



**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2007	2008	2009	2010	2011
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	_____	_____	_____	_____
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes \_\_\_ No \_\_\_

Budget Account No.: Fund \_\_\_ Department \_\_\_ Unit \_\_\_ Object \_\_\_

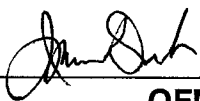
Reporting Category \_\_\_\_\_

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

**C. Departmental Fiscal Review: \_\_\_\_\_**

**III. REVIEW OF**

**A. OFMB Fiscal and/or Contract Development**

  
 OFMB  
 3-26-07  
 3/26/07  
 3/2

*one additional original to follow.*

**B. Legal Sufficiency:**

  
 Assistant County Attorney

107  
5  
revert

**C. Other Department Review:**

\_\_\_\_\_  
Department Director

**THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.**

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement"), dated as of \_\_\_\_\_, 2007 (the "Effective Date"), is made by and among The Scripps Research Institute, a California nonprofit public benefit corporation ("Scripps"), Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners ("County"), and U.S. Bank, National Association, a national banking association ("Escrow Agent"). The Effective Date shall be the date this Agreement has been signed by all parties.

### WITNESSETH:

WHEREAS, Scripps and County are each a party to that certain Grant Agreement, dated as of May 23, 2006, as amended (the "Grant Agreement") (capitalized terms not otherwise defined herein have meanings ascribed to such terms in the Grant Agreement);

WHEREAS, the Grant Agreement provides that upon Scripps' commencement of vertical construction of the Permanent Facilities on the FAU Site, Scripps will deposit Five Million Dollars (\$5,000,000) withdrawn exclusively from Scripps Florida funds into escrow to fund certain obligations that Scripps may have to County under the Grant Agreement; and

WHEREAS, Scripps and County desire that Escrow Agent serve, and Escrow Agent desires to serve, as escrow agent hereunder.

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

1. Appointment and Acceptance by the Escrow Agent. Scripps and County hereby appoint Escrow Agent to serve as escrow agent hereunder. Escrow Agent hereby accepts such appointment. Upon receipt of the Escrow Funds in accordance with Section 2, Escrow Agent agrees to hold and disburse such Escrow Funds in an escrow account or accounts (the "Escrow Account") in accordance with the terms and conditions of this Agreement.

2. Deposit of Escrow Funds. Within five business days of the Effective Date, Scripps will deposit with the Escrow Agent the principal sum of Five Million Dollars (\$5,000,000) withdrawn exclusively from Scripps Florida funds (the "Escrow Funds"), in immediately available funds. The Escrow Funds shall not be subject to any right of set off or claim by Escrow Agent against Scripps or County unless otherwise provided in this Agreement.

3. Investment of Escrow Funds. Scripps shall have the sole authority and responsibility to make investment decisions with respect to the Escrow Funds, and Escrow Agent is hereby directed and instructed to initially invest and reinvest the Escrow Funds as instructed in writing by Scripps. Scripps has determined that Escrow Agent shall initially invest the Escrow Funds as directed in Section I of Schedule 1. Escrow Agent will provide monthly statements to Scripps which show any maturity dates applicable to investments made with the Escrow Funds, prior to maturity, or may also, with Scripps' consent or at Scripps' request, establish on-line account statements for Scripps. If, at any time that an investment decision must be made, Escrow Agent has not received a written direction from Scripps directing the investment of the Escrow Funds, or a portion thereof, Escrow Agent shall invest the Escrow Funds, or such portion thereof as to which no written direction has been received, in investments described in Section II of Schedule 1. Each of the foregoing investments shall be made in the name of Escrow Agent. Notwithstanding anything to the contrary contained herein, Escrow Agent may, without notice to Scripps or County, sell or liquidate any of the foregoing investments at any time if the proceeds of such investments are required for any disbursement of Escrow Funds permitted or required under this Agreement.

