; (4) engineering, legal, feasibility and other consultant fees and expenses relating to the Project; (5) costs and expenses incidental to the issuance of the Note; (6) interest on the Note

accruing during construction of the Project; and (7) any other costs properly attributable to the issuance of the Note and/or such construction, as determined by generally accepted accounting principles, and shall include reimbursement to the Issuer of any cost heretofore paid, provided the Issuer shall receive an opinion of Bond Counsel that such reimbursement will not adversely affect the tax-exempt status of the Note, all to the extent the same constitute "Capital Costs" within the meaning of the Assessment Resolution.

"Delinquent Assessments" shall mean any installment of any Assessment which is not paid when due.

"Determination of Taxability" shall mean the circumstance of interest paid or payable on the Note becoming includable for federal income tax purposes in the gross income of the Noteholder as a result of specific action or inaction taken by the Issuer. A Determination of Taxability shall occur upon (a) the receipt by the Issuer or the Noteholder of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency which holds that any interest payable on its Note is includable in the gross income of such Noteholder; (b) the issuance of any public or private ruling of the Internal Revenue Service that any interest payable on the Note is includable in the gross income of the Noteholder; or (c) receipt by the Issuer or the Noteholder of an opinion of Bond Counsel that any interest on the Note has become includable in the gross income of the Noteholder for federal income tax purposes.

"Draw" shall mean a draw upon proceeds of the Note to pay a portion of the Cost of the Project.

"Draw Certificate" shall mean the Certificate to be executed in connection with each Draw as required by Section 4.04 hereof, the form of which is attached hereto as Exhibit C.

"Extraordinary Payment" shall mean the receipt by the County of grant funds from the State or a federal entity for Project Costs.

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

"Governing Body" shall mean the Board of County Commissioners of the Issuer or its successor in function.

"Issuer" shall mean Nassau County, Florida.

"MSBU" shall mean the South Amelia Island Shore Stabilization Municipal Services Benefit Unit established by the MSBU Ordinance.

"MSBU Ordinance" means Ordinance No. 93-14 of the Governing Body, as amended and codified in Article IV, Chapter 6 of the Nassau County Code of Ordinances.

"Note" shall mean the obligation of the Issuer authorized to be issued pursuant to Section 2.01 hereof.

"Noteholder" or "Holder" or "holder" or "Owner" when used with reference to the Note, shall mean any Person who shall be the registered owner of the Note according to the registration books of the Issuer.

"Note Year" shall mean the period commencing October 2 of each year and ending October 1 of the following year, provided that the initial Note Year shall begin on the date of issuance of the Note and end October 1, 2021.

"Paying Agent" shall mean the Clerk of Circuit Court, ex officio Clerk of the Board of County Commissioners of Nassau County, Florida, as initial paying agent for the Note, and any other Person which may at any time be substituted as paying agent for the Note pursuant to resolution of the Governing Body.

"Payment Date" shall mean April 1 and October 1 of each year, commencing October 1, 2021.

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

"Pledged Funds" shall mean (a) the Pledged Revenues, (b) the Special Assessment Fund, the Sinking Fund, the Redemption Fund and all amounts therein, income therefrom and investments thereof, and (c) until applied in accordance with the provisions of this Resolution, the proceeds of the Note in the Project Fund, and all income therefrom and investments thereof. Pledged Funds shall not include the Rebate Fund or income therefrom or investments thereof.

"Pledged Revenues" shall mean revenues derived or to be derived from the Special Assessments, including amounts received from the sale of tax certificates or otherwise received from the collection of Delinquent Assessments, interest and penalties on the Assessments and proceeds of any reassessment pursuant to the Resolution.

"Project" shall mean the shore stabilization project described in the Assessment Resolution, as the same may be modified from time to time.

"Project Fund" shall mean the South Amelia Island Shore Stabilization Project Fund established pursuant to Section 4.03 hereof.

"Property Appraiser" shall mean the Property Appraiser of Nassau County, Florida, or the person succeeding to his or her principal functions.

"Rebate Amount" shall mean the amount, if any, required to be rebated to the United States pursuant to Section 148(f) of the Code, with respect to the Note.

"Rebate Fund" shall mean the South Amelia Island Shore Stabilization Rebate Fund established pursuant to Section 4.03 hereof.

"Redemption Fund" shall mean the South Amelia Island Shore Stabilization Redemption Fund established pursuant to Section 4.03 hereof.

"Registrar" shall mean the Clerk of Circuit Court, ex officio Clerk of the Board of County Commissioners of Nassau County, Florida, as initial registrar for the Note, and any other Person which may at any time be substituted as registrar for the Note pursuant to resolution of the Governing Body.

"Resolution" and "this Resolution" shall mean this instrument, as the same may from time to time be amended, modified or supplemented by any and all resolutions of the Governing Body.

"Sinking Fund" shall mean the South Amelia Island Shore Stabilization Sinking Fund established pursuant to Section 4.03 hereof.

"Special Assessment Fund" shall mean the South Amelia Island Shore Stabilization Special Assessment Fund established pursuant to Section 4.03 hereof.

"Special Assessments" or "Assessments" means the special non-ad valorem assessments imposed annually by the Issuer within the territorial limits of the MSBU pursuant to the MSBU Ordinance, the Assessment Ordinance and the Assessment Resolution and any future legislation imposing such assessments, including interest and penalties thereon, amounts received from the sale of tax certificates or otherwise received from the collection of Delinquent Assessments and proceeds of any reassessment pursuant hereto, collected by or on behalf of the Issuer pursuant to Chapter 197, Florida Statutes, to pay the Costs of the Project, including financing costs associated therewith. Special Assessments do not include special assessments imposed specifically for maintenance costs and operation costs within the MSBU and unrelated to Costs of the Project. In no event shall any ad valorem taxes be included in the definition of "Special Assessments" or otherwise subject to pledge under this Resolution.

"State" shall mean the State of Florida.

"Tax Collector" shall mean the Tax Collector of Nassau County, Florida, or the person succeeding to his or her principal functions.

"Taxable Rate" shall be calculated by dividing the then current interest rate on the Note by one (1) minus the then-effective maximum federal income tax rate imposed on corporations such as the Noteholder.

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

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

SECTION 1.02 Authority for Resolution. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.03 Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Note by those who shall hold the same from time to time, the provisions of this Resolution and of the MSBU Ordinance, the Assessment Ordinance and the Assessment Resolution, to the extent they afford rights or security for the Note, shall be deemed to be and shall constitute a contract between the Issuer and the Noteholder. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the benefit, protection and security of the Noteholder.

