

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Capital Expenditures	_____	<u>27,000,000</u>	_____	_____	_____
Operating Costs	_____	<u>1,900,000</u>	_____	_____	_____
Debt Service Costs	_____	<u>451,503</u>	<u>2,078,404</u>	<u>2,077,673</u>	<u>2,074,152</u>
Debt Service Reserve	_____	<u>2,100,000</u>	_____	_____	_____
Bond Proceeds	_____	<u>(31,000,000)</u>	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	<u>451,503</u>	<u>2,078,404</u>	<u>2,077,673</u>	<u>2,074,152</u>
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

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:

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

C. Departmental Fiscal Review: Sheng Pan

III. REVIEW COMMENTS

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

Sheng Pan 4/25/2013 N/A
 OFMB Contract Dev. and Control
 SB 4/24/13 30 4/24/13 4/24/13

B. Legal Sufficiency:

Paul Fe... 4/26/13
 Assistant County Attorney

C. Other Department Review:

 Department Director

Summary: The County has approved a \$27 million subsidy for the development of a 400 room Hilton Convention Center Hotel to The Related Companies, L.P., which will be held in escrow by the Palm Beach Clerk of Court and disbursed in accordance with the terms established in the agreement. According to the agreement, the funds must be deposited no earlier than October 1, 2013 and not later than November 15, 2013. The bonds are being authorized at a not to exceed amount of \$31 million to include the subsidy, cost of issuance, a debt service reserve account (if needed), expenses incurred to date for consultants and legal consultants, and for expenses for the management of the project. On April 12, 2013, the County Financing Committee (CFC) met and upon the recommendation of the County's Financial Advisor, recommended that the bonds will be sold as a taxable issue through a competitive sale. **Countywide (PFK)**

Background and Justification: On October 30, 2012, the BCC approved and authorized the Chair of the BCC to execute agreements contingent upon receipt of fully executed agreements including Related New York's \$5 million security deposit. On July 24, 2012, the BCC conceptually approved the Terms and Conditions of the hotel agreements. On April 12, 2011, the BCC conceptually approved a subsidy in the amount of \$27 million for the development of a 400 room Hilton Convention Center Hotel to The Related Companies, L.P. and directed staff to begin negotiations with Related. On March 9, 2010, the BCC approved the Selection Committee's number one ranking of The Related Companies, L.P. to develop and operate the hotel.

RESOLUTION NO. R-2013-____

**PALM BEACH COUNTY, FLORIDA
TAXABLE PUBLIC IMPROVEMENT REVENUE BONDS
(CONVENTION CENTER HOTEL PROJECT), SERIES 2013**

Bond Resolution

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RESOLUTION NO. R-2013- _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$31,000,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF ITS TAXABLE PUBLIC IMPROVEMENT REVENUE BONDS (CONVENTION CENTER HOTEL PROJECT), SERIES 2013 FOR THE PURPOSE OF FACILITATING THE DEVELOPMENT OF A CONVENTION CENTER HOTEL TO BE LOCATED ON A SITE OWNED BY THE COUNTY ADJACENT TO THE COUNTY CONVENTION CENTER, INCLUDING BY FUNDING CERTAIN OBLIGATIONS OF THE COUNTY PURSUANT TO CERTAIN CONVENTION CENTER HOTEL AGREEMENTS, INCLUDING LEASE AND DEVELOPMENT AGREEMENTS BETWEEN THE COUNTY AND THE DEVELOPER OF THE CONVENTION CENTER HOTEL, AS MORE FULLY DESCRIBED HEREIN, AND PAYING CERTAIN COSTS RELATED AND INCIDENTAL THERETO; PROVIDING FOR THE TERMS AND PAYMENT OF SUCH SERIES 2013 BONDS; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AUTHORIZING THE REGISTRATION OF THE SERIES 2013 BONDS UNDER A BOOK-ENTRY SYSTEM; DELEGATING AUTHORITY TO PROPER OFFICIALS OF THE COUNTY, IN CONSULTATION WITH THE COUNTY'S FINANCIAL ADVISOR, TO DETERMINE WHETHER TO OBTAIN A SERIES 2013 BOND INSURANCE POLICY AND/OR TO FUND THE DEBT SERVICE RESERVE FUND FOR THE SERIES 2013 BONDS, AND IF SO FUNDED, WHETHER TO OBTAIN A RESERVE ACCOUNT CREDIT FACILITY IN SATISFACTION OF ALL OR A PART OF THE DEBT SERVICE RESERVE REQUIREMENT; AUTHORIZING THE EXECUTION

AND DELIVERY OF ONE OR MORE INSURANCE AGREEMENTS IN CONNECTION WITH ANY BOND INSURANCE POLICY AND/OR RESERVE ACCOUNT CREDIT FACILITY AND THE PAYMENT OF THE RELATED PREMIUMS; APPROVING A FORM OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE PREPARATION AND EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT; AUTHORIZING THE PROPER OFFICIALS OF THE COUNTY TO EXECUTE AND DELIVER A CERTIFICATE DEEMING THE PRELIMINARY OFFICIAL STATEMENT "FINAL" FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12; PROVIDING FOR CERTAIN CONTINUING DISCLOSURE UNDERTAKINGS PURSUANT TO SUCH RULE; APPROVING FORMS OF AN OFFICAL NOTICE OF SALE AND SUMMARY NOTICE OF SALE; AUTHORIZING THE PUBLIC SALE OF THE SERIES 2013 BONDS AND THE USE OF THE PRELIMINARY OFFICIAL STATEMENT, OFFICIAL NOTICE OF SALE AND SUMMARY NOTICE OF SALE IN CONNECTION THEREWITH; DELEGATING AUTHORITY TO PROPER OFFICIALS OF THE COUNTY, IN CONSULTATION WITH THE COUNTY'S FINANCIAL ADVISOR, TO ACCEPT, PURSUANT TO A COMPETITIVE PUBLIC SALE PROCESS, THE BID OR BIDS OF THE LOWEST QUALIFIED BIDDER OR BIDDERS FOR THE PURCHASE OF THE SERIES 2013 BONDS, SUBJECT TO CERTAIN PARAMETERS AND OTHER MATTERS SET FORTH IN THIS RESOLUTION; APPOINTING AN INITIAL PAYING AGENT AND REGISTRAR FOR THE SERIES 2013 BONDS; AUTHORIZING THE PROPER OFFICIALS OF THE COUNTY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2013 BONDS; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Palm Beach County, Florida (the "County") has previously financed, developed and placed in operation a County convention center (the "Convention Center") located in the City of West Palm Beach, Florida; and

WHEREAS, the County has determined that the operation of its Convention Center would be significantly enhanced if a convention center hotel existed adjacent to its Convention Center; and

WHEREAS, pursuant to its public bidding procedures, the County selected a private developer (the "Developer") to assume primary responsibility for the construction and operation of a hotel adjacent to the Convention Center site (the "Convention Center Hotel"); and

WHEREAS, the County has previously financed the acquisition of the site on which the Convention Center Hotel will be located (the "Convention Center Hotel Site"), the County and the Developer have negotiated and entered into lease and development agreements relating to the Convention Center Hotel Site and the development, financing and operation of the Convention Center Hotel on the Convention Center Hotel Site, and the County has entered into, and may enter into, certain other agreements with the Developer and others in connection therewith (collectively, as same may be amended and supplemented from time to time, the "Convention Center Hotel Agreements"); and

WHEREAS, the Convention Center Hotel Agreements provide for the County to lease the Convention Center Hotel Site and the Convention Center Hotel to the Developer, for the Developer to construct and finance a substantial portion of the costs of constructing and equipping the Convention Center Hotel thereon, and for the County to fulfill certain additional capital obligations under the Convention Center Hotel Agreements by paying a portion of the costs of the Convention Center Hotel, all as more fully set forth in the Convention Center Hotel Agreements; and

WHEREAS, the County, a political subdivision of the State of Florida, is authorized by Chapter 125, Florida Statutes and other applicable provisions of law to incur

indebtedness of the County for the purpose of financing costs related or incidental to development of the Convention Center Hotel on the Convention Center Hotel Site; and

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the "Board" or the "County Commission") hereby finds it necessary and in the best interest of the County to authorize the issuance of not exceeding \$31,000,000 in aggregate principal amount of its Taxable Palm Beach County, Florida, Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013 (the "Series 2013 Bonds"), for the purpose of (i) financing a portion of the Costs (as defined herein) of the development, acquisition, construction and equipping of the Convention Center Hotel, including by funding certain obligations of the County with respect thereto as required by the Convention Center Hotel Agreements, paying the Costs related to the negotiation, execution, delivery and administration of the Convention Center Hotel Agreements, including, without limitation, reimbursing expenses associated with the negotiation, execution and delivery of the Convention Center Hotel Agreements incurred prior to the Date of Issue (as defined herein) and paying the Costs related or incidental to the foregoing (the "Project"), (ii) funding the Debt Service Reserve Fund (as defined herein) if determined necessary in accordance herewith, and (iii) paying costs of issuance of the Series 2013 Bonds, including the premiums for a Credit Facility (as defined herein) and/or Reserve Account Credit Facility (as defined herein), if determined necessary in accordance herewith; and

