

RESOLUTION NO. 2014-338

RESOLUTION PROVIDING FOR THE REFUNDING OF CERTAIN OUTSTANDING DEBT OF THE COUNTY RELATING TO THE COUNTY'S CONVENTION CENTER PROJECT; AUTHORIZING THE ISSUANCE BY THE COUNTY OF NOT EXCEEDING \$8,100,000 PRINCIPAL AMOUNT OF A TAXABLE CAPITAL IMPROVEMENT REVENUE REFUNDING BOND, SERIES 2014, TO FINANCE THE REFUNDING; ACCEPTING THE LOAN PROPOSAL OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BETWEEN THE COUNTY AND WHITNEY BANK D/B/A HANCOCK BANK IN CONNECTION THEREWITH; APPROVING THE FORM OF LOAN AGREEMENT AND BOND EVIDENCING SUCH FINANCING; AUTHORIZING A COVENANT TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES TO PROVIDE FOR THE PAYMENT OF SUCH BOND; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 86-89, as amended, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared that:

A. St. Johns County (the "County") requested proposals from lending institutions to provide the County with the necessary financing (the "Loan") for the refunding of the County's outstanding Governmental Unit Note dated April 1, 2004 (the "Governmental Unit Note"), which refinanced the County's convention center project, which refunding serves a paramount public purpose.

B. The proposals received are on file with the Clerk of the Board of County Commissioners of the County. The proposal from Whitney Bank d/b/a Hancock Bank (the "Lender") was determined by the County to be the best proposal received. It is hereby determined to be in the best financial interest of the County to accept the Lender's proposal.

C. It is necessary and desirable to provide for the execution and delivery of a Loan Agreement and the issuance of a bond of the County to implement the Loan in the manner hereinafter provided.

D. The County has determined that it is necessary and desirable to pledge the special funds hereinafter described to the payment of the principal of and interest on said bond when due as provided herein and in said Loan Agreement. Amounts due under said bond shall be payable solely from such special funds hereinafter described, all to the extent and in the manner provided herein and in said Loan Agreement.

SECTION 3. AUTHORIZING OF BOND. The issuance by the County of a Taxable Capital Improvement Revenue Refunding Bond, Series 2014, of the County, in the principal amount not exceeding \$8,100,000 (the "Bond"), for the purpose of refunding the Governmental Unit Note, and thereby refinancing a part of the cost of the Project, to be dated, to bear interest at a rate or rates not exceeding the maximum legal rate per annum, to be payable, to mature, to be subject to prepayment and to have such other characteristics as shall be provided in the Loan Agreement authorized herein (the "Loan Agreement"), and to be secured by the special funds as described herein and in the Loan Agreement, is hereby authorized. Authority for the issuance of such principal amount of the Bond herein authorized which shall not be hereafter delivered to the Lender pursuant to the provisions of the Loan Agreement is hereby cancelled and rescinded.

SECTION 4. SECURITY FOR THE BOND. The payment of principal of and interest on the Bond shall be secured forthwith by a covenant to budget and appropriate legally available non-ad valorem revenues of the County, all in the manner and to the extent provided in the Loan Agreement. 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.

SECTION 5. ACCEPTANCE OF LENDER PROPOSAL. The County hereby accepts the proposal of the Lender.

SECTION 6. APPROVAL OF FORM OF LOAN AGREEMENT AND BOND. The form of the Loan Agreement attached hereto as Exhibit A and the Bond attached thereto as an exhibit are hereby approved and the Chair or Vice Chair of the Board of County Commissioners of the County (the "Chair") and the Clerk or any Deputy Clerk of the Board of County Commissioners of the County (the "Clerk") are hereby authorized to execute and deliver such instruments in substantially the forms attached hereto, with such modifications as may be approved by the Chair or the Clerk, such approval to be conclusively evidenced by such officer's execution thereof, and to take such other actions as shall be necessary to implement the Loan in the manner provided herein and in the Loan Agreement.