4. Scripps' Obligation to Maintain Minimum Escrow Balance; Interest, Earnings or Losses on Escrow Funds. Scripps shall maintain a minimum principal balance of \$5,000,000 in the Escrow Account, which principal balance shall be thereafter reduced by disbursements of principal made to either Scripps or the County pursuant to Section 6 ("Minimum Escrow Requirement"). Any interest, investment earnings or other profit generated by the principal (subject to any deduction of tax at source and any bank or other charges properly charged to the Escrow Account) shall be Scripps' funds, and shall become part of the Escrow Account unless and until withdrawn by Scripps at its discretion, but subject to the terms herein, and upon its written instruction to the Escrow Agent for an Interest Payment Release in the form attached hereto as Exhibit A. Scripps shall not be entitled to, and shall not, withdraw interest, investment earnings or other profits generated by the principal such that the balance in the Escrow Account would be less than the total of the Minimum Escrow Requirement at that time plus a reasonable buffer ("Buffer") of \$100,000, which Buffer shall be reduced to \$50,000 during the last five years of the Escrow term if Scripps has been entitled to, and has received, five annual disbursements of principal. Scripps shall attach to its Interest Payment Release form a current statement of the Escrow Account received from the Escrow Agent, or a copy of the statement available on-line, which statement shall show a balance in excess of the Minimum Escrow Requirement plus the Buffer. Scripps shall send a copy of the Interest Payment Release form and Escrow Account statement, to the County. Escrow Agent shall promptly disburse to Scripps any and all interest, investment earnings or other profits, as an Interest Payment Release, as directed by Scripps at any time, provided that after such release the balance of the Escrow Funds meet or exceed the current Minimum

Escrow Requirement, plus the Buffer. For example, with respect to the first Scripps' disbursement request, if the Escrow Account has a balance of \$6,000,000 immediately prior to the request, then Scripps has the right to request release of \$500,000 as principal (which is subtracted from the initial \$5,000,000 to equal \$4,500,000 as the new Minimum Escrow Requirement), plus another \$900,000, as an Interest Payment Release (\$1,000,000 total interest less the Buffer of \$100,000) for a total of \$1,400,000 disbursed to Scripps, leaving a balance in the Escrow Account equal to the then-required Minimum Escrow Requirement (\$4,500,000), plus the Buffer, for a total of \$4,600,000. Escrow Agent shall provide notice to the County of its disbursement of any Interest Payment to Scripps. Any and all investment losses shall be charged against the Escrow Account. Should any such loss result in Escrow Funds less than the Minimum Escrow Requirement at the end of the calendar year, Scripps shall, within 5 business days of December 31, deposit sufficient additional funds as Escrow Funds in the Escrow Account to meet the Minimum Escrow Requirement.

5. Statements by Escrow Agent. The Escrow Agent shall issue a statement on the Escrow Funds and Escrow Account no less than twice a year, with copies of such statements delivered to both Scripps and County.

6. Disbursement of Escrow Funds.

(a) If the Escrow Agent receives written notice substantially in the form of Exhibit B from Scripps (with a copy to County) stating that Scripps is entitled to a disbursement of Escrow Funds (each such written notice, a "Scripps Disbursement Request"), then the Escrow Agent shall within five business days after the date of the Scripps Disbursement Request give written notice to County (with a copy to Scripps) of Escrow Agent's intention to disburse Escrow Funds in accordance with the instructions set forth in such Scripps Disbursement Request. County shall have a period of twenty business days after the date of Escrow Agent's notice to provide the Escrow Agent (with a copy to Scripps) with written notice of County's objection to such disbursement of Escrow Funds and a description of the reasons for such objection. If County fails to timely provide the Escrow Agent with its written notice of objection to the disbursement of Escrow Funds, then the Escrow Agent shall disburse such Escrow Funds in accordance with the written instructions set forth in the Scripps Disbursement Request. If County timely provides the Escrow Agent with its written notice of objection to the disbursement of Escrow Funds, then the Escrow Agent shall proceed in accordance with the terms of Section 7.