WHEREAS, the Board hereby declares and determines that the Project serves a paramount public purpose of the County; and

WHEREAS, the County may issue its indebtedness in the form of revenue bonds payable from legally available Non-Ad Valorem Revenues (as defined herein) budgeted and appropriated therefor in each year in accordance with the Act (as defined herein); and

WHEREAS, County Resolution R-90-938, adopted June 26, 1990, provides that before the County shall issue any indebtedness payable from Non-Ad Valorem Revenues, the County must demonstrate that after the proposed issuance of such indebtedness, it

shall meet the requirements set forth in Article III, Section 11(d) of said Resolution R-90-938; and

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

WHEREAS, the Board hereby determines that it would be in the best interests of the County that the Series 2013 Bonds be sold on a competitive basis pursuant to a public sale; and

WHEREAS, to facilitate such public sale, there have been prepared and submitted to the Board (a) a form of a Preliminary Official Statement relating to the Series 2013 Bonds, a form of which is attached hereto as Exhibit B (the "Preliminary Official Statement"), and (b) an Official Notice of Sale ("Official Notice of Sale") and Summary Notice of Sale ("Summary Notice of Sale"), forms of which are attached hereto as composite Exhibit C; and

WHEREAS, subject to the Parameters (as defined herein), the County Commission desires to approve the form of the Preliminary Official Statement relating to the Series 2013 Bonds, substantially in the form attached hereto, to delegate to either of the County Administrator or Debt Manager (as such terms are defined herein) the authority to finalize the Preliminary Official Statement and, when finalized, to deem the Preliminary Official Statement "final" within the meaning of the Rule (as defined herein) and to authorize the preparation and distribution of a final Official Statement reflecting the final details of the Series 2013 Bonds and other pricing matters (the "Official Statement"); and

WHEREAS, subject to the provisions of Article VIII, Section 4 hereof, the County Commission desires to delegate to the County Administrator and the Debt Manager, in consultation with the Financial Advisor, the authority to determine whether to obtain a Bond Insurance Policy for the Series 2013 Bonds and/or whether to fund the Debt Service Reserve Fund, and if so funded, whether to obtain a Reserve Account Credit Facility in lieu of funding the Debt Service Reserve Fund, all or in part, with cash; and

WHEREAS, subject to the Parameters (as defined herein), the Board desires to delegate to the County Administrator and the Debt Manager the authority, in consultation with the Financial Advisor, to determine the final details of the Series 2013 Bonds, among other matters, as more fully set forth in this Resolution; and

WHEREAS, subject to the Parameters, the Mayor or the County Administrator, in consultation with the Financial Advisor, will select one or more bidders that submit the lowest qualified bid to purchase the Series 2013 Bonds (the "Underwriters"); and

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

WHEREAS, effective July 3, 1995, Rule 15c2-12 of the Securities and Exchange Commission, as amended, provides that it is unlawful for a broker dealer or municipal securities dealer to purchase or sell municipal securities, which includes the Series 2013 Bonds, unless the issuer, which includes the County, has undertaken in a written agreement (herein, the "Undertaking") to provide to specified information repositories annual financial information and operating data relevant to the municipal securities and notice of certain specified events and, accordingly such Undertaking is set forth herein with respect to the Series 2013 Bonds;

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

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

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

“ACCRUED AGGREGATE DEBT SERVICE” shall mean, as of any date of calculation, an amount equal to the sum of the amounts of accrued Debt Service with respect to the Series 2013 Bonds, calculating the accrued Debt Service at an amount equal to the sum of (i) interest on the Series 2013 Bonds accrued and unpaid and to accrue to the date of calculation, and (ii) principal payments due and unpaid and that portion of the principal payments for the Series 2013 Bonds next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the date of calculation (for purposes of the foregoing, the term “principal payment” shall have the meaning set forth in the definition of Debt Service).

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

“ALTERNATE CREDIT FACILITY” shall mean the Alternate Credit Facility issued pursuant to Article IX, Section 2 of this Resolution.

“AUTHORIZED DENOMINATIONS” shall mean denominations of \$5,000 or any integral multiple thereof.

“BENEFICIAL OWNER” shall mean, (a) other than with respect to Article III, Section 11 of this Resolution, during any period the Series 2013 Bonds are registered under the Book-Entry System, any purchaser of a Series 2013 Bond and others who acquire a beneficial ownership interest in a Series 2013 Bond held by the Securities Depository. In determining the Beneficial Owner of any Bond, the County, the Paying Agent, the Registrar and the Credit Facility Issuer, if any, may rely exclusively upon written representations made, and information given to the County, the Paying Agent, the Registrar or the Credit Facility Issuer, if any, by the Securities Depository or its Participants with respect to any Bond held by the Securities Depository in which a beneficial ownership interest is claimed. With respect to Replacement Bonds, the County, the Paying Agent, the Registrar and the Credit Facility Issuer, if any, shall consider the owner of any such Replacement Bond as registered on the registration books of the County maintained by the

Registrar to be the Beneficial Owner thereof; and (b) for purposes of Article III, Section 11 of this Resolution only, any person which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2013 Bonds (including persons holding Series 2013 Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of any Series 2013 Bonds for federal income tax purposes.

“BOND COUNSEL” shall mean a firm or firms of nationally recognized attorneys at law selected by the County and experienced in the financing of capital projects for governmental units through the issuance of taxable and tax-exempt revenue bonds.

“BONDHOLDER” or **“HOLDER OF BONDS”** or **“OWNER”** or any similar term, shall mean any person who shall be the registered owner of any Series 2013 Bond or Bonds Outstanding under the terms of this Resolution.

“BOND INSURANCE POLICY” shall mean an insurance policy issued for the benefit of the Holders of any Series 2013 Bonds, pursuant to which the Bond Insurer shall be obligated to pay when due the scheduled payment of principal of and interest on such Bonds to the extent of any deficiency in the amounts in the funds and accounts created under this Resolution, in the manner and in accordance with the terms provided in such Bond Insurance Policy.

“BOND INSURER” shall mean the issuer of a Bond Insurance Policy with respect to the Series 2013 Bonds, or any successor thereto or assignee thereof.

“BOOK-ENTRY SYSTEM” shall mean the system under which the County may issue its Series 2013 Bonds and maintain the registration for such Series 2013 Bonds in book-entry only form.

“BUSINESS DAY” shall mean any day, except a Saturday or Sunday, on which commercial banks located in New York, New York, and the cities in which the principal offices of the Registrar, the Paying Agent, and the Credit Facility Issuer, if any, in the United States of America, if any, are located are not required or authorized by law to remain closed and on which the New York Stock Exchange is not closed.

“CHIEF FINANCIAL OFFICER” or “CLERK” shall mean the Clerk of the Circuit Court of Palm Beach County, Florida and Ex-Officio Clerk of the Board or her deputy acting in her name, or such other officer of the County subsequently designated by law or County Charter to perform the duties of the chief financial officer of the County.

“CONVENTION CENTER” shall have the meaning set forth in the Recitals to this Resolution.

“CONVENTION CENTER HOTEL” shall have the meaning set forth in the recitals to this Resolution.

“CONVENTION CENTER HOTEL AGREEMENTS” shall have the meaning set forth in the recitals to this Resolution.

“CONVENTION CENTER HOTEL SITE” shall have the meaning set forth in the recitals to this Resolution.

“COSTS” or “COSTS OF THE PROJECT” shall mean the costs properly attributable to the Project and all costs related or incidental thereto, including, but not limited to, costs incurred in connection with the negotiation, execution, delivery and administration of the Convention Center Hotel Agreements, making advances in connection therewith, the cost of any indemnity and surety bonds and premiums on allowed insurance during construction for on site and off-site improvements, interest on the Series 2013 Bonds prior to, during and for not exceeding one year after the completion of the Project, engineering, architectural and project management expenses, legal fees and expenses, costs of audits, fees and expenses of the fiduciaries and financial consultants and costs of financing, administrative and general overhead, including the costs of any Credit Facility and/or Reserve Account Credit Facility for the Series 2013 Bonds, the costs of issuing the Series 2013 Bonds, the costs of keeping accounts and making reports required by this Resolution prior to commencement of operation of such Project, amounts, if any, required by this Resolution to be paid into any Fund or Account established under this Resolution upon the issuance of the Series 2013 Bonds, payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the

County (other than the Series 2013 Bonds) incurred for such Project, costs of machinery, equipment and supplies, and such other expenses as may be necessary for, or incidental to, the design, development, acquisition, construction and equipping of the Project or incurred by the County in connection with the issuance of the Series 2013 Bonds (including reimbursement to the County for any such items of cost theretofore incurred or paid by or on behalf of the County, including prior to the Date of Issue).