SECTION 1.04 Findings. It is hereby ascertained, determined and declared as follows:

(A) Pursuant to the MSBU Ordinance and the Assessment Ordinance, the Issuer determined that there exists and will in the foreseeable future exist a need for a beach renourishment program in the south area of Amelia Island within the boundaries of Nassau County, Florida, and that the best means of accomplishing and funding the program is to create a municipal services benefit unit encompassing those areas to be specially benefitted by such program and impose Special Assessments within such areas; and pursuant to the Assessment Resolution, the Governing Body, among other provisions, established procedures for measurements and collection of Special Assessments, adopted the assessment roll for the Fiscal Year ending September 30, 2022 and imposed Special Assessments for such Fiscal Year.

(B) The Issuer deems it necessary, desirable and in the best interests of the Issuer that the Project be undertaken. A portion of the Cost of the Project shall be financed with the proceeds of the Note. After review of expert opinion and public hearings, the Issuer has found that the estimated benefits to be derived from the Project by the owners of property in the MSBU specially benefitted thereby will exceed the principal amount of the Note, including interest thereon, and the amounts of all Special Assessments and that the method of allocation of Special Assessments reflects the relative benefits to be received by property owners in the MSBU.

(C) The Issuer deems it necessary, desirable and in the best interest of the Issuer that the Pledged Funds be pledged to the payment of the principal of and interest on the Note. No part of the Pledged Funds has been pledged or encumbered in any manner.

(D) The estimated Pledged Revenues to be derived in each year hereafter will be sufficient to pay the principal of and interest on the Note, as the same become due, and all other payments provided for in this Resolution, and any other Cost of the Project not funded from Note proceeds.

(E) The principal of and interest on the Note and all other payments provided for in this Resolution will be paid from and secured solely by the sources herein provided in accordance with the terms hereof; the Noteholder shall not have the right to compel the exercise of any ad valorem taxing power to pay the principal of or interest on the Note or to make any

other payments provided for in this Resolution, and the Note shall not constitute a lien upon the Project or upon any other property of the Issuer situated within its territorial limits, except the Pledged Funds.

(F) The Governing Body is advised that due to the present volatility of the market for tax-exempt public obligations such as the Note, it is in the best interest of the Issuer to sell the Note by a negotiated sale, allowing the Issuer to enter such market at the most advantageous time, rather than at a specified advertised future date, thereby permitting the Issuer to obtain the best possible price, interest rate and other terms for the Note and, accordingly, the Issuer does hereby find and determine that it is in the best financial interest of the Issuer that a negotiated sale of the Note be authorized. The Issuer acknowledges that receipt of the information required by Section 218.385, Florida Statutes, in connection with the negotiated sale of the Note, as set forth in Exhibit B attached hereto, is a precondition to the sale of the Note to the purchaser thereof.

SECTION 1.05 Authorization of Project. The acquisition, construction and installation of the Project in the manner herein provided is hereby authorized.

ARTICLE II AUTHORIZATION, TERMS AND EXECUTIONS OF THE NOTE

SECTION 2.01 Authorization of Note. For the purpose of financing all or a part of the Cost of the Project, the Issuer hereby authorizes the issuance of the Note, to be designated as its "Nassau County, Florida, South Amelia Island Shore Stabilization Special Assessment Note, Series 2021," in the manner herein provided. The Note shall be issued in the aggregate principal amount of \$16,600,000, subject to the draw-down provisions referenced below, and shall be issued initially as a single Note in the principal amount of \$16,600,000.

SECTION 2.02 Description of Note. The Note shall be dated April 15, 2021. Interest on the Note will accrue from the respective dates the principal thereof is drawn down by the Issuer to fund the Cost of the Project. The Note shall be payable as to interest and principal by check or draft of the Paying Agent, mailed to the owner of record thereof, or at the option of the Noteholder, by wire transfer or auto-debit, as such owner shall appear on the registration books of the Issuer on the 15th day of the month prior to such Payment Date. If any Payment Date for the Note is not a Business Day, such Payment Date shall be the next succeeding Business Day. Principal of and interest on the Note shall be payable in any coin or currency of the United States of America which, on the date of payment, are legal tender for the payment of public and private debts. No presentment shall be required for any payment on the Note, but the Noteholder shall return the Note to the Issuer marked "paid in full" or its equivalent within a reasonable time after payment in full.

Interest on the Note shall accrue based on a 360 day year comprised of 12 30-day months from the date proceeds thereof are drawn down hereunder to the maturity date thereof at the rate of 1.98% per annum, subject to adjustment from time to time as set forth in Section 2.07 hereof, and shall be payable on each April 1 and October 1, commencing on October 1, 2021. Principal on the Note shall be payable on October 1, 2022 and annually thereafter in the amounts set forth below on October 1 of each year, through and including October 1, 2030, prior to any reamortization as described below or any partial redemption pursuant to Section 3.03 hereof:

<u>Year</u>	<u>Principal Due</u>
2022	\$1,705,000
2023	1,735,000
2024	1,770,000
2025	1,805,000
2026	1,840,000
2027	1,880,000
2028	1,915,000
2029	1,955,000
2030	1,995,000

provided, that (i) if the total amount of Draws made as of April 15, 2022 is less than \$16,600,000, the principal amount of the Note shall be fixed at the amount drawn to such date, no further Draws may be made and the above payments shall be adjusted so as to achieve substantially level debt service over the remaining term of the Note and (ii) the above payments

shall be adjusted upon any prepayment of the Note in an amount of at least \$500,000 as a result of an Extraordinary Payment so as to achieve substantially level debt service over the remaining term of the Note, in each case pursuant to a schedule provided by the Noteholder to the Issuer. The adjustment referenced in (ii) above shall occur as of September 1 following the date of prepayment.

From and after the maturity date of the Note (deposit of moneys for the payment of the principal and interest on the Note having been made by the Issuer with the Paying Agent), notwithstanding that the Note shall not have been surrendered for cancellation, no further interest shall accrue upon the principal or upon the interest which shall have accrued and shall then be due on such date, and the Note shall cease to be entitled to any lien, benefit or security under this Resolution, and the Holder of the Note shall have no rights in respect of the Note except to receive payment of such principal and unpaid interest accrued to the maturity date.

SECTION 2.03 Application of Note Proceeds . Proceeds of the Note shall be disbursed as follows:

(A) A sufficient amount of Note proceeds shall be used to pay all costs and expenses in connection with the preparation, issuance and sale of the Note.