SECTION 7. GENERAL AUTHORITY. The Chair, the Clerk and the County'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 this Resolution, the Loan Agreement and the Bond and they are hereby authorized to execute and deliver all related documents which shall be required to effectuate the sale of the Bond to the Lender.

SECTION 8. REPEAL OF INCONSISTENT PROVISIONS. All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

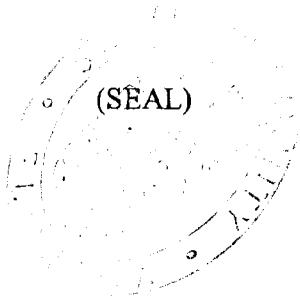
SECTION 9. SEVERABILITY. In the event that any portion or section of this Resolution is determined to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such decision shall in no manner affect the remaining portions or sections of this Resolution shall remain in full force and effect.


SECTION 10. ADMINISTRATIVE MATTERS. To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners of the County.

SECTION 11. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 18th day of November, 2014.

BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA



By: 
Its Chair

ATTEST:

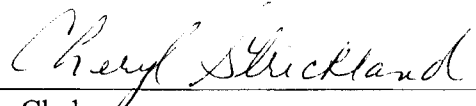

Its Clerk

EXHIBIT A
LOAN AGREEMENT

EC DRAFT OF 10/31/14

LOAN AGREEMENT

between

ST. JOHNS COUNTY, FLORIDA

and

WHITNEY BANK d/b/a HANCOCK BANK

Dated November 25, 2014

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EXHIBIT A – FORM OF BOND

This LOAN AGREEMENT (this "Agreement") is made and entered into on November 25, 2014, by and between ST. JOHNS COUNTY, FLORIDA (the "Issuer"), and WHITNEY BANK d/b/a HANCOCK BANK (the "Lender").

WITNESSETH

WHEREAS, the Issuer has determined that it is necessary, desirable and in the best interests of the Issuer and its inhabitants that the Issuer refund the Refunded Obligation (as hereinafter defined), which refunding will serve a paramount public purpose;

WHEREAS, the Issuer has determined that it is without adequate currently available funds to pay for such refunding and it is necessary that funds be made immediately available to the Issuer in order to undertake the refunding;

WHEREAS, the Issuer requested proposals from lending institutions to provide the Issuer with the necessary financing for the refunding;

WHEREAS, the proposal of the Lender hereinafter described was determined to be the lowest and best of the proposals submitted;

WHEREAS, pursuant to the Lender's proposal, the Lender has agreed to lend the Issuer the principal amount of \$8,081,000 in return for the Bond hereinafter described, as provided herein;

WHEREAS, the Issuer has determined that it is in the best interest of the health, safety and welfare of the Issuer and the inhabitants thereof that the Issuer pledge the special funds hereinafter described to the payment of the principal of and interest on the Bond when due as provided herein; and

WHEREAS, the Bond shall not constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of any provision of the Constitution of the State of Florida, but shall be a special, limited obligation of the Issuer, the principal of and interest on which are payable solely from the special 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 such special funds, and it will never be necessary or authorized to levy taxes on any real property of or in the Issuer 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 any property of or in the Issuer other than such special 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 sufficiency 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:

“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 Issuer and applicable law.

“Bond” means the Issuer’s Taxable Capital Improvement Revenue Refunding Bond, Series 2014, in substantially the form attached hereto as Exhibit A, with such modifications thereto as may be approved by the Lender and, upon the advice of the Issuer’s attorney, the Chair or the Clerk, such approval to be conclusively evidenced by such officer’s execution thereof and the Lender’s execution of this Agreement.

“Bond Payment Account” means the account created and established pursuant to Section 10C hereof.

“Business Day” means any day of the year other than a Saturday or Sunday or a day on which the office of the Lender set forth in Section 15 hereof or the designated office of any Paying Agent are lawfully closed.

“Chair” means the Chair or Vice Chair of the Governing Body or such other person as may be duly authorized to act on his or her behalf.