(b) If the Escrow Agent receives written notice substantially in the form of Exhibit C from County (with a copy to Scripps) stating that County is entitled to a disbursement of Escrow Funds (each such written notice, a "County Disbursement Request"), then the Escrow Agent shall within five business days after the date of the County Disbursement Request give written notice to Scripps

(with a copy to County) of Escrow Agent's intention to disburse Escrow Funds in accordance with the instructions set forth in such County Disbursement Request. Scripps shall have a period of twenty business days after the date of Escrow Agent's notice to provide the Escrow Agent (with a copy to County) with written notice of Scripps' objection to such disbursement of Escrow Funds and a description of the reasons for such objection. If Scripps fails to timely provide the Escrow Agent with its written notice of objection to the disbursement of Escrow Funds, then the Escrow Agent shall disburse such Escrow Funds in accordance with the written instructions set forth in the County Disbursement Request. If Scripps timely provides the Escrow Agent with its written notice of objection to the disbursement of Escrow Funds, then the Escrow Agent shall proceed in accordance with the terms of Section 7.

(c) If the Escrow Agent receives an appropriate order from a court of competent jurisdiction, the Escrow Agent shall disburse Escrow Funds in compliance with such order.

7. Suspension of Performance; Disbursement Into Court. If, at any time, (a) Escrow Agent is unable to determine, to Escrow Agent's sole satisfaction, the proper disposition of all or any portion of the Escrow Funds or Escrow Agent's proper actions with respect to its obligations hereunder, or (b) Scripps and County have not within thirty days of the furnishing by Escrow Agent of a notice of resignation pursuant to Section 8, appointed a successor escrow agent to act hereunder, then Escrow Agent may, in its sole discretion, take either or both of the following actions:

(i) suspend the performance of any of its obligations under this Agreement until such dispute or uncertainty shall be resolved to the sole satisfaction of Escrow Agent or until a successor escrow agent shall have been appointed (as the case may be); or

(ii) petition (by means of an interpleader action or any other appropriate method) any court of competent jurisdiction for instructions with respect to such dispute or uncertainty, and to the extent required or permitted by law, pay into the court, for holding and disposition in accordance with the instructions of such court, all Escrow Funds or the portion of the Escrow Funds that are subject to dispute, as the case may be, after deduction and payment to Escrow Agent of all fees payable and all expenses (including court costs and reasonable attorneys' fees) payable to, incurred by or expected to be incurred by Escrow Agent in connection with the performance of its duties and the exercise of its rights under this Agreement.

Escrow Agent shall have no liability to Scripps, County or any other person with respect to any such suspension of performance or disbursement into

court (including, without limitation, the disbursements authorized in Section 6), specifically including any liability or claimed liability that may arise, or be alleged to have arisen, out of or as a result of any delay in the disbursement of funds held in the Escrow Account or any delay in or with respect to any other action required or requested of Escrow Agent.

8. Replacement of Escrow Agent.

(a) Escrow Agent may resign and be discharged from the performance of its duties under this Agreement at any time by giving thirty days prior written notice to Scripps and County specifying a date when such resignation shall take effect. Upon any such notice of resignation, Scripps shall appoint a successor escrow agent acceptable to County prior to the effective date of such resignation. Escrow Agent shall transmit all records pertaining to the Escrow Funds and shall pay all Escrow Funds to the successor escrow agent, after making such copies of such records as Escrow Agent deems advisable and after deduction and payment to Escrow Agent of all fees payable and all expenses (including court costs and reasonable attorneys' fees) payable to, incurred by or expected to be incurred by Escrow Agent in connection with the performance of its duties and the exercise of its rights under this Agreement. Any corporation or association into which Escrow Agent may be merged, consolidated or converted or any corporation or association to which all or substantially all of the escrow business of Escrow Agent's corporate trust line of business may be transferred, shall be Escrow Agent under this Agreement without further act.