(B) The balance of the Note proceeds shall be drawn as provided in Section 4.04 hereof and, when drawn, deposited to the Project Fund and applied to pay Costs of the Project.

SECTION 2.04 Execution of the Note. The Note shall be executed in the name of the Issuer with the manual or facsimile signature of the Chairman and the Clerk and the official seal of the Issuer shall be impressed or imprinted thereon, attested and countersigned with the signature of the Clerk. In case any one or more of the officers who shall have signed or sealed the Note or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Note so signed and sealed have been actually delivered, such Note may nevertheless be delivered as herein provided and may be issued as if the person who signed or sealed the Note had not ceased to hold such office. The Note may be signed and sealed on behalf of the Issuer by such person who at the actual time of execution of the Note shall hold the proper office of the Issuer, although at the date of the Note such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Note shall be actually delivered.

SECTION 2.05 Notes Mutilated, Destroyed, Stolen or Lost. In case the Note shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note upon surrender and cancellation of such mutilated Note in lieu of and substitution for the Note destroyed, stolen or lost, and upon the Holder furnishing the Issuer proof of such Holder's ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. Any Note so surrendered or otherwise substituted shall

be cancelled by the Issuer. If the Note shall have matured or be about to mature, instead of issuing a substitute Note, the Issuer may pay the same or cause the Note to be paid, upon being indemnified as aforesaid, and if such Note be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Note issued pursuant to this Section 2.05 shall constitute an original, additional contractual obligation on the part of the Issuer whether or not the lost, stolen or destroyed Note be at any time found by anyone, and such duplicate Note shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as any prior Note issued hereunder and shall be entitled to the same benefits and security as the Note so lost, stolen or destroyed.

SECTION 2.06 Negotiability and Transfer. The Note issued under this Resolution shall be and have all the qualities and incidents of a negotiable instrument under the laws of the State, subject to the provisions for registration and transfer contained in this Resolution and in the Note. So long as the Note shall remain outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Note.

The Note shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by such Holder's attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or such Holder's duly authorized attorney. Upon the transfer of the Note, the Issuer shall issue, in the name of the transferee, a new Note of the same aggregate principal amount as the surrendered Note. The Note may not be transferred except to a Permitted Lender. A "Permitted Lender" shall mean any affiliate of the Noteholder or any bank, trust company, savings institution, finance or leasing company, "accredited investor" or "qualified institutional buyer" pursuant to Rule 144A promulgated under the Securities Act of 1933, or insurance company that is engaged as a regular part of its business in making loans and is authorized to do business in the State. Notwithstanding the foregoing, the Noteholder may sell participations in the Note to any number of participants. The Issuer, any Registrar and any Paying Agent or fiduciary of the Issuer shall deem and treat the Person in whose name the Note shall be registered upon the books of the Issuer as the absolute owner of the Note, whether the Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on the Note and for all other purposes, all such payments so made to any such Holder or upon such Holder's order shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid, and neither the Issuer nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

Any Note surrendered in any such transfer shall be canceled by the Registrar. For every such transfer of the Note, the Issuer may make a charge sufficient to reimburse it for any third party tax, fee, expense or other governmental charge required to be paid with respect to such transfer. The Issuer shall not be obligated to make any such transfer of the Note during the fifteen (15) days next preceding a Payment Date on the Note, or, in the case of any proposed redemption of the Note, following the mailing of the notice of such redemption and continuing until such redemption date.

SECTION 2.07 Adjustments to Interest Rate.

(A) The interest rate on the Note shall be subject to adjustment as described in this Section. Any adjustments shall be payable only after the Noteholder or its assigns has provided the Issuer written notice of such adjustments.

(B) Upon the occurrence of a Determination of Taxability, the interest rate on the Note shall be adjusted, effective the effective date of the Determination of Taxability, to a rate equal to the Taxable Rate. In addition, upon the occurrence of a Determination of Taxability, the Issuer shall, immediately upon demand, pay to the Holder of the Note (or prior holder, if applicable) (A) an additional amount equal to the difference between (1) the amount of interest actually paid on the Note during the Taxable Period and (2) the amount of interest that would have been paid during the Taxable Period had the Note borne interest at the Taxable Rate, and (B) an amount equal to any interest, penalties and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Holder as a result of the Determination of Taxability. As used herein, "Taxable Period" shall mean the period of time between (a) the date that interest on the Note is first deemed to be included in the gross income of the owner thereof for federal income tax purposes as a result of a Determination of Taxability, and (b) the date of the Determination of Taxability and after which the Note bears interest at the Taxable Rate.

The above adjustments shall be cumulative, but in no event shall the interest on the Note exceed the maximum rate permitted by law. The above adjustments to the interest rate on the Note shall be effective for all periods during which tax treatment of the interest on the Note by the Holder is affected. Proper partial adjustment shall be made if the tax treatment is effective after the first day of the Holder's tax year or if the interest on the Note does not accrue for the entire tax year of the Holder. Adjustments which create a circular calculation because the interest on the Note is affected by the calculation shall be carried out sequentially, increasing the interest on the Note accordingly in each successive calculation using as the new value the increase in the interest rate on the Note, until the change in the interest rate to the Holder caused by the next successive calculation of the adjustment is de minimis.

(C) Upon the occurrence of an Event of Default pursuant to Section 6.01(A) hereof, interest on the Note shall accrue from the date of the default at a rate equal to the lesser of (i) five percent per annum in excess of the Noteholder's prime rate of interest charged at the time of such default and (ii) the maximum rate allowed by applicable law.

SECTION 2.08 Form of the Note. The Note shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chairman or the Clerk prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Note and the Issuer's delivery of the Note to the purchaser thereof):

\$16,600,000

No. R-1

**UNITED STATES OF AMERICA
STATE OF FLORIDA
NASSAU COUNTY
SOUTH AMELIA ISLAND SHORE STABILIZATION
SPECIAL ASSESSMENT NOTE, SERIES 2021**

KNOW ALL MEN BY THESE PRESENTS that Nassau County, Florida (the "Issuer"), for value received, hereby promises to pay, in the manner provided herein, to Synovus Bank, as Registered Holder, or registered assigns, the principal sum of

SIXTEEN MILLION SIX HUNDRED THOUSAND DOLLARS

solely from the Pledged Revenues (hereinafter defined) and to pay interest thereon from the respective dates Draws are made pursuant to the terms of the Resolution (as hereinafter defined) to the date of payment thereof. Interest shall be payable on April 1 and October 1 of each year, commencing October 1, 2021, at an annual rate equal to 1.98% per annum, computed based on a 360-day year comprised of twelve 30-day months, subject to adjustment as set forth in the Resolution and as described below. The principal of this Note shall be payable on October 1, 2022 and annually thereafter in the amounts set forth below on October 1 of each year, through and including October 1, 2030, prior to any reamortization as described below or any partial redemption pursuant to the Resolution:

<u>Year</u>	<u>Principal Due</u>
2022	\$1,705,000
2023	1,735,000
2024	1,770,000
2025	1,805,000
2026	1,840,000
2027	1,880,000
2028	1,915,000
2029	1,955,000
2030	1,995,000

provided, that (a) if the total amount of Draws made as of April 15, 2022 is less than \$16,600,000, the principal amount of this Note shall be fixed at the amount drawn to such date, no further Draws may be made and the above payments shall be adjusted so as to achieve substantially level debt service over the remaining term of this Note and (ii) the above payments shall be adjusted upon the prepayment of this Note as a result of an Extraordinary Payment so as to achieve substantially level debt service over the remaining term of this Note, in each case pursuant to a schedule provided by the Noteholder to the Issuer, all within the meaning of the Resolution.

The interest rate on this Note is subject to adjustment upon a Determination of Taxability (as defined in the Resolution) and certain other events affecting the tax status of the Issuer and the registered owner hereof, as well as following an Event of Default, all as set forth in the Resolution defined below.

Both principal of and interest on this Note are payable in lawful money of the United States of America by check or draft of the Clerk of the Circuit Court and Comptroller, ex officio Clerk of the Board of County Commissioners of the Issuer, as Paying Agent, to the owner of record, or at the option of the owner, by wire transfer or auto-debit, as such owner shall appear in the registration books of the Issuer on the 15th day of the month prior to such payment date. If a payment date for this Note is not a business day, such payment date shall be the next succeeding business day. No presentment shall be required for any payment on the Note, but by its acceptance hereof the Noteholder shall return the Note to the Issuer marked "paid in full" or its equivalent within a reasonable time after payment in full.

This Note is issued to finance the construction of certain shore stabilization improvements (the "Project") for the Issuer within the South Amelia Island Shore Stabilization Municipal Services Unit pursuant to Resolution No. _____ of the Issuer, adopted April 12, 2021 (the "Resolution")), under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Section 125.01, et seq., Florida Statutes, as amended, Ordinance No. 93-14 of the Issuer, as amended and supplemented (the "MSBU Ordinance"), Ordinance No. 2000-37 of the Issuer, enacted September 25, 2000, as amended and supplemented (the "Assessment Ordinance") and other applicable provisions of law, and is entitled to all the rights and benefits thereof and of the Resolution.

This Note is issued in connection with the MSBU Ordinance, the Assessment Ordinance and the Resolution, and pursuant to the Assessment Ordinance and the Resolution, this Note shall be conclusively deemed to have been issued for such purposes, and the Project shall be conclusively deemed to have been planned, located and carried out in accordance with the provisions of the Assessment Ordinance.

This Note is subject to redemption prior to maturity as provided in the Resolution.

The principal of and interest on this Note are payable solely from and secured by a lien upon and a pledge of the Pledged Revenues (as such term is defined in the Resolution) and, until applied in accordance with the provisions of the Resolution, the proceeds of this Note and all moneys, including investments thereof, in certain funds established under the Note Resolution, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"). It is expressly agreed by the Registered Holder of this Note that the full faith and credit of neither the Issuer, the State of Florida, nor any political subdivision thereof is pledged to the payment of the principal of or interest on this Note and that the Registered Holder shall never have the right to require or compel the exercise of any ad valorem taxing power of the Issuer, the State of Florida, or any political subdivision thereof, to the payment of such principal and interest nor does any such entity have a legal or moral obligation to make such payments except from Pledged Funds in accordance with the terms of the Resolution. This Note and the obligation evidenced hereby shall not constitute a lien upon the Project or any other property of

the Issuer or situated within its territorial limits, except the Pledged Funds, and shall be payable from and secured solely by the Pledged Funds in accordance with the terms of the Resolution.

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

This Note is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida, but may be transferred only in accordance with the terms of and subject to the restrictions set forth in the Resolution upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder in person or by such Holder's attorney duly authorized in writing, upon the surrender of this Note together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or such Holder's attorney duly authorized in writing, and thereupon a new Note shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, prescribed in the Resolution. The Issuer, the Registrar and the Paying Agent may treat the Registered Holder of this Note as the absolute owner hereof for all purposes, whether or not this Note shall be overdue, and shall not be affected by any notice to the contrary.

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

By acceptance of this Note, the registered owner agrees to be bound by the duties imposed or agreements made by the Noteholder under the Resolution, including the funding of properly submitted Draws as set forth therein.

IN WITNESS WHEREOF, Nassau County, Florida, has issued this Note and has caused the same to be executed by the Chairman, and attested and countersigned by the Clerk of the Board of County Commissioners and its official seal to be impressed hereon, all as of the 15th day of April, 2021.

NASSAU COUNTY, FLORIDA

(SEAL)

By: _____
Chairman of the Board of County Commissioners

ATTESTED AND COUNTERSIGNED:

Clerk of the Board of County Commissioners

SCHEDULE OF PARTIAL REDEMPTIONS

[illegible]

ARTICLE III REDEMPTION OF THE NOTE

SECTION 3.01 Redemption of the Note. The Note shall be subject to redemption at such times in the manner and at such prices, as provided herein.

(A) The Note is subject to optional redemption, in whole or in part, at any time and from time to time, without penalty or premium, by paying to the Noteholder all or a part of the principal amount of the Note to be repaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment. In the event of an optional redemption as a result of an Extraordinary Payment, the scheduled payments of principal on the Note will be adjusted as set forth in Section 2.02 hereof.

(B) The Note is subject to redemption at the time and in the amounts set forth in Section 4.04(5) hereof, at a price equal to the principal amount thereof to be redeemed, plus accrued interest to the redemption date.

SECTION 3.02 Notice of Redemption. Notice of any redemption, which shall specify the portion of the Note to be redeemed and the date for redemption, shall be given by the Paying Agent on behalf of the Issuer, and shall be mailed first class, postage prepaid, at least ten (10) days prior to the redemption date, to the Noteholder at its address as it appears on the registration books kept by the Paying Agent.