“Clerk” means the Clerk of the Governing Body or such other person as may be duly authorized to act on his or her behalf.

“Federal Securities” means direct non-callable obligations of the United States of America.

“Fiscal Year” means the period from October 1 to the succeeding September 30.

“Governing Body” means the Board of County Commissioners of the Issuer.

“Issuer” means St. Johns County, a political subdivision of the State.

“Lender” means Whitney Bank d/b/a Hancock Bank, its successors and assignees.

“Loan” means the loan made to the Issuer pursuant to Section 3A below.

“Non-Ad Valorem Revenues” means all legally available revenues of the Issuer derived from any source whatsoever other than ad valorem taxation on real or personal property, which are legally available to make the loan repayments required herein.

“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 the portion of the Non-Ad Valorem Revenues deposited in the Bond Payment Account by the Issuer in accordance with Section 10C hereof (provided, however, that prior to the deposit of such moneys by the Issuer into the Bond Payment Account, such moneys shall not constitute Pledged Funds) and, until applied in accordance with the provisions of this Agreement, the proceeds of the Bond and all moneys, including investments thereof, in the accounts established hereunder.

“Refunded Obligation” means the Issuer’s outstanding Governmental Unit Note dated April 1, 2004.

“Register” means the books maintained by the Registrar in which are recorded the names and addresses of the owners of the Bond.

“Registrar” means the Person maintaining the Register. The Registrar shall be the Clerk.

“State” means the State of Florida.

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 Issuer hereby accepts the Loan in the principal amount of \$8,081,000 evidenced by the Bond upon the terms and conditions herein.

B. Disbursement of Proceeds. Subject to the conditions of this Agreement, the proceeds of the Loan shall be made available to the Issuer by the Lender by deposit to or for the order of the Issuer by 11:00 a.m. on the date of issuance of the Bond in immediately available funds.

SECTION 4. DESCRIPTION OF BOND. The Loan shall be evidenced by the Bond. The Bond shall be dated as of the date of initial delivery thereof; shall mature on December 1, 2020; shall be in registered form; shall be subject to prepayment as described in the Bond; and shall bear interest at a fixed rate equal to 2.10%, calculated on the basis of a 360-day year consisting of twelve 30-day months, until payment in full of the principal amount thereof, subject to adjustment as set forth in the Bond. Interest shall be payable each June 1 and December 1, commencing June 1, 2015, and principal shall be paid each December 1, commencing December 1, 2015, in the amounts shown in the Bond, with any unpaid amounts paid in full on the Bond maturity date.

SECTION 5. EXECUTION OF BOND. The Bond shall be executed in the name of the Issuer by the Chair, and attested and countersigned by the Clerk, and its seal or a facsimile thereof shall be affixed thereto or reproduced thereon. The Bond may be signed and sealed on behalf of the Issuer by any person who at the actual time of the execution of the Bond shall hold

such office in the Issuer, although at the date of the Bond such person may not have been so authorized. The Bond may be executed by the facsimile signatures of the Chair or the Clerk.

SECTION 6. REGISTRATION AND TRANSFER OF BOND. The Bond shall be and shall have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code-Investment Securities Laws of the State, and the registered owner, in accepting the Bond, shall be conclusively deemed to have agreed that the 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 Issuer and the Registrar, and any notice to the contrary shall not be binding upon the Issuer or the Registrar. The Issuer and the Registrar may treat such registered owner as the absolute owner of the Bond for all purposes, whether or not the 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 the 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 maturity and interest rate and for the aggregate principal amount as the Bond surrendered.

Any Bond presented for transfer, exchange, redemption or payment (if so required by the Issuer 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 Issuer or the Registrar, duly executed by the registered owner or by its duly authorized attorney.

The Registrar or the Issuer may also require payment from the registered owner or such owner's 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. Such charges and expenses shall be paid before any new Bond shall be delivered.