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

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

“COUNTY CHARTER” shall mean the Charter of Palm Beach County, Florida, as amended and supplemented.

“COUNTY COMMISSION” or **“BOARD”** shall mean the Board of County Commissioners of the County.

“COUNTY MONEYS” shall mean the moneys budgeted and appropriated by the County and deposited into the Sinking Fund or any other Fund established hereunder, from Non-Ad Valorem Revenues pursuant to the County’s covenant to budget and appropriate Non-Ad Valorem Revenues contained in Article III, Section 2 of this Resolution.

“CREDIT FACILITY AGREEMENT” shall mean an agreement, if any, between the County and the Credit Facility Issuer pursuant to which the Credit Facility is issued.

“CREDIT FACILITY” or **“CREDIT FACILITIES”** shall mean, either individually or collectively, as appropriate, any Bond Insurance Policy, surety bond, Letter of Credit, line of credit, guaranty, or such other instrument or instruments that would enhance the credit of the Series 2013 Bonds. The term Credit Facility shall not mean a Reserve Account Credit Facility.

“CREDIT FACILITY ISSUER” shall mean the provider of a Credit Facility.

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

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

“DEBT SERVICE” for any period shall mean, as of any date of calculation an amount equal to the sum of (i) interest accruing during such period on the Series 2013 Bonds, except to the extent that such interest is to be paid from deposits made from Bond proceeds into the Principal and Interest Account in the Sinking Fund and (ii) that portion of each principal payment for such Series 2013 Bonds which would accrue during such period if such principal payment were deemed to accrue daily in equal amounts from the next preceding principal payment due date for such Series 2013 Bonds (or, if there shall be no such preceding principal payment, from a date one year preceding the due date of such principal payment or from the Date of Issue of the Series 2013 Bonds, whichever date is later). Such interest and principal payments for such Series shall be calculated on the assumption that no Series 2013 Bonds Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each principal payment on the due date thereof. The term “principal payment,” as used above in this definition, shall include any payment of principal on a Series 2013 Bond at maturity and any mandatory sinking fund installment payment made with respect to a Series 2013 Bond as a result of the mandatory sinking fund redemption of a term Series 2013 Bond.

“DEBT SERVICE RESERVE REQUIREMENT” shall mean an amount, if any, required to be on deposit in the Debt Service Reserve Fund created and established under this Resolution, which amount, if any, shall be set forth in the Official Notice of Sale. All or a portion of such Debt Service Reserve Requirement may be satisfied by obtaining a Reserve Account Credit Facility with the requisite coverage as more fully provided for herein. Notwithstanding the foregoing, the County may determine, as evidenced in the Official Notice of Sale, that the Series 2013 Bonds issued under this Resolution will not be

secured by the Debt Service Reserve Fund, in which case the Debt Service Reserve Requirement for the Series 2013 Bonds shall be \$0.00.

“DEFEASANCE OBLIGATIONS” shall mean, to the extent permitted by law and (other than with respect to the obligations described in clause (a) below):

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

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

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

"DISCLOSURE COUNSEL" shall mean a firm or firms of nationally recognized attorneys at law selected by the County and experienced in federal securities law matters relating to disclosure documents prepared in connection with the issuance by governmental units of taxable and tax-exempt revenue bonds.

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

"FINANCIAL ADVISOR" shall mean Spectrum Municipal Services, Inc. and any successor appointed by the County to serve as Financial Advisor to the County.

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

"FITCH" means Fitch Ratings, part of Fitch Group, a majority owned subsidiary of Fimalac, S.A., headquartered in Paris, France and, if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the County by notice to the Registrar and the Paying Agent.

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

"INTEREST PAYMENT DATES" shall mean such dates as set forth in the Official Notice of Sale as the dates for payment of interest and/or principal on the Series 2013 Bonds.

"INVESTMENT OBLIGATIONS" shall mean any investment authorized under the laws of the State of Florida or by ordinance of the County and approved by the Credit Facility Issuer, if any.

"LETTER OF CREDIT" shall mean any Credit Facility consisting of an unconditional, irrevocable letter of credit issued by a financial institution.

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

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

"MAYOR" shall mean the person serving as the Mayor of the County (and Chairman or Chair of the Board) from time to time.

"MOODY'S" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the County by notice to the Registrar and the Paying Agent.

"NON-AD VALOREM REVENUES" shall mean revenues of the County derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Debt Service on the Series 2013 Bonds, after the payment, from the sources of Non-Ad Valorem Revenues pledged thereto, of the principal of and interest on any obligations of the County heretofore or hereafter issued which have a prior pledge on any sources of the Non-Ad Valorem Revenues; provided, however, that for the purposes of the anti-dilution test set forth in Article III, Section 10(a) of this Resolution, "Non-Ad Valorem Revenues" shall mean all legally available revenues of the County derived from any source whatever, other than ad valorem

taxation on real and personal property, which are legally available for payment by the County of Non-Self-Supporting Debt.

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

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

“OFFICIAL NOTICE OF SALE” shall have the meaning set forth in the Recitals to this Resolution.

“OFFICIAL STATEMENT” shall have the meaning set forth in the Recitals to this Resolution.

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

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

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

(b) Series 2013 Bonds for the payment or redemption of which money or securities in the necessary amount (as provided in Article V hereof) shall have heretofore been deposited with the Paying Agent or other financial institution or bank selected by the County (whether upon or prior to the maturity or the redemption date of such Series 2013 Bonds), provided that, if such Series 2013 Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article II, Section 5 hereof or provision satisfactory to the Paying Agent or other financial institution or bank selected by the County shall have been made for the giving of such notice; and

(c) Series 2013 Bonds in lieu of or in substitution for which other Series 2013 Bonds shall have been authenticated and delivered by the Registrar pursuant to the terms of Article II, Section 9 hereof.

"PARAMETERS" shall mean the matters set forth in Article VIII, Section 2 of this Resolution.

"PARTICIPANTS" shall mean brokers, dealers, banks and other financial institutions and other persons for whom, from time to time, the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository.

"PAYING AGENT" shall mean a commercial bank or trust company or successor thereto appointed by the County, including in Article VIII, Section 5 of this Resolution, to act as Paying Agent hereunder.

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

"PRELIMINARY OFFICIAL STATEMENT" shall have the meaning set forth in the Recitals to this Resolution.

"PROJECT" shall mean the meaning set forth in the Recitals to this Resolution.

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

"RATING AGENCY" or "AGENCIES" shall mean Fitch, Moody's and/or S&P, whichever shall have a rating then in effect with respect to the Series 2013 Bonds.

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

“REGISTRAR” shall mean the County or a commercial bank or trust company or successor thereto appointed by the County, including in Article VIII, Section 5 of this Resolution, to act as Registrar hereunder.

“REPLACEMENT BONDS” shall mean certificated Series 2013 Bonds, authenticated and delivered pursuant to the terms and provisions of this Resolution, when the County or the Securities Depository discontinues the Book-Entry System.

“RESERVE ACCOUNT CREDIT FACILITY” shall mean the insurance policy, surety bond or other evidence of insurance acceptable to the County and the Credit Facility Issuer, if any, or Letter of Credit, acceptable to the County and the Credit Facility Issuer, if any, deposited in the Debt Service Reserve Fund in lieu of or in partial substitution for cash or securities on deposit therein as provided in Article III, Section 7 hereof.

“RESERVE ACCOUNT CREDIT FACILITY ISSUER” shall mean the issuer of any Reserve Account Credit Facility with respect to the Series 2013 Bonds, or any successor thereto or assignee thereof.

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

“RULE” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“S&P” shall mean Standard & Poor’s Rating Services, a division of McGraw Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed

to refer to any other nationally recognized securities rating agency designated by the County by notice to the Registrar and the Paying Agent.

“SECURITIES DEPOSITORY” shall mean The Depository Trust Company and its successors and assigns, or a successor clearing agency designated pursuant to the terms and provisions of this Resolution, and its successors and assigns.

“SERIES 2013 BONDS” or **“BONDS”** shall mean the Palm Beach County, Florida Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013 authorized to be issued pursuant to this Resolution.

“VICE MAYOR” shall mean the person serving as the Vice Mayor of the County (and Vice Chair or Vice Chairman of the Board) from time to time.

“WRITTEN CONSENT,” “WRITTEN DEMAND,” “WRITTEN DIRECTION,” “WRITTEN ELECTION,” “WRITTEN NOTICE,” “WRITTEN ORDERS” and **“WRITTEN REQUEST OF THE COUNTY”** shall mean, respectively, a written consent, demand, direction, election, notice, order or request signed on behalf of the County Commission by its Chief Financial Officer, the Mayor or Vice Mayor. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. The word “person” shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

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

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

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

[End of Article I]

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

SECTION 1. AUTHORIZATION OF SERIES 2013 BONDS. Subject and pursuant to the provisions of this Resolution, including the Parameters, obligations of the County to be known as "Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013" are hereby authorized to be issued in an original aggregate principal amount not exceeding \$31,000,000 for the purpose of (i) financing a portion of the Costs of the Project, (ii) funding the Debt Service Reserve Fund if determined necessary in accordance herewith, and (iii) paying costs of issuance of the Series 2013 Bonds, including the premiums for a Credit Facility and/or Reserve Account Credit Facility, if determined necessary in accordance herewith. Notwithstanding anything to the contrary herein, the anti-dilution test set forth in Section 10(a) of Article III hereof must be met with respect to the Series 2013 Bonds as a condition to the issuance thereof.