SECTION 3.03 Redemption of Portion of the Note. If the Note is to be redeemed only in part, it shall, at the option of the Noteholder (i) be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar and Paying Agent duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Registrar and Paying Agent shall authenticate and deliver to the Holder of the Note, without service charge, a new Note, of the same tenor, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Note so surrendered, (ii) be presented by the Noteholder to the Paying Agent and the partial redemption noted on the schedule attached thereto, or (iii) denoted by the Noteholder in such other manner satisfactory to the Issuer and the Noteholder. Any partial redemption of the Note shall, except as set forth in Section 3.01(A) above, adjust pro-rata the scheduled payments of principal on the Note.

SECTION 3.04 Payment of Redeemed Note. Notice of redemption having been given substantially as aforesaid, the Note or portion thereof to be redeemed shall, on the redemption date, become due and payable, and from and after such date (unless the Issuer shall default in the payment) the Note or such portion thereof shall cease to bear interest.

ARTICLE IV SECURITY

SECTION 4.01 Note not to be Indebtedness of Issuer. The Note shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of any constitutional or statutory provision, but shall be a special obligation of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds in accordance with the terms of this Resolution. No Holder of the Note shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay the Note or shall be entitled to payment of such Note from any moneys of the Issuer except the Pledged Funds, in the manner provided herein.

SECTION 4.02 Security for the Note. The payment of the principal of and interest on the Note shall be secured forthwith by a pledge of and lien upon and security interest in the Pledged Funds. The Pledged Funds shall be subject to the lien of this pledge immediately upon the issuance and delivery of the Note, without any physical delivery by the Issuer of the Pledged Funds or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind against the Issuer, in tort, contract or otherwise. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Note in the manner provided in this Resolution.

SECTION 4.03 Funds. The Issuer covenants and agrees to establish the following separate funds: the Special Assessment Fund, the Sinking Fund, the Redemption Fund, the Project Fund and the Rebate Fund. Each such fund (other than the Rebate Fund) shall be held in trust for the benefit of the Noteholder and withdrawals therefrom shall only be made for the purposes and in the manner set forth herein.

SECTION 4.04 Project Fund Draws; Flow of Funds. The principal amount of the Note is available for draw-down by the Issuer for deposit into the Project Fund in the manner provided below.

The Note represents a non-revolving facility under which the Issuer may draw funds as needed, up to an aggregate of \$16,600,000. In the case of any Draw, the Noteholder shall make a disbursement from amounts deemed credited to the Project Fund only upon delivery to the Noteholder of a Draw Certificate signed by an Authorized Issuer Officer in the form attached hereto as Exhibit C.

Draw requests received by the Noteholder by 3 p.m. New York Time on a Business Day, shall be treated as a same day request. Draw requests received by the Noteholder after 3 p.m. New York Time on a Business Day shall be treated as received on the next Business Day. Amounts advanced and repaid may not be re-advanced. Each amount drawn shall be funded by the Noteholder within two Business Days of the date of the written request (as such date is calculated pursuant to this paragraph) into the Project Fund, pursuant to account information which has been provided by the Issuer in the Draw Certificate.

All payments from the Project Fund shall be paid in accordance with the provisions of this subsection. Moneys in the Project Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Clerk legally authorized to sign such items or by wire transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth herein. Before any such payment shall be made, there shall be filed with the Clerk a completed requisition in the form of Exhibit A hereto, signed by the project engineer.

Upon receipt of each such requisition, the Clerk shall promptly withdraw from the Project Fund and pay to the Person named in such requisition the amount designated in such requisition.

All requisitions and certificates received by the Clerk pursuant to this Section 4.04(A) shall be retained in the possession of the Issuer, subject at all reasonable times to the inspection of the Assessment Administrator, the Noteholder, and the agents and representatives thereof.

On the date of completion of the Project, the balance in the Project Fund not reserved by the Issuer for the payment of any remaining part of the Cost of the Project shall, at the direction of the Assessment Administrator, be deposited as provided in Section 4.04(B)(5) hereof.

(B) All Pledged Revenues shall be paid into and disbursed from the following funds as set forth below:

(1) The Issuer shall deposit all Pledged Revenues into the Rebate Fund until all amounts required to be rebated to the United States Treasury are on deposit. The Issuer covenants to cause the Assessment Administrator to retain a rebate consultant to calculate the Rebate Account. Money in the Rebate Fund shall be withdrawn exclusively to pay to the United States Treasury amounts required by applicable laws and regulations.

(2) Next, the Issuer shall deposit all Pledged Revenues received into the Special Assessment Fund until the balance in the Special Assessment Fund is equal to the Collection Costs estimated by the Assessment Administrator for the following 12-month period. Money on deposit in this Fund shall be withdrawn by the Issuer as needed to pay such costs as incurred.

(3) Next, the Issuer shall deposit all Pledged Revenues into the Sinking Fund until the amount on deposit in such fund is sufficient to satisfy the principal and interest payments on the Note coming due on the succeeding two Payment Dates. Money on deposit in this Fund shall be withdrawn as and when needed solely for the purpose of paying such principal and interest.

(4) Next the Issuer shall deposit all Pledged Revenues into the Special Assessment Fund (to the extent such amount has not already been deposited therein) for administrative costs related to the imposition of the Special Assessments and the Project, not to exceed \$90,000 annually.

(5) Any excess Pledged Revenues shall be deposited in the Redemption Fund. The Issuer, upon direction from the Assessment Administrator, shall notify the Paying Agent on each September 15 (or if such day is not a Business Day, on the next preceding Business Day) of the amount of the Note to be redeemed from amounts on deposit in the Redemption Fund; provided, that any such redemption shall be for a minimum principal amount of \$100,000. The Paying Agent shall cause a notice of redemption to be given as provided for in Section 3.03 hereof with respect to such principal amount of the Note, and shall redeem such portion of the Note on the next succeeding Payment Date. All expenses incurred by the Paying Agent in connection with such redemption shall be paid from the Special Assessment Fund.

SECTION 4.05 Investments. The Special Assessment Fund, Redemption Fund, Rebate Fund, Project Fund and Sinking Fund shall be continuously secured in the manner in which the deposit of public funds are authorized to be secured by the laws of the State. There is hereby created a lien upon such funds, other than the Rebate Fund, and all moneys therein in favor of the Noteholder until the moneys deposited therein shall have been applied in accordance with this Resolution. Moneys on deposit to the credit of the Special Assessment Fund, Redemption Fund, Project Fund, Sinking Fund and Rebate Fund may be invested in Authorized Investments which shall mature not later than the date on which such moneys shall be needed to pay the amounts for which withdrawal is authorized. The securities so purchased as an investment of the moneys of any such fund shall be deemed at all times to be a part of such Fund, and any loss resulting from such investment shall be charged to such fund and any interest accruing on such investment or any other profit realized therefrom shall be deposited in such Fund.