The new Bond delivered upon any transfer or exchange shall be a valid obligation of the Issuer, 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 the Bond shall be delivered to the Registrar for cancellation, upon payment of the principal amount thereof, or for replacement, transfer or exchange, the Bond shall be cancelled and destroyed by the Registrar, and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the Issuer.

SECTION 7. BOND MUTILATED, DESTROYED, STOLEN OR LOST. In case the 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 Issuer may prescribe and paying such

expenses as the Issuer 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 Issuer 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 cancelled by the Registrar.

Any such duplicate Bond issued pursuant to this section shall constitute an original, additional contractual obligation on the part of the Issuer whether or not, as to such 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 ISSUER. Until the Bond is paid or deemed paid pursuant to the provisions of this Agreement, the Issuer hereby covenants to appropriate in its annual budget, by amendment if necessary, from Non-Ad Valorem Revenues lawfully available for such purpose in each Fiscal Year in which any principal of or interest on the Bond becomes due and payable, amounts sufficient, together with other available moneys, to pay the principal of and interest on the Bond as the same become due, which amounts shall be deposited into the Bond Payment Account established herein to pay the principal of and interest on the Bond. Such covenant on the part of the Issuer 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 under the Bond shall have been budgeted, appropriated, deposited and actually paid.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor does it hinder, restrict or preclude the Issuer from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Issuer to levy and collect any particular Non-Ad Valorem Revenues, nor does it require the Issuer to maintain any services or programs now provided or maintained by the Issuer which generate Non-Ad Valorem Revenues, nor does it hinder, restrict or preclude the Issuer from making the same or a similar covenant with respect to any other contractual obligations, nor does it give the Lender a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the Issuer. Such covenant to appropriate Non-Ad Valorem Revenues is subordinate and subject in all respects to the prior payment of obligations secured by a pledge or pledges of and lien or liens upon any or all such Non-Ad Valorem Revenues heretofore or hereinafter entered into (including the payment of debt services on bonds and other debt instruments). However, the covenant to budget and appropriate in its annual budget for the purposes and in the manner stated herein shall have the effect of making available for the payment of the principal of and interest on the Bond

in the manner described herein Non-Ad Valorem Revenues and placing on the Issuer a positive duty to appropriate and budget, by amendment, if necessary, amounts from Non-Ad Valorem Revenues sufficient to meet its obligations hereunder; subject, however, in all respects to the restrictions of State law relating to county budgets, including Section 129.07, Florida Statutes, as amended, which provides, in part, that it is unlawful for the board of county commissioners of a county to expend or contract for the expenditure in any Fiscal Year more than the amount budgeted in each fund's budget and in no case shall the total appropriations of any budget be exceeded, except as provided pursuant to Section 129.06, Florida Statutes, as amended; and subject, further, to the prior payment of services and programs which (1) are essential public purposes affecting the health, welfare and safety of the inhabitants of the Issuer, (2) are legally mandated or required by applicable law and/or (3) are the services and programs for which the revenues were received. The Issuer's determination that a service or program is an essential public purpose shall be presumed valid unless such determination clearly appears arbitrary and capricious.

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, all in the manner and to the extent provided herein and in the Bond.

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

SECTION 10. COVENANTS OF THE ISSUER. 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 20 hereof, the Issuer covenants with the Lender as follows:

A. Financial Statements. The Issuer will deliver to the Lender at no cost its comprehensive annual financial report within 30 days of receipt thereof from its auditors but no later than 270 days after the end of each Fiscal Year of the Issuer.

The Issuer will not be responsible for any annual or ongoing fees of the Lender or Persons contracted by the Lender to provide information to the Issuer or the Issuer's auditors regarding the status of the Loan, including, but not limited to, annual audit confirmations and requests.

B. Annual Budget and Other Information. The Issuer will prepare its annual budget in accordance with State law, and will provide the Lender at no cost a copy of its final annual budget for each Fiscal Year within 30 days of adoption thereof by the Governing Body and such other information the Lender may reasonably request.