(b) Scripps and County shall have the power at any time by mutual consent to remove Escrow Agent by written notice. Such removal shall take effect upon delivery of the Escrow Funds and copies of all records relating to the Escrow Funds to a successor escrow agent designated in the joint written direction signed by Scripps and County. Escrow Agent shall deliver the Escrow Funds and copies of all records relating to the Escrow Funds without unreasonable delay after receiving the designation of such successor escrow agent.

9. Liability of Escrow Agent. Escrow Agent undertakes to perform only such duties as are expressly set forth in this Agreement and no duties shall be implied. Escrow Agent shall have no liability under and no duty to inquire as to the provisions of any agreement other than this Agreement. Escrow Agent shall not be liable for any mistakes of fact or errors of judgment, or for any action taken or omitted to be taken by it in good faith, or for any mistake of fact or law, unless caused by its fraud, gross negligence or willful misconduct. Escrow Agent's sole responsibility shall be for the safekeeping and disbursement of the Escrow Funds in accordance with the terms of this Agreement. Escrow Agent shall have no implied duties or obligations and shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein. Escrow Agent may act in reliance upon any writing, instrument or signature that it believes in good faith to be

genuine, may assume the validity and accuracy of any statements or assertions contained in such writing or instrument, and may assume that any person purporting to give any writing, notice or instruction in connection with this Agreement has been duly authorized to do so. Under no circumstances shall Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages (including, without limitation, loss of business, goodwill, opportunity or profit), even if advised of the possibility of such loss or damage regardless of the form of action.

10. Indemnification of Escrow Agent. From and at all times after the date of this Agreement, Scripps shall, to the fullest extent permitted by law, defend, indemnify and hold harmless Escrow Agent and each director, officer, employee, attorney, agent and affiliate of Escrow Agent (collectively, the "Indemnified Parties") against any and all actions, claims, losses, damages, liabilities, costs and expenses of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees, costs and expenses) arising out of or relating to this Agreement and Escrow Agent's undertakings pursuant to the terms and conditions of this Agreement; provided, however, that no Indemnified Party shall have the right to be indemnified hereunder for any liability finally determined by a court of competent jurisdiction, subject to further appeal, to have resulted solely from the gross negligence or willful misconduct of such Indemnified Party. The obligations of Scripps under this Section 10 shall survive any termination of this Agreement and the resignation or removal of Escrow Agent.

11. Fees and Expenses of Escrow Agent. Escrow Agent shall be compensated for its services hereunder in accordance with Schedule 2 attached hereto. Escrow Agent shall also be reimbursed for all reasonable out-of-pocket expenses incurred by Escrow Agent in the performance of the services under this Agreement. The compensation and expenses payable to Escrow Agent under this Agreement shall be paid by Scripps.

12. Patriot Act Compliance. Federal law requires that all financial institutions obtain, verify and record information that identifies each person that opens an account. In order to comply with the requirements of federal law, Escrow Agent will require that Scripps and County each provide appropriate documentation to verify its formation and legal existence. Escrow Agent may also request identification and authorization documents from individuals claiming authority to represent or act on behalf of Scripps or County, as the case may be. Scripps and County each agree to comply with, and to cause their duly authorized representatives to comply with, all reasonable requests of Escrow Agent related to compliance with applicable federal laws.

13. Notices. All notices and other communications sent or given under this Agreement shall be in writing and shall be deemed to have been given if delivered in person or five days after mailing if sent by prepaid first-class or certified mail, return receipt requested, addressed as follows:



If to Scripps: The Scripps Research Institute  
10550 North Torrey Pines Road  
LaJolla, California 92037  
Attention: Chief Financial Officer  
Facsimile: (858) 784-8118

with a copy to: The Scripps Research Institute  
10550 North Torrey Pines Road  
LaJolla, California 92037  
Attention: Chief Business Counsel  
Facsimile: (858) 784-9399

If to County: Palm Beach County  
301 North Olive Avenue, 11<sup>th</sup> Floor  
West Palm Beach, Florida 33401  
Attention: Shannon LaRocque, P.E.,  
Assistant County Administrator  
Facsimile: (561) \_\_\_-\_\_\_

with a copy to: Palm Beach County Attorney's Office  
301 North Olive Avenue, Suite 600  
West Palm Beach, Florida 33401  
Attention: James C. Mize, Jr., Esq.,  
Chief Assistant County Attorney  
Facsimile: (561) 355-4398

If to Escrow Agent: U.S. Bank, National Association  
200 S. Biscayne Boulevard, Suite 1870  
Miami, Florida 33131  
Attention: Corporate Trust Department  
Facsimile: (305) 350-1746

Notices required by Section 3 of this Agreement shall be delivered by facsimile or overnight air courier service. Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to the other party.