SECTION 4.06 Separate Accounts. The moneys required to be accounted for in any of the Funds created hereunder may be deposited in a single bank account, and the moneys allocated to such Funds may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the purposes of such funds as herein provided.

The designation and establishment of any Funds in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing fund as such term is commonly defined and used in governmental accounting but rather is intended to solely constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE V COVENANTS

SECTION 5.01 General. In addition to all of the other covenants of the Issuer contained in this Resolution, the Issuer hereby covenants with the Noteholder, so long as the Note shall remain outstanding, each and every one of the covenants contained in this Article V.

SECTION 5.02 Books and Records. The Issuer shall keep or cause to be kept books, records and accounts of the Pledged Funds and Cost of the Project, and the Noteholder or the duly authorized representatives thereof shall have the right at all reasonable times to inspect all books, records and accounts of the Issuer relating thereto. The books and records of the Issuer shall be kept, and complete and correct entries shall be made, in accordance with generally accepted accounting principles.

SECTION 5.03 Issuance of Additional Obligations. The Issuer covenants and agrees that while the Note is outstanding it will not issue any other obligations payable from or secured by the Pledged Funds or any part thereof, whether on a parity with or subordinate to the lien thereon and pledge thereof in favor of the Note.

SECTION 5.04 Federal Income Tax Covenants.

(A) The Issuer covenants with the Noteholder that it shall not use the proceeds of the Note in any manner which would cause the interest on the Note to be or become includable in the gross income of the Noteholder thereof for federal income tax purposes.

(B) The Issuer covenants with the Noteholder that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of the Note (or amounts deemed to be proceeds under the Code) in any manner which would cause the Note to be an arbitrage bond within the meaning of Section 148 of the Code, and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on the Note to become includable in the gross income of the Noteholder thereof for federal income tax purposes.

(C) The Issuer hereby covenants with the Noteholder that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Note from the gross income of the Noteholder for federal income tax purposes, including, in particular, the payment of any amount required to be rebated to the United States Treasury pursuant to the Code.

SECTION 5.05 Modification of Legislation. The Issuer covenants not to modify the MSBU Ordinance or the Assessment Ordinance in any way materially disadvantageous to the Noteholder or to take any action which would diminish Pledged Revenues or the Issuer's ability to enforce payment thereof, without the written consent of the Noteholder.

SECTION 5.06 MSBU. The MSBU shall not be modified or terminated until the Note is repaid in full.

SECTION 5.07 Further Assurances. The Issuer covenants to execute any and all documents and take any and all actions necessary for the Noteholder to fully enjoy its rights granted herein and in the Note.

SECTION 5.08 Completion of Project. The Issuer shall complete the acquisition and construction of the Project with all practical dispatch and in a sound and economical manner.

SECTION 5.09 Enforcement of Payment of Assessments. The Issuer will assess, levy, collect or cause to be collected and enforce the payment of Assessments, in the manner prescribed by this Resolution and the Assessment Resolution, and all resolutions, ordinances or laws thereunto appertaining at the times and in the amounts as shall be necessary in order to pay, when due, the debt service on the Note and to make all other payments required hereby, except that the Issuer shall not collect the Assessments from and after such time as the amounts on deposit in the Sinking Fund and Redemption Fund with respect to the Note is and remains equal to or greater than the principal and interest payable thereon. The Issuer shall not change its method of collection of the Assessments without the prior written consent of the Noteholder.

SECTION 5.10 Re-Assessments. If any Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Issuer shall be satisfied that any such Assessment is so irregular or defective that the same cannot be enforced or collected, or if the Issuer shall have omitted to make such Assessment when it might have done so, the Issuer shall take all necessary steps to cause a new Assessment to be made for the whole or any part of said improvement or against any property benefitted by said improvement.

SECTION 5.11 Employment of Assessment Administrator. The Issuer will, at all times the Note remains outstanding hereunder, engage an Assessment Administrator of demonstrated ability to fulfill the obligations of the Assessment Administrator hereunder.

SECTION 5.12 Compliance with Regulatory Requirements. The Issuer hereby represents that it is currently in compliance, and covenants and agrees to continue to comply while the Note is outstanding, with all applicable federal, state and local laws and regulatory requirements.

SECTION 5.13 Notice of Events of Default. The Issuer shall within ten (10) days after it acquires knowledge thereof, notify the Noteholder in writing upon the happening, occurrence, or existence of any Event of Default as defined in Article VI hereof, and any event or condition which with the passing of time of giving of notice, or both, would constitute an Event of Default, and shall provide the Noteholder with such written notice, a detailed statement by a responsible officer of the Issuer of all relevant facts and the action being taken by the Issuer with respect thereto.

SECTION 5.14 Political Subdivision. The Issuer will take all reasonable legal action within its control to maintain the existence of the MSBU under and pursuant to the MSBU Ordinance, and shall not voluntarily dissolve the MSBU.

SECTION 5.15 Litigation. The Issuer shall promptly inform the Noteholder in writing of any actual or potential contingent liabilities or pending or threatened litigation of an amount limited to \$5,000,000 or greater that could reasonably be expected to have a material and adverse effect upon the financial condition of the Issuer or upon the ability of the Issuer to perform its obligations under the Note.

SECTION 5.16 Insurance. The Issuer shall maintain such liability, casualty, and other insurance as is reasonable and prudent for a similarly situated local government entities and shall, upon request of the Noteholder, provide evidence of such coverage to the Noteholder.

SECTION 5.17 Financial Reporting. The Issuer will cause a financial audit to be completed of its books and accounts for each Fiscal Year, beginning with the Fiscal Year ending September 30, 2020, and shall furnish such financial audit to the Noteholder within 270 days of the end of each such Fiscal Year. The financial audit shall be prepared in accordance with Chapter 10.550 of the Rules of the Florida Auditor General or the provisions of any successor state or rule governing Florida local governmental entity audits. In addition, the Issuer shall adopt an annual budget as required by law and shall provide the Noteholder with a copy for each Fiscal Year not later than 45 days after the commencement thereof.

SECTION 5.18 Assessment Covenants.

(A) The Issuer shall not alter, amend or repeal the Assessment Resolution or take any action impairing the authority given with respect to the imposition of the Assessments or the payment of the Note, without prior written approval of the Noteholder.

(B) Commencing with the tax roll adopted during the year 2021, the Issuer shall provide to the Noteholder the certified assessment roll detailing the Assessments, if any, to be imposed for each tax year within thirty (30) days of the date such roll becomes available.