C. Bond Payment Account. The Issuer hereby creates and establishes a special separate account to be called the "St. Johns County, Florida, Taxable Capital Improvement Revenue

Refunding Bond, Series 2014, Bond Payment Account” (hereinafter called the “Bond Payment Account”).

On or before the last Business Day of each month, the Issuer will deposit to the Bond Payment Account from Non-Ad Valorem Revenues or other legally available funds an amount sufficient to accumulate on a proportionate monthly basis (i.e. 1/6 interest payment and 1/12 principal payment) the amounts sufficient to pay, on each date fixed for the payment of the principal of or interest on the Bond, the principal and interest becoming due on the Bond on the next payment date therefor. Any excess amounts remaining on deposit in the Bond Payment Account on the day following the respective payment may be withdrawn by the Issuer and applied for other lawful purposes.

The moneys on deposit to the credit of the Bond Payment Account shall be applied only to the payment of the principal of and interest on the Bond and, until such moneys shall have been applied to such purpose, there shall be a lien upon all of the moneys of the Bond Payment Account in favor of the owner of the Bond.

The Issuer shall not be required to make any further payments into the Bond Payment Account when the aggregate amount of money and Authorized Investments in said account is at least equal to the total principal of and interest on the Bond then outstanding.

E. Investments. Amounts on deposit in the Bond Payment Account will be invested and reinvested by the Issuer in Authorized Investments maturing or redeemable at the option of the Issuer not later than the date such amounts are needed for the payments required hereunder.

Except to the extent otherwise required by any provision hereof, all income from the investment of moneys in the Bond Payment Account shall, upon receipt thereof, be deposited to the credit of the Bond Payment Account and used for the purposes thereof.

The designation of any special account 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 accounts 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 accounts established hereunder and to control the restricted uses of such moneys and investments for the various purposes as herein provided.

F. Anti-Dilution Covenant. During such time until the Bond is paid or deemed paid pursuant to the provisions of this Agreement (including but not limited to at the time of issuance or incurrence of additional indebtedness which is secured by any Non-Ad Valorem Revenues or is payable from a covenant to budget and appropriate legally available Non-Ad Valorem Revenues similar to the one set forth herein), the Issuer agrees and covenants that the average of actual receipts over the prior two Fiscal Years of the Issuer of Non-Ad Valorem Revenues shall cover projected maximum annual debt service on Debt (as hereinafter defined) secured by and/or

payable from such Non-Ad Valorem Revenues by at least 1.5 times. For the purposes of this paragraph, "Debt" means at any date (without duplication) all of the following to the extent that they are general obligations of the Issuer or are payable in whole or in part from Non-Ad Valorem Revenues (a) all obligations of the Issuer for borrowed money or evidenced by bonds, debentures, notes or other similar instruments, (b) all obligations of the Issuer 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, (c) all obligations of the Issuer as lessee under capitalized leases and (d) all indebtedness of other persons to the extent guaranteed by the Issuer or secured by Non Ad-Valorem Revenues. The Issuer agrees that, as soon as practicable after the end of each Fiscal Year, but in no event later than the July 15 of the next Fiscal Year, it shall deliver to the Lender a certificate setting forth the calculation of the financial ratio provided in this paragraph and certifying that it is in compliance with the provisions of this paragraph.

G. No Acceleration. Until the Bond is paid or deemed paid pursuant to the provisions of this Agreement, the Issuer agrees and covenants that, in the event the Issuer hereafter covenants to budget and appropriate Non-Ad Valorem Revenues in the same or a similar manner as the covenant contained in Section 9 of this Agreement with respect to any other contractual obligations of the Issuer, the remedies made available in connection therewith shall not include acceleration of payment of such obligations.

SECTION 11. APPLICATION OF BOND PROCEEDS. The proceeds of the Bond shall be applied by the Issuer first to refund the Refunded Obligation and thereafter used by the Issuer to pay the costs of preparation and issuance of the Bond, to the extent not paid with other legally available funds of the Issuer. The Lender shall have no responsibility for the use of the proceeds of the Bond, and the use of Bond proceeds by the Issuer shall in no way affect the rights of the Lender.