14. Governing Law; Consent to Jurisdiction; Venue. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Florida without regard to any conflicts of laws principles. If any party hereto commences a lawsuit or other proceeding relating to or arising from this Agreement, the parties hereto agree that the courts of the State of Florida located in Palm Beach County or the courts of the United States of America for the Southern District of Florida will have subject matter jurisdiction. The parties

hereto consent to and agree to submit to the jurisdiction of the courts specified herein and agree to accept service of process to vest personal jurisdiction over each such party in the specified courts.

15. Amendment or Waiver. This Agreement may be amended, modified or revised only by a writing signed by the parties hereto. No delay or omission by any party in exercising any right with respect hereto shall operate as a waiver. A waiver on any one occasion shall not be construed as a waiver of any right or remedy on any future occasion.

16. Entire Agreement. This Agreement constitutes the entire agreement among the parties relating to the subject matter hereof and sets forth in their entirety the obligations and duties of the Escrow Agent with respect to the Escrow Funds.

17. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

18. Binding Effect. All of the terms of this Agreement, as amended from time to time, shall be binding upon, inure to the benefit of and be enforceable by the respective successors and permitted assigns of the parties hereto.

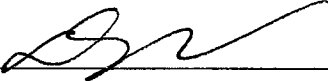
19. Headings. The headings used in this Agreement are for reference purposes only and are intended to interpret this Agreement.

20. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank; next page is signature page]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed as of the date first above written.

THE SCRIPPS RESEARCH INSTITUTE,  
a California nonprofit public benefit corporation

By:   
Name:  
Title: Donna J. Weston  
Sr. V.P. & CFO

ATTEST:  
SHARON R. BOCK,  
Clerk & Comptroller

PALM BEACH COUNTY, a political subdivision of  
the State of Florida by its Board of County  
Commissioners:

By: \_\_\_\_\_  
Deputy Clerk

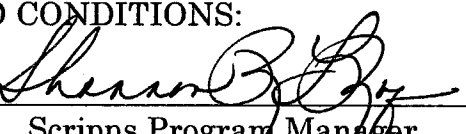
By: \_\_\_\_\_  
Addie L. Green, Chairperson

Date: \_\_\_\_\_


APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

By:   
County Attorney

APPROVED AS TO TERMS  
AND CONDITIONS:

By:   
Scripps Program Manager

U.S. BANK, NATIONAL ASSOCIATION,  
a national banking association

By:   
Name: Michael C. Daly  
Title: Assistant Vice Principal

**EXHIBIT A**  
**FORM OF SCRIPPS' REQUEST FOR INTEREST PAYMENT RELEASE**

[Scripps Letterhead]

[insert date]

VIA [insert method of delivery]

U.S. Bank, National Association  
200 South Biscayne Boulevard, Suite 1870  
Miami, Florida 33131  
Attention: Corporate Trust Department

Ladies and Gentlemen:

Reference is made to that certain Escrow Agreement, dated as of \_\_\_\_\_ [ ], 2007 (the "Escrow Agreement"), among The Scripps Research Institute, a California nonprofit public benefit corporation ("Scripps"), Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners ("County"), and U.S. Bank, National Association, a national banking association ("Escrow Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth, or incorporated by reference, in the Escrow Agreement.