SECTION 2. INTEREST ON SERIES 2013 BONDS. The Series 2013 Bonds shall bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for (unless no interest has been paid or duly provided for, in which case from the original dated date of the Series 2013 Bonds) until payment of the principal thereof shall have been made or provided for in accordance with the provisions hereof, whether at maturity, upon redemption or otherwise. Interest accrued on the Series 2013 Bonds shall be computed on the basis of a 360-day year, consisting of twelve (12) thirty (30) day months. Interest shall be payable as provided herein on each Interest Payment Date.

SECTION 3. MANNER OF PAYMENT OF SERIES 2013 BONDS.

(a) Principal of and redemption premium, if any, on the Series 2013 Bonds shall be payable to the Owners of the Series 2013 Bonds upon presentation and surrender of the Series 2013 Bonds as they become due at the designated corporate trust office of the Paying Agent. Except as otherwise set forth below, interest on the Series 2013 Bonds shall be payable (i) by check drawn upon the Paying Agent and mailed on the Interest Payment Date to the Owners of the Series 2013 Bonds as of the close of business on the Record Date next preceding each Interest Payment Date at the registered addresses of such Owners as they shall appear on the registration books as of such Record Date, notwithstanding the cancellation of any Bond upon any exchange or transfer thereof subsequent to the Record Date and prior to such Interest Payment Date, (ii) upon the request of a registered Bondholder of at least \$1,000,000 in principal amount of Bonds, all payment of interest on its Bonds shall be paid by wire transfer in immediately available funds to an account with a financial institution within the United States designated by such registered Bondholder and on file with the Paying Agent as of the applicable Record Date, and (iii) in the case of interest payable upon certain redemptions or at final maturity, upon presentation of the Series 2013 Bonds at the designated corporate trust office of the Paying Agent.

(b) If and to the extent that there shall be a default in the payment of the interest due on an Interest Payment Date, such defaulted interest shall be paid to the Owners in whose name the Series 2013 Bonds (or any Series 2013 Bond or Series 2013 Bonds issued upon transfer or exchange thereof) are registered at the close of business on the fifteenth Business Day next preceding the date of payment of such defaulted interest established by notice mailed by the Registrar to the registered owners not less than the tenth day preceding such interest payment date. All payments of principal, redemption premium, and interest shall be made in such coin or currency of the United States of America as, at the respective times of payment, shall be legal tender for the payment of public and private debts.

(c) The foregoing notwithstanding, the Series 2013 Bonds shall be registered under the Book-Entry System and the payment of principal of, premium, if any, and interest on the Series 2013 Bonds shall be payable in the manner required by the Securities Depository and mutually agreeable to the County and Paying Agent while registered under such Book-Entry System.

SECTION 4. DESCRIPTION OF SERIES 2013 BONDS. Subject to the Parameters, the Series 2013 Bonds shall be issued in the form of fully registered bonds, shall be lettered and numbered in such manner as may be prescribed by the Registrar and shall be in Authorized Denominations; and may be issued as serial bonds and/or term bonds, shall be dated, shall have such maturity dates, shall be issued in such initial aggregate par amount, shall bear interest from such date as calculated herein at such rates per annum not exceeding the Maximum Interest Rate, shall be subject to mandatory sinking fund redemption, if issued as term bonds, and may be subject to extraordinary and/or optional redemption, including at a make-whole redemption price, if at all, all as set forth in the final Official Notice of Sale and/or Official Statement.

SECTION 5. NOTICE OF REDEMPTION.

(a) In the event any of the Series 2013 Bonds are called for redemption, the Paying Agent shall give notice, in the name of the County, of the redemption of such Series 2013 Bonds, which notice shall (i) specify the Series 2013 Bonds to be redeemed, the CUSIP numbers, bond numbers, the Date of Issue, interest rates, maturity dates of the Series 2013 Bonds redeemed, the redemption date, the date of notice of redemption, the redemption price and the place or places where amounts due upon such redemption will be payable (which shall be the designated corporate trust office of the Paying Agent or of its agent, including the name and telephone number of a representative of such Paying Agent) and, if less than all of the Series 2013 Bonds are to be redeemed, the numbers of the Series 2013 Bonds, and the portions of Series 2013 Bonds, so to be redeemed, and (ii) state that on the redemption date, the Series 2013 Bonds to be redeemed shall cease to bear interest.

Notice of redemption shall be given by the Paying Agent in the name of the County by mailing a copy of an official redemption notice to the Owners of the Series 2013 Bonds not less than 30 days nor more than 60 days prior to the date fixed for redemption to (i) the respective Owners of the Series 2013 Bonds designated for redemption by first class mail at their addresses appearing on the bond registration books of the County maintained by the Registrar, (ii) the Securities Depository, (iii) the Electronic Municipal Market Access System operated by the Municipal Securities Rulemaking Board and (iv) to the Bondholders of \$1,000,000 or more in aggregate principal amount of Series 2013 Bonds; provided, however, that such notice with respect to those Bondholders described in (ii), (iii) and (iv), shall be given by certified mail, return receipt requested and with respect to clause (ii) notice shall be given two (2) Business Days prior to the date notice of redemption is mailed to the Bondholders, but in any event in such manner so that it is received by the Securities Depository at least (2) Business Days prior to general publication.

A second notice of redemption shall be given within 60 days after the redemption date in the manner required above to the registered Bondholders of redeemed Series 2013 Bonds which have not been presented for payment within 30 days after the redemption date. However, failure to give such notice shall not affect the validity of the redemption of the Series 2013 Bonds.

Anything contained in this Resolution to the contrary notwithstanding, failure to mail any such notice (or any defect therein) to one or more Bondholders shall not affect the validity of any proceedings for such redemption with respect to Bondholders to which notice was duly mailed hereunder.

(b) The giving of any notice of redemption described in subparagraph (a) above, other than for mandatory sinking fund redemptions and for Series 2013 Bonds that are the subject of an advance refunding, may, if the notice is given prior to deposit of the redemption price and the notice so provided, be conditioned upon deposit by the County of the redemption price of the Series 2013 Bonds to be redeemed in accordance with

Section 6 of this Article at or before the redemption date and the payment of all amounts owing to any Reserve Account Credit Facility Issuer under the terms of the Reserve Account Credit Facility. Any conditional notice may be rescinded at any time prior to the redemption date if the County delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice.

(c) Any Series 2013 Bonds which have been duly selected for redemption as well as any Series 2013 Bonds which are deemed to be paid in accordance with Article V hereof shall cease to bear interest on the specified redemption date.

SECTION 6. PAYMENT OF REDEMPTION PRICE. For the redemption of any of the Series 2013 Bonds, the County shall cause to be deposited in the Bond Redemption Account in the Sinking Fund an amount sufficient to pay the principal of Series 2013 Bonds to be redeemed and interest to become due on the date fixed for such redemption, plus premium if any.

SECTION 7. EXECUTION OF SERIES 2013 BONDS. The Series 2013 Bonds shall be executed in the name of the County by the manual or facsimile signature of the Mayor (or any other member of the Board in the absence of the Mayor) and its official seal shall be affixed thereto or imprinted or reproduced thereon and attested by the manual or facsimile signature of the Clerk. In case any one or more of the officers who shall have signed or sealed the Series 2013 Bonds shall cease to be such officer of the County before the Series 2013 Bonds so signed and sealed shall have been actually sold and delivered, such Series 2013 Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 2013 Bonds had not ceased to hold such office. Any Series 2013 Bond may be signed and sealed on behalf of the County by such person who at the actual time of the execution of such Series 2013 Bond shall hold the proper office, although at the date such Series 2013 Bonds shall be actually delivered such person may not have held such office or may not have been so authorized.

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

If any Series 2013 Bonds are validated, the validation certificate on the Series 2013 Bonds shall be signed by the manual signature of the Mayor (or any other member of the Board in the absence of the Mayor) and its official seal shall be affixed thereto or imprinted or reproduced thereon and attested by the manual signature of the Clerk. In case any one or more of the officers who shall have signed or sealed the validation certificate on the Series 2013 Bonds shall cease to be such officer of the County before the Series 2013 Bonds so signed and sealed shall have been actually sold and delivered, such Series 2013 Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 2013 Bonds had not ceased to hold such office.

SECTION 8. NEGOTIABILITY, REGISTRATION AND TRANSFER OF BONDS.