(C) The Issuer shall maintain records with respect to the Assessments which shall be updated as Assessments are collected. The records shall detail Assessments (i) levied to date on a parcel-by-parcel basis, and (ii) collected to date. A report setting forth the foregoing information as of May 1 of each year will be provided to the Noteholder by May 10 of each year, and if there are any Delinquent Assessments, the Issuer will provide the Noteholder with another report, by September 1 of such year, updating the information in said report. Upon the occurrence of any Event of Default, the Issuer will, upon request of the Noteholder, and at the expense of the Issuer, engage the services of a consultant acceptable to the Noteholder to assist the Issuer in levying the Assessments until such time as the default is cured.

(D) The Project is and will be owned by the Issuer or another political subdivision of the State, and shall be available for use by the general public on the same basis, subject only to the conditions imposed by the Issuer or another political subdivision of the State as may be necessary to protect the health, safety and general welfare of the Issuer and its inhabitants, visitors, property owners and workers or to protect such Project from damage, misuse, or destruction. The Issuer shall observe and perform all the terms and conditions contained in the Act, and shall comply with all valid acts, rules, regulations, orders and directions of any

legislative, executive, administrative or judicial body applicable to the Project. The Issuer shall levy assessments as shall be necessary to provide for the maintenance of the Project.

(E) The Issuer shall not create any pledge, assessment, mortgage or lien on the Assessments or any of its assets other than pursuant to this Resolution and any other loan documents.

(F) The Issuer promises that it will promptly pay the principal of and interest on the Note at the place, on the dates and in the manner provided and that the principal of and interest on the Note is payable from and secured solely by the Pledged Funds, and nothing in the Note or in the Resolution shall be construed as pledging any other funds or assets of the Issuer to such payment. The Issuer is not and shall not be liable for the payment of the principal of and interest on the Note or for the performance of any pledge, obligation or agreement for payment undertaken by the Issuer from any property other than the Pledged Funds. The Noteholder shall not have any right to resort to legal or equitable action to require or compel the Issuer to levy and collect any tax or special assessment or to keep any tax or special assessment in force, except for the Assessments, to pay principal or interest on the Note.

(G) The Issuer will levy and assess Assessments upon the benefitted lands within the MSBU in accordance with the Act and the Assessment Resolution that are sufficient to pay the principal of and interest on the Note. Unless the Noteholder otherwise agrees, the Issuer shall utilize the uniform method for collection of the Assessments authorized by Section 197.3632, Florida Statutes.

ARTICLE VI DEFAULTS AND REMEDIES

SECTION 6.01 Events of Default. The following events shall each constitute an "Event of Default" hereunder:

(a) The Issuer shall fail to make any payment of the principal of or interest on the Note after the same shall become due and payable, whether by maturity, or otherwise, or

(b) the Issuer shall default in the performance of or compliance with any term or covenant contained herein, which default or noncompliance shall continue and not be cured within thirty (30) days after (i) notice thereof to the Issuer by the Noteholder; or (ii) the Noteholder is notified of such noncompliance or should have been so notified, whichever is earlier; or

(c) any representation or warranty made in writing by or on behalf of the Issuer in this Resolution or any related document shall prove to have been false or incorrect in any material respect on the date made or reaffirmed; or

(d) the Issuer admits in writing its inability to pay its debts generally as they become due or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself; or

(e) the Issuer is adjudged insolvent by a court of competent jurisdiction, or it is adjudged a bankrupt on a petition in bankruptcy filed by or against the Issuer, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver or trustee of the Issuer or of the whole or any part of its property, and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 90 days from the date of entry thereof; or

(f) the Issuer shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or the State of Florida; or

(g) the Issuer shall default in the due and punctual payment or performance of covenants under any obligation for the payment of money to the Noteholder or any other subsidiary or affiliate of the Noteholder; or

(h) a judgment or order shall be rendered against the Issuer for the payment of money in excess of \$1,000,000 and such judgment or order shall continue unsatisfied or unstayed for a period of more than 30 days.

SECTION 6.02 Remedies. The Noteholder or any trustee or receiver acting for the Noteholder may, either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in this Resolution, and may enforce and compel the performance of all

duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof; provided, that the remedy of acceleration shall not be available to the Noteholder.

If any remedial action is discontinued or abandoned, the Noteholder shall be restored to its position held prior to commencement of such remedial action.

SECTION 6.03 Directions as to Remedial Proceedings. The Noteholder shall have the right, by an instrument or concurrent instruments in writing, to direct the method and place of conducting all remedial proceedings to be taken hereunder with respect to the Note; provided that such direction shall not be otherwise than in accordance with law or the provisions hereof.

SECTION 6.04 Remedies Cumulative. No remedy herein conferred upon or reserved to the Noteholder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. The Noteholder shall be entitled to reimbursement by the Issuer, solely from Pledged Funds, of all reasonable attorneys fees, costs and expenses incurred by the Noteholder or its trustee or receiver in connection with the enforcement of this Resolution and the Note.

SECTION 6.05 Waiver of Default. No delay or omission of the Noteholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by Section 6.02 of this Resolution to the Noteholder may be exercised from time to time, and as often as may be deemed expedient.

ARTICLE VII
SUPPLEMENTAL RESOLUTIONS

This Resolution may be amended by the Issuer only with the prior written consent of the Noteholder.

ARTICLE VIII MISCELLANEOUS

SECTION 8.01 Defeasance. If, at any time the Issuer shall have paid the principal and interest with respect to the Note and all costs and expenses of the Noteholder payable under this Agreement, then, and in the event, the pledge of and lien on the Pledged Funds in favor of the Noteholder shall be no longer in effect and the Issuer shall have no further obligation to comply with the covenants contained in Article V, other than the covenants contained in Section 5.04 hereof.

SECTION 8.02 Sale of Note. The Note shall be sold as a single Note in the principal amount of \$16,600,000 to Synovus Bank, as the initial purchaser and Noteholder.

SECTION 8.03 General Authority. The members of the Governing Body and the Issuer's officers, attorneys and other agents and employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Note and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel or the initial purchaser to effectuate the sale of the Note.

SECTION 8.04 No Personal Liability. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Note, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Note, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the Governing Body, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Note, or any certificate, or other instrument to be executed in connection with the issuance of the Note, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 8.05 Waiver of Jury Trial. With respect to any suit or action between the Issuer and the Noteholder relating to the Note or this Resolution or any other aspect of the transaction between the Issuer and the Noteholder, the Issuer and the Noteholder (by its acceptance of the Note) each expressly waives any right to a jury trial.