Pursuant to Section 4 of the Escrow Agreement, Scripps is entitled to, and hereby requests, a disbursement of interest or profit accrued on the Escrow Funds in the amount of \$\_\_\_\_\_ (\_\_\_\_\_ Dollars) ("Interest Payment"). We request that the Interest Payment be deposited via wire transfer as follows:

[insert bank name]  
[insert bank address]  
[insert ABA number]  
[insert account number]  
[insert other relevant information]

In accordance with the terms of the Escrow Agreement, Scripps certifies that: (i) the Escrow Funds exceed the Minimum Escrow Requirement as of this date; (ii) after release of the herein requested Interest Payment to Scripps, the balance of the Escrow Funds will still meet or exceed the Minimum Escrow Requirement as of this date, plus the Buffer; (iii) attached hereto is a copy of the current statement of the Escrow Account, either obtained from the Escrow Agent or available on-line, confirming (i) and (ii). In accordance with the terms of the Escrow Agreement, you will provide written notice to County (with a copy to Scripps) that

you have disbursed the Interest Payment in accordance with the foregoing instructions.

Please contact us at (\_\_\_\_) \_\_\_\_-\_\_\_\_ with any questions or comments you may have regarding the foregoing request.

Very truly yours,

**THE SCRIPPS RESEARCH INSTITUTE**

By: \_\_\_\_\_  
Name:  
Title:

cc: Palm Beach County  
301 North Olive Avenue, 11<sup>th</sup> Floor  
West Palm Beach, Florida 33401  
Attention: Shannon LaRocque, P.E.,  
Assistant County Administrator

Palm Beach County  
301 North Olive Avenue, Suite 600  
West Palm Beach, Florida 33401  
Attention: James C. Mize, Jr., Esq.,  
Chief Assistant County Attorney

**EXHIBIT B**  
**FORM OF SCRIPPS DISBURSEMENT REQUEST**

[Scripps Letterhead]

[insert date]

VIA [insert method of delivery]

U.S. Bank, National Association  
200 South Biscayne Boulevard, Suite 1870  
Miami, Florida 33131  
Attention: Corporate Trust Department

Ladies and Gentlemen:

Reference is made to that certain Escrow Agreement, dated as of \_\_\_\_\_ [ ], 2007 (the "Escrow Agreement"), among The Scripps Research Institute, a California nonprofit public benefit corporation ("Scripps"), Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners ("County"), and U.S. Bank, National Association, a national banking association ("Escrow Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth, or incorporated by reference, in the Escrow Agreement.

Pursuant to [Section VI(H)] [Section VI(N)] of the Grant Agreement, Scripps is entitled to, and hereby requests, a disbursement from the Escrow Funds [in the amount of Five Hundred Thousand Dollars (\$500,000)][of all funds remaining in the Escrow Account]. We request that such funds be deposited via wire transfer as follows:

[insert bank name]  
[insert bank address]  
[insert ABA number]  
[insert account number]  
[insert other relevant information]

In accordance with the terms of the Escrow Agreement, within five days of the date of this disbursement request, you will provide written notice to County (with a copy to Scripps) of your intention to disburse Escrow Funds in accordance with the foregoing instructions. County will have a period of twenty business days from the date of such written notice from you to provide written

notice of County's objection to the disbursement of Escrow Funds and a description of the reasons for such objection. If County fails to timely provide you with its written notice of objection to the disbursement of Escrow Funds, then you will disburse the requested Escrow Funds in accordance with the instructions set forth above. If County timely provides you with its written notice of objection to the disbursement of Escrow Funds, you will proceed in accordance with the terms of Section 7 of the Escrow Agreement.

Please contact us at ( ) - with any questions or comments you may have regarding the foregoing request.