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

The Registrar shall keep books for the registration of Series 2013 Bonds and for the registration of transfers of Series 2013 Bonds. The Series 2013 Bonds shall be transferable by the Holder thereof in person or by his attorney duly authorized in writing only upon the registration books of the County kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the Holder or his duly authorized attorney. Upon the transfer of any such Series 2013 Bond, the County shall issue in the name of the transferee a new Series 2013 Bond or Bonds.

The County, the Paying Agent and the Registrar shall deem and treat the person in whose name any Series 2013 Bond shall be registered upon the books kept by the Registrar as the absolute Holder of such Series 2013 Bond, whether such Series 2013 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Series 2013 Bond as the same become due and for all other purposes. All such payments so made to any such Holder or upon his or her order shall be valid and effectual to satisfy and discharge the liability upon such Series 2013 Bond to the extent of the sum or sums so paid, and neither the County, the Paying Agent nor the Registrar shall be affected by any notice to the contrary.

In all cases in which the privilege of exchanging Series 2013 Bonds or transferring Series 2013 Bonds is exercised, the County shall execute and the Registrar shall authenticate and deliver Series 2013 Bonds in accordance with the provisions of this Resolution. All Series 2013 Bonds surrendered in any such exchanges or transfers shall forthwith be delivered to the Registrar and canceled by the Registrar in the manner provided in this Section. There shall be no charge for any such exchange or transfer of Bonds, but the County or the Registrar may require the payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the County nor the Registrar shall be required (a) to transfer or exchange Series 2013 Bonds for a period from a Record Date to the next succeeding Interest Payment Date on such Series 2013 Bonds or 15 days next preceding any selection of Series 2013 Bonds to be redeemed or thereafter until after the mailing of any

notice of redemption; or (b) to transfer or exchange any Series 2013 Bonds called for redemption. However, if less than all of a term Series 2013 Bond is redeemed or defeased, the County shall execute and the Registrar shall authenticate and deliver, upon the surrender of such term Series 2013 Bond, without charge to the Bondholder, for the unpaid balance of the principal amount of such term Series 2013 Bond so surrendered, a registered term Series 2013 Bond in the appropriate Authorized Denomination and interest rate.

All Series 2013 Bonds paid or redeemed, either at or before maturity shall be delivered to the Registrar when such payment or redemption is made, and such Series 2013 Bonds, together with all Series 2013 Bonds purchased by the County, shall thereupon be promptly canceled. Series 2013 Bonds so canceled may at any time be destroyed by the Registrar, who shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Series 2013 Bonds so destroyed, and one executed certificate shall be filed with the County and the other executed certificate shall be retained by the Registrar.

Series 2013 Bonds held by the Securities Depository while the Series 2013 Bonds are registered under the Book-Entry System shall be registered in the name of the Securities Depository or its nominee and beneficial ownership of such Series 2013 Bonds shall be transferred in accordance with the procedures of the Securities Depository and its Participants.

SECTION 9. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Series 2013 Bond shall become mutilated, or be destroyed, stolen or lost, the County may in its discretion cause to be executed, and the Registrar shall authenticate and deliver, a new Series 2013 Bond of like date and tenor as the Series 2013 Bond so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Series 2013 Bond upon surrender and cancellation of such mutilated Series 2013 Bond or in lieu of and substitution for the Series 2013 Bond destroyed, stolen or lost, and upon the holder furnishing the County and the Registrar proof of his ownership thereof and satisfactory

indemnity and complying with such other reasonable regulations and conditions as the County and the Registrar may prescribe and paying such expenses as the County and the Registrar may incur. All Series 2013 Bonds so surrendered shall be canceled by the County. If any of the Series 2013 Bonds shall have matured or be about to mature, instead of issuing a substitute Series 2013 Bond, the County may pay the same, upon being indemnified as aforesaid, and if such Series 2013 Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2013 Bonds issued pursuant to this Section 9 shall constitute original, additional contractual obligations on the part of the County whether or not the lost, stolen or destroyed Series 2013 Bonds be at any time found by anyone, and such duplicate Series 2013 Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as all other Series 2013 Bonds issued hereunder.

SECTION 10. PREPARATION OF DEFINITIVE SERIES 2013 BONDS; TEMPORARY BONDS. The text of the Series 2013 Bonds and Certificate of Authentication therefor shall be substantially in the form set forth in Exhibit A attached hereto. Until the definitive Series 2013 Bonds are prepared, the Mayor (or any other member of the County Commission in the absence of the Mayor) and the Clerk (any Deputy Clerk in the absence of the Clerk) may execute and the Registrar may authenticate, in the same manner as is provided in Section 8 of this Article II, and deliver, in lieu of definitive Series 2013 Bonds, but subject to the same provisions, limitations and conditions as the definitive Series 2013 Bonds, one or more printed, lithographed or typewritten temporary fully registered Series 2013 Bonds, substantially of the tenor of the definitive Series 2013 Bonds in lieu of which such temporary Series 2013 Bond or Bonds are issued, in Authorized Denominations or any whole multiples thereof, and with such omissions, insertions and variations as may be appropriate to such temporary Series 2013 Bonds. The County, at its own expense, shall prepare and execute and, upon the surrender at the designated corporate trust office of the Registrar of such temporary Series

2013 Bonds for which no payment or only partial payment has been provided, for exchange and the cancellation of such surrender temporary Series 2013 Bonds, the Registrar shall authenticate and, without charge to the holder thereof, deliver in exchange therefor, at the designated corporate trust office of the Registrar, definitive Series 2013 Bonds of the same aggregate principal amount and maturity as the temporary Series 2013 Bonds surrendered. Until so exchanged, the temporary Series 2013 Bonds shall in all respects be entitled to the same benefits and security as definitive Series 2013 Bonds issued pursuant to this Resolution.

SECTION 11. BOOK-ENTRY SYSTEM.

(a) As long as any Series 2013 Bonds are registered under the Book-Entry System, the County and the Registrar shall comply with the terms of the agreement entered into with the Securities Depository (the "Book-Entry Agreement") with respect to such Series 2013 Bonds. However, the Book-Entry System through the Securities Depository may be terminated upon the happening of any of the following:

(i) The Securities Depository or the County, based upon advice from the Securities Depository, advises the Registrar that the Securities Depository is no longer willing or able to properly discharge its responsibilities under the Book-Entry Agreement and the County is unable to locate a qualified successor clearing agency satisfactory to the Registrar and the County; or

(ii) The County, in its sole discretion but with the prior written consent of the Registrar, elects to terminate the Book-Entry System by notice to the Securities Depository, the Registrar and the Credit Facility Issuer, if any.

(b) Upon the occurrence of any event described above, the County and the Registrar shall, if necessary, enter into a resolution supplemental to this Resolution to add to the provisions of this Resolution any provisions deemed reasonably necessary or required by the Registrar, and approved in writing by the Credit Facility Issuer, if any, with respect to Replacement Bonds (including, but not limited to, the provision for the cost and

expenses for the printing thereof) and to account for the fact that, thereafter, the Series 2013 Bonds will no longer be registered under the Book-Entry System, and (ii) the Registrar shall notify the Securities Depository and the Credit Facility Issuer, if any, of the occurrence of such event and of the availability of definitive or temporary Replacement Bonds to Beneficial Owners requesting the same, in an aggregate Outstanding amount representing the interest of each such Beneficial Owner, making such adjustments and allowances as it may find necessary or appropriate as to accrued interest and previous payments of principal. Definitive Replacement Bonds shall be issued only upon surrender to the Registrar of the Bond of each maturity by the Securities Depository, accompanied by registration instructions for the definitive Replacement Bonds for each such maturity. Neither the County nor the Registrar shall be liable for any delay in delivery of such instructions and conclusively may rely on, and shall be protected in relying on, such instructions.

(c) Whenever the Series 2013 Bonds are registered under the Book-Entry System and notice or other communication to the Bondholders is required under this Resolution, unless and until Replacement Bonds shall have been issued with respect to the Series 2013 Bonds, the County or the Registrar, as the case may be, shall give to the Securities Depository one copy of each such notice and communication specified herein or required by this Resolution to be given to the Beneficial Owners of the Series 2013 Bonds.

[End of Article II]

ARTICLE III

FUNDS AND APPLICATION THEREOF, SECURITY AND COVENANTS

SECTION 1. BONDS SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY.

The Series 2013 Bonds are special obligations of the County and are payable solely in the manner and to the extent set forth in this Resolution. There are hereby pledged for the payment of the principal of, and premium if any, and interest on, the Series 2013 Bonds in accordance with the terms and the provisions of this Resolution, the Pledged Revenues. The Series 2013 Bonds shall not be or constitute general obligations of the County within the meaning of the Constitution of the State of Florida but shall be payable solely from, and secured solely by a lien upon and a pledge of, the Pledged Revenues in the manner and to the extent provided in this Resolution. No Bondholder shall ever have the right to compel the exercise of the ad valorem taxing power of the County or taxation in any form on any real or personal property to pay such Series 2013 Bonds or the interest thereon, nor shall any Bondholder be entitled to payment of such principal or interest from any other funds of the County other than as provided in this Resolution. Furthermore, no Bondholder shall ever have a lien on the Project or any other real or personal property of the County, except for the Pledged Revenues in the manner and to the extent provided in this Resolution. The Reserve Account Credit Facility Issuer, if any, shall also have a lien upon and a pledge of the Pledged Revenues but such lien and pledge is subject and subordinate to, in all respects, the lien upon and pledge of the Pledged Revenues in favor of the Bondholders.