SECTION 8.06 No Third Party Beneficiaries. Except such other Persons as may be expressly described herein or in the Note, nothing in this Resolution, or in the Note, expressed or implied, is intended or shall be construed to confer upon any Person other than the Issuer and the Noteholder any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Note, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Person or Persons who shall from time to time be the Noteholder.

SECTION 8.07 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereunder (including in connection with any amendment, waiver or other modification hereof or of any other documents related hereto), the Issuer acknowledges and agrees that: (a)(i) it has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, (ii) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and any other loan documents, (iii) the Noteholder is not acting as a municipal advisor or financial advisor to the Issuer and (v) the Noteholder has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Issuer with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Noteholder has provided other services or is currently providing other services to the Issuer on other matters); (b)(i) the Noteholder is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Issuer, or any other person and (ii) the Noteholder has no obligation to the Issuer with respect to the transactions contemplated hereby, except those obligations expressly set forth herein and in the other loan documents; and (c) the Noteholder may be engaged in a broad range of transactions that involve interests that differ from those of the Issuer, and the Noteholder has no obligation to disclose any of such interests to the Issuer. To the fullest extent permitted by law, the Issuer hereby waives and releases any claims that it may have against the Noteholder with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, the Issuer is free to engage a municipal advisor to serve in that capacity. The transactions contemplated herein and the Note are delivered pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq, to the extent that such rules apply to the transactions contemplated hereunder.

SECTION 8.08 Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions of this Resolution shall be finally determined to be contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Note issued hereunder.

SECTION 8.09 Repeal of Inconsistent Resolutions. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict. It is the specific intent of this Resolution that any provisions in any other resolution or action of the Issuer limiting the rights of the Issuer to impose, collect or enforce Special Assessments are hereby modified to the extent necessary to permit the Issuer to comply with the requirements imposed by this Resolution. The Issuer covenants to take such additional actions, including the enactment of ordinances, as may be necessary to afford the Issuer authority to impose, collect and enforce Special Assessments sufficient to meet the Issuer's obligations hereunder and under the Note.

SECTION 8.10 Headings not Part Hereof. The headings preceding the several articles and sections hereof shall be solely for convenience of reference and shall not constitute a part of this Resolution or affect its meaning, construction or effect.

SECTION 8.11 Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 12th day of April, 2021.

(OFFICIAL SEAL)

Chairman, Board of County Commissioners

ATTEST:

Clerk of the Board of County Commissioners

Approved as to form and correctness:

County Attorney

EXHIBIT A

FORM OF DISBURSEMENT REQUEST

Requisition Number _____

TO: Clerk of Circuit Court
ex officio Clerk of the Board of County Commissioners of
Nassau County, Florida

RE: Payment of the amount on the attached invoice in connection with the \$16,600,000 South
Amelia Island Shore Stabilization Special Assessment Note, Series 2021 of the County

You are hereby requested to pay the sum of \$ _____ to _____
for _____ per the attached invoice. Such amount is justly due and
owing as a proper expense in connection with the construction of the project financed by the
above-referenced Note and to be paid from amounts on deposit in the Project Fund established
under the County's resolution adopted on April 12, 2021. Such expense has not been the subject
of another requisition which has been paid.

Date

By: _____
Assessment Administrator

EXHIBIT B
PURCHASER'S DISCLOSURE STATEMENT

April 12, 2021

Board of County Commissioners of
Nassau County, Florida
Yulee, Florida

Re: Nassau County, Florida
South Amelia Island Shore Stabilization Special Assessment Note, Series 2021

Commissioners:

In connection with the proposed issuance by Nassau County, Florida (the "Issuer") of its \$16,600,000 South Amelia Island Shore Stabilization Special Assessment Note, Series 2021 (the "Note"), Synovus Bank (the "Purchaser") has committed to purchase the Note.

The purpose of this letter is to furnish pursuant to the provisions of Section 218.385(2), Florida Statutes, certain information in respect of the arrangements contemplated for the purchase of the Note as follows:

(a) The Purchaser has not incurred any expenses in connection with the purchase of the Note. Legal fees in the amount of \$8,500 to Greenspoon Marder LLP, as lender's counsel, will be paid by the Issuer.

(b) No person has entered into an understanding with the Purchaser, or to the knowledge of the Purchaser with the Issuer, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or impliedly, to act solely as an intermediary between the Issuer and the Purchaser, for the purpose of influencing any transaction in the purchase of the Note.

(c) The Note will be purchased at par; consequently, there is no underwriting spread.

(d) No management fee will be paid.

(e) No other fee, bonus or other compensation is estimated to be paid by the Purchaser in connection with the issuance of the Note to any person not regularly employed or retained by the Purchaser (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes).

(f) No other dealer firms were associated for the purpose of underwriting the Note.

(g) The Issuer is proposing to issue \$16,600,000 of debt or obligation for the purposes described in the Issuer's Resolution adopted April 12, 2021 (the "Resolution"). This debt or obligation is expected to be repaid over a period of 9.5 years. At an approximate forecasted average interest rate of 1.98%, and assuming the full draw-down of the entire principal amount of the Note at issuance, total interest paid over the life of the debt or obligation would be \$_____.

(h) The source of repayment or security for this proposal is receipts from special assessments levied by the Issuer on specially benefitted property within the Municipal Services Benefit Unit as described in the Resolution. Because this debt is secured by the levy of special assessments which are only available to the Issuer to pay debt service on the Note, authorizing this debt or obligation will not result in a reduction of the moneys available to the Issuer to finance the other services of the Issuer each year.

The foregoing is for information purposes only and does not supersede or amend the terms of the Note.

We understand that you do not require any further disclosure from the Purchaser pursuant to Section 218.385(2), Florida Statutes.

Very truly yours,

SYNOVUS BANK

By:_____

EXHIBIT C
FORM OF DRAW REQUEST

Nassau County, Florida
South Amelia Island Shore Stabilization
Special Assessment Note, Series 2021

[Date]

Synovus Bank
Naples, Florida

The undersigned, on behalf of Nassau County, Florida, does hereby make a draw request of \$ _____ of the above-referenced Note pursuant to the terms of Resolution No. _____ of the Board of County Commissioners of Nassau County.

Previous Draw Amounts	\$ _____
Current Draw Request	\$ _____
Cumulative Amount Drawn	
After Current Draw Request	\$ _____

In witness whereof, I have set my hand this ____ day of _____, _____.

Clerk of Circuit Court, ex officio Clerk of
the Board of County Commissioners of
Nassau County, Florida