SECTION 12. CONDITIONS PRECEDENT.

The obligation of the Lender to make the Loan evidenced by the Bond is subject to the satisfaction of each of the following conditions precedent on or before the date of issuance of the Bond:

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

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

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

D. No Default. No default shall have occurred and be continuing as of the date of issuance or will result from the execution and delivery of this Agreement or the issuance of the Bond; and the Lender shall have received a certificate from the Issuer to the foregoing effect.

E. No Material Adverse Change. The Lender shall be satisfied that there has been no material adverse change in any of the financial condition, operations or prospects of the Issuer, taken as a whole.

F. Anti-Dilution Certificate. The Lender shall have received a certificate of the Issuer demonstrating compliance with Section 10F upon the issuance of the Bond.

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

H. Disclosure Statement. The Lender shall have filed with the Issuer the Lender's Disclosure Statement in compliance with Section 218.385, Florida Statutes, as amended.

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

A. Organization. The Issuer is a political subdivision of the State.

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

C. Financial Statements. The financial statements of the Issuer 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 Issuer 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, properties or operations of the Issuer.

D. Pledged Funds. No part of the Pledged Funds have been pledged or hypothecated except with respect to the Bond.

SECTION 14. [RESERVED].

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:

Issuer: St. Johns County, Florida
500 San Sebastian View
St. Augustine, FL 32084
Attn: Finance Director

Lender: Whitney Bank d/b/a Hancock Bank
113 Designer Circle
Dothan, AL 36303
Attn: Steven E. Cole, Senior Vice President

Any party 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 or electronic mail shall be confirmed by delivery of a hard copy thereof to the Lender not later than two (2) Business Days after such communication by telecopier or electronic mail. 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 Issuer to timely pay any loan repayment when due and payable;
- B. Failure by the Issuer to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period of thirty (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 Issuer 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 Issuer or by an officer or agent of the Issuer 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 Issuer 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 sixty (60) days of such filing;
- E. The Issuer 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 Issuer 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 Issuer 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 sixty (60) days; or

G. The Issuer defaults in the due and punctual payment or performance of material covenants related to (i) any obligation for the payment of money to the Lender or any other subsidiary or affiliate of the Lender or (ii) any obligation for the repayment of borrowed money secured by a covenant to budget and appropriate Non-Ad Valorem Revenues.

The Issuer will furnish the Lender with prompt written notice of the occurrence of any Event of Default or the receipt by the Issuer of any written notice of an alleged Event of Default.

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 or 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 Issuer, the Governing Body 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 or the United States of America. The Issuer will reimburse the Lender (or its agents, receivers or trustees) for all reasonable legal and collection costs to exercise its remedies or collect its payments for the Loan upon the occurrence of an Event of Default.

Nothing herein, however, shall be construed to grant to the Lender any lien on any property of the Issuer or situated within its territorial limits, except the Pledged Funds in the manner and to the extent provided herein.

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 Governing Body or any person executing the Bond.

SECTION 19. PAYMENTS DUE ON NON-BUSINESS DAYS. 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 Issuer 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 Issuer shall have no further obligation to comply with the covenants contained in Section 10 hereof. 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 of and interest on the Bond, shall be considered "provision for payment."

SECTION 21. AMENDMENTS, CHANGES AND MODIFICATIONS HERETO. This Agreement may be amended only with the prior written approval of the Issuer and the Lender.

SECTION 22. BINDING EFFECT. To the extent provided herein, this Agreement shall be binding upon the Issuer and the Lender and shall inure to the benefit of the Issuer and the Lender and their respective successors and assigns.

SECTION 23. 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 24. 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 25. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State. Venue for any administrative and/or legal action arising under this Agreement shall be in St. Johns County, Florida.