SECTION 2. COVENANT TO BUDGET AND APPROPRIATE. Until the Series 2013 Bonds are no longer Outstanding pursuant to the provisions of this Resolution, the County hereby covenants to appropriate in its annual budget in each Fiscal Year, by amendment if necessary, Non-Ad Valorem Revenues in amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Series 2013 Bonds, as the same become due (whether by redemption, at maturity or otherwise), and, if applicable, to restore any deficiency in the Debt Service Reserve Fund or any other fund or account

created and established hereunder for the Series 2013 Bonds. Notwithstanding the foregoing covenant of the County, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues other than such services or programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the County. The payment of principal of and interest on the Series 2013 Bonds may, in addition to the Pledged Revenues herein described, be secured by a Credit Facility.

To the extent that the County is in compliance with the covenant contained above and Section 10(a) of Article III of this Resolution, the obligations of the County contained herein shall not be construed as a limitation on the ability of the County to pledge or covenant with respect to the Non-Ad Valorem Revenues for other indebtedness or other legally permissible purposes.

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

SECTION 3. ESTABLISHMENT OF FUNDS AND ACCOUNTS. There are hereby created and established with the County the following funds: (1) Sinking Fund (the "Sinking Fund") and (2) Construction Fund (the "Construction Fund") and within the Construction Fund, a Cost of Issuance Account (the "Cost of Issuance Account") and a Convention Center Hotel Agreements Account (the "Convention Center Hotel Agreements Account"). Within the Sinking Fund there shall be created the following separate accounts: (1) a Principal and Interest Account (the "Principal and Interest Account"), (2) a Bond Redemption Account (the "Bond Redemption Account"), and (3) a Debt Service Reserve Fund (the "Debt Service Reserve Fund"). The Sinking Fund and the Construction Fund, and all accounts and subaccounts therein shall constitute trust funds for the purposes hereof, to the extent provided for herein.

SECTION 4. APPLICATION OF BOND PROCEEDS. The proceeds received upon issuance of the Series 2013 Bonds shall be deposited into the various funds and accounts created and established for the Series 2013 Bonds as follows:

(a) The accrued interest, if any, derived from the sale of the Series 2013 Bonds shall be deposited into the Principal and Interest Account of the Sinking Fund and used for the purpose of paying a part of the first interest payable on the Series 2013 Bonds on the first Interest Payment Date after the Date of Issue.

(b) If determined as provided herein that the Series 2013 Bonds will be secured by the Debt Service Reserve Fund, an amount equal to all or a portion of the Debt Service Reserve Requirement shall be deposited in the Debt Service Reserve Fund of the Sinking Fund. If less than the Debt Service Revenue Requirement is satisfied from the proceeds of the Series 2013 Bonds on the Date of Issue, the balance of such requirement shall be satisfied by the deposit of a Reserve Account Credit Facility with the Paying Agent with the requisite coverage or in such other manner as set forth in the Official Notice of Sale.

(c) An amount determined in accordance with Article VIII, Section 1 hereof shall be deposited in the Cost of Issuance Account.

(d) The remaining proceeds of the Series 2013 Bonds shall be deposited in the Construction Fund and applied as provided herein.

SECTION 5. APPLICATION OF REVENUES.

(a) On or before 12:00 Noon on the last Business Day prior to each Interest Payment Date, the County shall deposit into the Sinking Fund an amount of Non-Ad Valorem Revenues (which at the time of such deposit become "Pledged Revenues") at least equal to the Accrued Aggregate Debt Service calculated to such Interest Payment Date, and to the extent applicable, any amounts necessary to satisfy any deficiency in the Debt Service Reserve Fund or reinstatement of the Reserve Account Credit Facility and as otherwise required to meet the obligations set forth in clauses (b) and (c) of this Section 5.

(b) As soon as practicable after the deposit of Pledged Revenues in the Sinking Fund, as provided in paragraph (a) above, and in any case no later than the close of business on the Business Day preceding such Interest Payment Date, the County shall credit moneys therein to the following purposes in the following order of priority (such application to be made in such a manner so as to assure sufficient moneys on deposit in such Funds):

(i) To the Principal and Interest Account, the amount, if any, required so that the balance in said account shall equal the amount of principal of and interest on the Series 2013 Bonds coming due on the next Interest Payment Date; provided, that, for the purposes of computing the amount to be deposited in the Principal and Interest Account, there shall be taken into account the amount, if any, set aside in said account from the proceeds of the Series 2013 Bonds;

(ii) To the Bond Redemption Account, the amount, if any, required so that the balance in said account shall equal the principal of and premium, if any, on the Series 2013 Bonds then coming due by reason of redemption (including mandatory sinking fund redemption) on the next Interest Payment Date;

(iii) To the extent applicable, to the Reserve Account Credit Facility Issuer the amount, if any, required to reimburse such Issuer for amounts drawn under the Reserve Account Credit Facility; and

(iv) To the extent applicable, to the Debt Service Reserve Fund, the amount, if any, required for the amount on deposit in such Account to equal the Debt Service Reserve Requirement.

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

SECTION 6. SINKING FUND--PRINCIPAL AND INTEREST ACCOUNT; BOND REDEMPTION ACCOUNT. The County shall pay out of the Principal and Interest Account to the Paying Agent (i) on or before each Interest Payment Date or redemption date for any of the Series 2013 Bonds, the amount required for the interest payable on such date; and (ii) on or before the maturity date of each of the Series 2013 Bonds the amount of principal of such Series 2013 Bonds payable on such date. The County shall pay out of the Bond Redemption Account to the Paying Agent on or before any redemption date for the Series 2013 Bonds, the amount required for the payment of principal and any premium on the Series 2013 Bonds then to be redeemed. Such amounts shall be applied by the Paying Agent on and after the due dates thereof.

SECTION 7. SINKING FUND -- DEBT SERVICE RESERVE FUND.

(a) If determined in accordance herewith to fund the Debt Service Reserve Fund, amounts in the Debt Service Reserve Fund shall be used to make up any deficiency in the Principal and Interest Account or the Bond Redemption Account on any Interest Payment Date. If, on the last Business Day preceding any Interest Payment Date, the amounts on deposit in the Debt Service Reserve Fund shall be less than the Debt Service Reserve Requirement, the County shall apply amounts from Pledged Revenues, available

for such purposes hereunder, to the extent necessary to cure the deficiency; provided, however, that no further payments shall be required to be made into the Debt Service Reserve Fund whenever and as long as the amount deposited therein shall be equal to the Debt Service Reserve Requirement (including taking into account any Reserve Account Credit Facilities).

Notwithstanding the foregoing provisions, in lieu of the required deposits into the Debt Service Reserve Fund or in substitution for moneys already on deposit in the Debt Service Reserve Fund, the County may, with the consent of the Credit Facility Issuer, if any, cause to be deposited into the Debt Service Reserve Fund a Reserve Account Credit Facility for the benefit of the Bondholders in an amount equal to the difference between the Debt Service Reserve Requirement, and the sums then on deposit in the Debt Service Reserve Fund, if any, which Reserve Account Credit Facility shall be payable or available to be drawn upon, as the case may be (upon the giving of the required notice as required thereunder) on any Interest Payment Date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to this Resolution and available for such purpose and otherwise meet the requirements of this Section. If a disbursement is made under the Reserve Account Credit Facility, the County shall be obligated to either reinstate the maximum limits of such Reserve Account Credit Facility immediately following such disbursement equal to the Debt Service Reserve Requirement, or to deposit into the Debt Service Reserve Fund from the Pledged Revenues, available for such purposes hereunder, as herein provided, funds in the amount of the disbursement made under such Reserve Account Credit Facility, or a combination of such alternatives as shall equal the Debt Service Reserve Requirement.

In the event that any moneys shall be withdrawn from the Debt Service Reserve Fund for payments into the Principal and Interest Account or Bond Redemption Account such withdrawals shall be subsequently restored from the first Pledged Revenues, available for such purposes hereunder, after all required payments have been made into the Principal and Interest Account and Bond Redemption Account, including any deficiencies for prior payments, and after reimbursement in full of any sums owed to the Reserve

Account Credit Facility Issuer. The foregoing restoration may be satisfied by the reinstatement of the maximum limits of a Reserve Account Credit Facility.

Moneys in the Debt Service Reserve Fund shall be used only for the purpose of making payments into the Principal and Interest Account or Bond Redemption Account, when and to the extent the moneys transferred to the Sinking Fund are insufficient for such purpose, provided, however, that moneys in the Debt Service Reserve Fund may be invested and reinvested as provided for herein; and provided further, however, that moneys on deposit in the Debt Service Reserve Fund may, upon final maturity of the Series 2013 Bonds, be used to pay the principal of and interest on the Series 2013 Bonds.