Very truly yours,

THE SCRIPPS RESEARCH INSTITUTE

By: \_\_\_\_\_  
Name:  
Title:

cc: Palm Beach County  
301 North Olive Avenue, 11<sup>th</sup> Floor  
West Palm Beach, Florida 33401  
Attention: Shannon LaRocque, P.E.,  
Assistant County Administrator

Palm Beach County  
301 North Olive Avenue, Suite 600  
West Palm Beach, Florida 33401  
Attention: James C. Mize, Jr., Esq.,  
Chief Assistant County Attorney

**EXHIBIT C**  
**FORM OF COUNTY DISBURSEMENT REQUEST**

[County Letterhead]

[insert date]

VIA [insert method of delivery]

U.S. Bank, National Association  
200 South Biscayne Boulevard, Suite 1870  
Miami, Florida 33131  
Attention: Corporate Trust Department

Ladies and Gentlemen:

Reference is made to that certain Escrow Agreement, dated as of \_\_\_\_\_ [ ], 2007 (the "Escrow Agreement"), among The Scripps Research Institute, a California nonprofit public benefit corporation ("Scripps"), Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners ("County"), and U.S. Bank, National Association, a national banking association ("Escrow Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth, or incorporated by reference, in the Escrow Agreement.

Pursuant to [Section VI(I)][Section X(B)] of the Grant Agreement, County is entitled to, and hereby requests, a disbursement from the Escrow Funds [in the amount of Five Hundred Thousand Dollars (\$500,000)][of all funds remaining in the Escrow Account]. We request that such funds be deposited via wire transfer as follows:

[insert bank name]  
[insert bank address]  
[insert ABA number]  
[insert account number]  
[insert other relevant information]

In accordance with the terms of the Escrow Agreement, within five days of the date of this disbursement request, you will provide written notice to Scripps (with a copy to County) of your intention to disburse Escrow Funds in accordance with the foregoing instructions. Scripps will have a period of twenty business days from the date of such written notice from you to provide written notice of Scripps' objection to the disbursement of Escrow Funds and a description



of the reasons for such objection. If Scripps fails to timely provide you with its written notice of objection to the disbursement of Escrow Funds, then you will disburse the requested Escrow Funds in accordance with the instructions set forth above. If Scripps timely provides you with its written notice of objection to the disbursement of Escrow Funds, you will proceed in accordance with the terms of Section 7 of the Escrow Agreement.

Please contact us at ( ) - with any questions or comments you may have regarding the foregoing request.

Very truly yours,

PALM BEACH COUNTY

By: \_\_\_\_\_  
Name:  
Title:

cc: The Scripps Research Institute  
10550 North Torrey Pines Road  
LaJolla, California 92037  
Attention: Chief Financial Officer

The Scripps Research Institute  
10550 North Torrey Pines Road  
LaJolla, California 92037  
Attention: Chief Business Counsel

**SCHEDULE 1**  
**INVESTMENT OPTIONS**

**I. Initial Investment**

Vanguard Intermediate - Term Treasury Fund (ticker: VFIUX)

**II. Escrow Agent may invest undirected Escrow Funds in the following investment:**

First American Funds, Prime Obligations, Money Market (I) shares (CUSIP:  
31846V435

**SCHEDULE 2**

**SCHEDULE OF ESCROW AGENT FEES**

- I. ACCEPTANCE FEE** **\$1,000 One time Payable at Closing**  
**Waived if U.S. Bank Standard Agreement is Used**

Covers review of documents, participation in document conferences, establishing records/accounts, receipt of funds, establishment of procedures and ticklers necessary to perform our duties and monitor the various terms in the executed documents.

- II. ANNUAL ESCROW AGENT FEE** **\$2,000 Payable Annually in Advance**

Maintenance of the escrow account; review and compliance of document provisions; receive, pay out and control the movement of funds, and prepare periodic accountings and reports. This fee is based upon the investment earnings derived from various investment alternatives.

- III. MISCELLANEOUS CHARGES** **Optional**

Wire Fees \$25 per wire, Initial 12 included  
Investment Processing Charges (outside purchase or sell) \$50 per transaction

- IV. LEGAL COUNSEL** **Billed at Cost**

If U.S. Bank's form escrow agreement is used there will be no counsel fees.

- V. OUT OF POCKET EXPENSES**

All out of pocket expenses, such as postage, insurance, courier expenses and telephone, will be billed in addition to the fees listed herein. These costs are capped at 8% of the annual administration charge.