SECTION 26. WAIVER OF JURY TRIAL. To the extent permitted by applicable law, each of the Issuer and the Lender, knowingly, voluntarily and intentionally waives any right each may have to a trial by jury in respect of any litigation based on, or arising out of, under or in connection with this Agreement, the Bond or any agreement contemplated to be executed in connection with this Agreement, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any party with respect hereto.

[Remainder of page intentionally left blank]

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

ST. JOHNS COUNTY, FLORIDA

(SEAL)

ATTEST:

By: _____
Chair of its Board of County
Commissioners

Clerk of its Board of County
Commissioners

WHITNEY BANK d/b/a HANCOCK BANK

By: _____
Senior Vice President

EXHIBIT A
FORM OF BOND

NO. R-1 \$8,081,000

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

<u>RATE OF INTEREST</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUE</u>
2.10%	December 1, 2020	November 25, 2014

REGISTERED OWNER: WHITNEY BANK d/b/a HANCOCK BANK

PRINCIPAL AMOUNT: EIGHT MILLION EIGHTY-ONE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that St. Johns County, a political subdivision of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the sources of payment hereinafter described, to the Registered Owner identified above, or registered assigns as hereinafter provided, the Principal Amount identified above in annual installments on the dates and in the amounts set forth in the following amortization schedule:

<u>Date</u>	<u>Installment</u>
December 1, 2015	\$1,261,000
December 1, 2016	1,292,000
December 1, 2017	1,330,000
December 1, 2018	1,364,000
December 1, 2019	1,397,000
December 1, 2020	1,437,000

and interest (calculated on the basis of a 360-day of twelve 30-day months) on such Principal Amount from the date hereof or from the most recent interest payment date to which interest has been paid, at the rate per annum determined in the manner hereinafter provided, on June 1 and December 1 of each year, commencing June 1, 2015, until such Principal Amount shall have been paid or provided for, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto. The principal of and interest on this Bond are payable in lawful money of the United States of America.

Upon an Event of Default (as defined in the hereinafter described Loan Agreement), this Bond shall bear interest at a default rate equal to the interest rate on this Bond plus six percent (6%) per annum until such Event of Default is cured. Anything provided herein to the contrary notwithstanding, in no event shall this Bond bear interest at a rate in excess of the maximum rate permitted by law.

This Bond may be prepaid prior to maturity in whole on any date and in part in multiples of \$1,000 on any principal payment date without prepayment penalty upon ten (10) days prior written notice; provided, however, that any partial prepayment shall be applied to such principal payments on this Bond in inverse order of maturity.

This Bond is issued under the authority of Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 86-89, as amended, and other applicable provisions of law, and pursuant and subject to the terms and conditions of Resolution No. 2014-___ duly adopted by the Issuer on November 18, 2014 (the "Resolution"), and a Loan Agreement dated November 25, 2014, between the Issuer and the initial purchaser of the Bond (the "Loan Agreement"), to which reference should be made to ascertain those terms and conditions, all of which are incorporated herein as if set forth in full.

The payment of the principal of and interest on this Bond shall be secured forthwith by a lien upon and a pledge of the Pledged Funds (as defined in the Loan Agreement), all in the manner and to the extent provided in the Resolution and the Loan Agreement.

This Bond shall not constitute a general obligation or indebtedness of the Issuer, and the Registered Owner shall never have the right to require or compel the levy of taxes on any property of or in the Issuer for the payment of the principal of and interest on this Bond. This Bond shall not constitute a lien upon any property of or in the Issuer, but shall be payable solely from special funds described herein in the manner provided in the Resolution and the Loan Agreement. Reference is made to the Resolution and the Loan Agreement for the provisions relating to the security for payment of this Bond and the duties and obligations of the Issuer 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 connection with 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, St. Johns County, Florida, has caused this Bond to be executed by the Chair of its Board of County Commissioners, and attested by the Clerk of its Board of County Commissioners, 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 25, 2014.

ST. JOHNS COUNTY, FLORIDA

(SEAL)

By: _____
Chair of its Board of County
Commissioner

ATTEST:

Clerk of its Board of County
Commissioners