Any Reserve Account Credit Facility may take any of the following forms:

(i) A surety bond, insurance policy or evidence of insurance issued to the entity serving as Paying Agent, as agent of the bondholders, by a company licensed to issue an insurance policy guaranteeing the timely payment of debt service on the Series 2013 Bonds (a "municipal bond insurer") with claims-paying ability, at the time the Reserve Account Credit Facility is issued, rated at least "A" by Fitch, Moody's or S&P, respectively.

(ii) A Letter of Credit issued to the Paying Agent, as agent of the Bondholders, by a bank rated at the time the Letter of Credit is issued, at least "A" by Fitch, Moody's or S&P, respectively, provided the Letter of Credit is satisfactory in form and substance to the Credit Facility Issuer, if any.

(b) The delivery of any Reserve Account Credit Facility pursuant to this Section shall be subject to receipt of an opinion of counsel acceptable to the County and the Credit Facility Issuer, if any, and in form and substance satisfactory to the County and the Credit Facility Issuer, if any, as to the due authorization, execution, delivery and enforceability of such instrument in accordance with its terms, subject to applicable laws affecting creditors' rights generally, and, in the event the issuer of such Reserve Account Credit Facility is not a domestic entity, an opinion of foreign counsel in form and substance satisfactory to the County and the Credit Facility Issuer, if any.

(c) Cash on deposit in the Debt Service Reserve Fund shall be used (or Investment Obligations purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Account Credit Facility. If and to the extent that more than one Reserve Account Credit Facility is deposited in the Debt Service Reserve Fund, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

(d) Whenever the moneys, cash and Investment Obligations on deposit in the Debt Service Reserve Fund shall exceed the Debt Service Reserve Requirement, such excess shall be deposited in the Principal and Interest Account; provided, however, that any excess resulting from the valuation of Investment Obligations shall not be transferred to the Principal and Interest Account until such time as the Investment Obligations are sold or mature. Deficiencies resulting from a decline in market value of Investment Obligations on deposit in the Debt Service Reserve Fund shall be restored no later than the succeeding valuation date pursuant to Article IV, Section B, unless required earlier under this Resolution.

SECTION 8. COST OF ISSUANCE ACCOUNT. Moneys on deposit in the Cost of Issuance Account shall be used to pay costs of issuing the Series 2013 Bonds to the extent not paid from other sources, which costs may include, all printing expenses in connection with this Resolution, the Preliminary Official Statement and final Official Statement for the Series 2013 Bonds, and the Series 2013 Bonds; the fees of the Credit Facility Issuer pursuant to the Credit Facility, if any; administrative expenses of the County; the cost of a Reserve Account Credit Facility, if any, and the fees and expenses of the issuer thereof; legal fees and expenses of counsel to the County, Bond Counsel and counsel to the Credit Facility Issuer; fees and expenses of financial advisors; the Paying Agent's initial fees and expenses; and any other expenses incurred in connection with the Series 2013 Bonds, which may be paid upon the submission of requisitions by the County signed by an officer of the County stating the amount to be paid, to whom it is to be paid and the reason for such payment, and that the amount of such requisition is justly due and

owing and has not been the subject of another requisition which was paid and is a proper expense of issuing such Bonds. Any moneys remaining in the Cost of Issuance Account not needed for the purposes thereof shall be transferred to the Principal and Interest Account of the Sinking Fund.

SECTION 9. CONSTRUCTION FUND.

(a) There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of this Resolution or any supplemental resolution and there may be paid into the Construction Fund, at the option of the County, any moneys received for or in connection with the Project by the County from any other source, unless required to be otherwise applied.

(b) During the period of construction of the Project, the moneys received pursuant to an insurance claim from insurance maintained against physical loss of or damage to the Project, or of contractors' performance bonds with respect thereto, pertaining to the period of construction thereof shall be paid into the Construction Fund, unless otherwise required to be applied pursuant to the Convention Center Hotel Agreements.

(c) Any amounts in the Construction Fund shall be applied by the County to pay a portion of the Costs of the Project (other than the costs of issuing the Series 2013 Bonds, which shall be paid from moneys on deposit in the Cost of Issuance Account). Proceeds of the Series 2013 Bonds in the amount of \$27,000,000 shall be deposited into the Convention Center Hotel Agreements Account. While the disbursement of amounts in the Convention Center Hotel Account remains subject to the requirements of the Convention Center Hotel Agreements, amounts deposited into the Convention Center Hotel Agreements Account shall be applied and disbursed pursuant to the Convention Center Hotel Agreements, including any escrow agreement entered into by the County and the Developer with respect to such deposit. In the event the amounts on deposit in the Convention Center Hotel Agreements Account are no longer subject to the requirements of

the Convention Center Hotel Agreements, amounts in such account shall be disbursed as provided in subsection (d).

(d) Except for the amounts in the Convention Center Hotel Agreements Account, while disbursement thereof remains subject to the requirements of the Convention Center Hotel Agreements, and as set forth in (e) below, before any such application of any amounts in the Construction Fund shall be made, the County shall prepare a requisition, signed by an authorized officer of the County showing with respect to each payment to be made, the name of the person to whom payment is due (which may include the County in the case of reimbursement of Costs incurred prior to the Date of Issue) and the amount to be paid, and stating that the obligation to be paid was incurred and is a proper charge against the Construction Fund and evidencing: (i) that obligations in the stated amounts, including any amounts retained by the County in the Construction Fund to be paid at such later date, have been incurred by the County and that each item thereof is a proper charge against the Construction Fund and has not been the basis of any previous requisition; and (ii) that there has not been filed with or served upon the County notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in such requisition which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law. Notwithstanding the foregoing, the portion of Series 2013 Bond proceeds on deposit in the Construction Fund designated to pay interest on the Series 2013 Bonds may be requisitioned therefrom from time to time for transfer to the Interest Account without the need for a certification as to the matters reflected in subparagraph (ii) of the requisition required by this paragraph (d) and requisition from the Cost of Issuance Account shall be made in such manner as provided in Section 8 of this Article.

(e) To the extent that other moneys are not available therefor in any other fund and account created under this Resolution, amounts in the Construction Fund, other than in the Convention Center Hotel Agreements Account, shall be applied to the payment of the principal of and interest on Series 2013 Bonds when due.

(f) On the Completion Date (as defined in the Convention Center Hotel Agreements) or date upon which the Project is deemed complete as certified by the County's engineers, any amounts remaining in the Construction Fund not otherwise needed to pay Costs of the Project may (i) be deposited in the Debt Service Reserve Fund (if it has been determined in accordance herewith to fund the Debt Service Reserve Fund) to make up any deficiency therein and, thereafter, in the Principal and Interest Account and applied to the retirement of Series 2013 Bonds by payment, purchase or redemption at the earliest date permissible under the terms of this Resolution, or (ii) applied to any lawful purpose of the County; provided, that, notwithstanding the foregoing, the disposition of amounts in the Cost of Issuance Account shall be subject to the provisions of Section 8 of this Article and, while the disbursement of amounts in the Convention Center Hotel Account remains subject to the requirements of the Convention Center Hotel Agreements, the disposition of such amounts shall be determined by the provisions of the Convention Center Hotel Agreements pertaining thereto.

(g) Notwithstanding anything to the contrary herein, amounts in the Convention Center Hotel Agreements Account shall not be invested in Investment Obligations or otherwise while such amounts remain subject to the requirements of the Convention Center Hotel Agreements. Earnings from moneys held in the Construction Fund shall be transferred to the Principal and Interest Account.

SECTION 10. COVENANTS OF THE COUNTY.

(a) The County covenants that in each Fiscal Year of the County, while the Series 2013 Bonds are Outstanding the total Non-Self-Supporting Debt Service due for each such Fiscal Year of the County shall not exceed 50% of Non-Ad Valorem Revenues of the County. In furtherance of such covenant, the County covenants and agrees that it will not issue any indebtedness or incur any indebtedness payable from or supported by a pledge of the Non-Ad Valorem Revenues unless the County can show that following the issuance of or incurrence of such additional indebtedness, (i) the total amount of Non-Ad Valorem Revenues (based on the most recent Fiscal Year) will be greater than 2.00 times

the Maximum Debt Service, (ii) the total amount of Non-Ad Valorem Revenues in each Fiscal Year in which Bonds are Outstanding (based on reasonable projections of the County) will be greater than 2.00 times the Non-Self-Supporting Debt Service in each such Fiscal Year; and (iii) the aggregate principal amount of Non-Self-Supporting Debt bearing a variable interest rate will not exceed twenty-five per cent (25%) of the aggregate principal amount of Non-Self-Supporting Debt.

(b) The County shall in each Fiscal Year prepare and adopt an annual budget in accordance with the provisions of Section 129, Florida Statutes. A copy of such annual budget shall be furnished, as soon as reasonably possible, to the Credit Facility Issuer, if any.

(c) The County shall furnish, as soon as reasonably possible, to the Credit Facility Issuer, if any, all comprehensive annual financial reports (which shall include but are not limited to all combined statements of revenues, expenditures and changes in fund balances, all changes in retained earnings/fund balance and all combined statements of changes in financial position of the County for such Fiscal Year and a combined balance sheet of the County as of the close of such Fiscal Year, and notes to each, setting forth in comparative form the figures for the previous Fiscal Year (to the extent applicable)), in reasonable detail and accompanied by an opinion thereon of a recognized firm of independent public accountants selected by the County, which opinion shall state that such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied.

(d) The County further covenants that an annual audit (prepared in accordance with generally accepted accounting principles consistently applied) of the County shall be conducted by a recognized firm of independent public accountants within 180 days of the end of the Fiscal Year, and the report of such annual audit shall be available to the Credit Facility Issuer, if any, without charge upon written request.

SECTION 11. RULE 15C2-12 UNDERTAKING.

(a) The County hereby agrees, in accordance with the provisions of the Rule in effect from time to time and applicable to the Series 2013 Bonds, promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, to provide or cause to be provided, to the Municipal Securities Rulemaking Board ("MSRB") in an electronic format prescribed by the MSRB and such other municipal securities information repository as may be required by law or applicable legislation, from time to time (each such information repository, a "MSIR"), within 180 days following the end of each Fiscal Year of the County, commencing with the Fiscal Year ending September 30, 2013, historical collections of non-ad valorem revenues by the County in a form which is generally consistent with presentation of such information in the Official Statement, and, when and if available, audited financial statements prepared in accordance with generally accepted accounting principles applicable to the County, in each case for such prior Fiscal Year; provided, however, it is the intent and expectation of the County that all of the information contemplated by this subsection (a) will be set forth in the County's audited Comprehensive Annual Financial Report. If audited financial statements are not available at the time of required filings as set forth above, unaudited financial information shall be filed pending the availability of audited financial statements. (The information required to be disclosed in this subsection (a) shall be referred to herein as the "Annual Report").

The County reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County; provided that the County agrees that any such modification will be done in a manner consistent with the Rule.

(b) The County agrees to provide or cause to be provided to each MSIR in the appropriate format required by law or applicable regulation, in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Series 2013 Bonds:

- (i) principal and interest payment delinquencies;

- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit facility providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2013 Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of holders of the Series 2013 Bonds, if material;
- (viii) Series 2013 Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of any property securing repayment of the Series 2013 Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the County (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all

of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County);

(xiii) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(xiv) the appointment of a successor or additional trustee or the change of name of a trustee, if material (it being noted that there is no trustee for the Series 2013 Bonds).

(c) The County agrees to provide or cause to be provided, in a timely manner, to each MSIR, written notice of a failure by the County to provide the Annual Report described in subsection (a) above on or prior to the date set forth therein.

(d) The County reserves the right to terminate its obligation to provide Annual Report and notices of material events, as set forth above, if and when the County no longer remains an obligated person with respect to the Series 2013 Bonds within the meaning of the Rule or the Series 2013 Bonds are no longer Outstanding (either by the redemption in full or legal defeasance of all such Bonds). If the County believes such condition exists, the County will provide notice of such termination to each MSIR.

(e) The County agrees that its undertaking pursuant to the Rule set forth in this Section is intended to be for the benefit of the holders and beneficial owners of the Series 2013 Bonds and shall be enforceable by any holder or beneficial owner; provided that the

right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the County's obligations hereunder and any failure by the County to comply with the provisions of this undertaking shall not be an Event of Default with respect to the Series 2013 Bonds.

(f) Any voluntary inclusion by the County of information in its annual report of supplemental information that is not required hereunder shall not expand the obligations of the County hereunder and the County shall have no obligation to update such supplemental information or include it in any subsequent report.

(g) The covenants contained herein are solely for the benefit of the Holders and Beneficial Owners of the Series 2013 Bonds and shall not create any rights in any other parties.

(h) Notwithstanding any other provision of this Resolution, the County may amend this Section and any provision of this Section may be waived, provided that the following conditions are satisfied:

- (i) The amendment or waiver may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identify, nature or status of an obligated person with respect to the Series 2013 Bonds, or the type of business conducted;
- (ii) The undertaking, as amended or taking into account such waiver would, in the Opinion of Bond Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2013 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (iii) The amendment or waiver does not materially impair the interests of holders and beneficial owners as determined either by parties unaffiliated with the County or obligated person (such as Bond

Counsel), or by an approving vote of holders pursuant to the terms of the Resolution.

In the event of any amendment or waiver of a provision of this Section, the County shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of annual financial information or operating data being presented by the County. In addition, if the amendment or waiver relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in the same manner as set forth in subsection (b) and (ii) the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

[End of Article III]

ARTICLE IV
INVESTMENT OF FUNDS AND ACCOUNTS

A. Moneys held in all funds and accounts established under this Resolution shall be invested in Investment Obligations, subject to the provisions of Article III, Section 9(g) with respect to the Convention Center Hotel Agreements Account in the Construction Fund. All Investment Obligations shall mature or shall be subject to redemption at the option of the holder thereof not later than the respective dates when moneys held for the credit of such funds or accounts will be required for the purposes intended, including, in particular, the payment of interest and principal on the Series 2013 Bonds when due; provided that Investment Obligations purchased with funds on deposit in the Debt Service Reserve Fund (if so funded) shall have an average aggregate weighted duration of not greater than five years.

B. Whenever a payment or transfer of moneys between two or more of the funds or accounts established pursuant to Article III hereof is permitted or required, such payment or transfer may be made in whole or in part by transfer of one or more Investment Obligations at a value determined in accordance with this Article IV; provided that the Investment Obligations transferred are those in which moneys of the receiving fund or account could be invested at the date of such transfer. Investment Obligations in all funds and accounts established under this Resolution shall be valued at fair value determined in accordance with generally accepted accounting principles, and exclusive of accrued interest in the case of the Debt Service Reserve Fund. The County shall determine the value of the Investment Obligations in the funds and accounts established hereunder not less than one time each year prior to or as of the end of each Fiscal Year; provided, Investment Obligations held in the Debt Service Reserve Fund shall be valued five (5) days prior to each Interest Payment Date.

[End of Article IV]

ARTICLE V
DEFEASANCE

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

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

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

Notwithstanding the foregoing paragraph, in the case of a Series 2013 Bond or Authorized Denominations thereof which by its terms may be redeemed prior to the stated maturity thereof, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be deemed a payment of such Series 2013 Bond or Authorized Denominations thereof as aforesaid until: (a) proper notice of redemption of such Series 2013 Bond or Authorized Denominations thereof shall have been previously given in accordance with Article II of this Resolution, or (b) in the event said Series 2013 Bond or Authorized Denominations thereof is not to be redeemed within the next succeeding 60 days, until (i) the County shall have given irrevocable instructions to notify, as soon as practicable, the Owner of such Series 2013 Bond in accordance with Article II, Section 5 hereof, that the deposit required by clause (a)(ii) of the immediately preceding paragraph has been made with the Paying Agent or escrow agent, as the case may be, and that said Series 2013 Bond or Authorized Denominations thereof is deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of and the applicable premium, if any, on said Bond or Authorized Denominations thereof, plus interest thereon to the due date thereof, and (ii) the County shall have caused to be delivered to the Paying Agent or escrow agent, as the case may be, a verification report of an independent, nationally recognized, certified public accountant showing the sufficiency of such deposit.

Notwithstanding any provision of any other Article of this Resolution which may be contrary to the provisions of this Article, all moneys and/or Defeasance Obligations set aside and held in trust pursuant to the provisions of this Article and necessary for the

payment of Series 2013 Bonds or Authorized Denominations thereof (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Series 2013 Bonds or Authorized Denominations thereof (including interest and premium thereon, if any) with respect to which such moneys and/or Defeasance Obligations have been so set aside in trust until payment of such Series 2013 Bonds or Authorized Denominations thereof.

The provisions of this Article shall apply to the Series 2013 Bonds Outstanding hereunder or of a particular maturity or of a specific part of a particular maturity to the extent the conditions hereof are expressly satisfied with respect to such Series 2013 Bonds, maturity or specific part of a maturity.

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

Notwithstanding the foregoing, in the event that the payment or deposit in the amount and manner provided in this Resolution has been made by the Credit Facility Issuer under the terms of its Credit Facility, the Credit Facility Issuer shall be subrogated to the rights of the Holders of the Series 2013 Bonds and the liability of the County, with respect thereto, shall not be discharged or extinguished.

Notwithstanding anything contained in this Article to the contrary, the covenants, liens and pledges contained in this Resolution shall not be fully discharged and satisfied until all obligations owed to the Credit Facility Issuer, if any, and Reserve Account Credit Facility Issuer, if any, have been satisfied.

[End of Article V]

ARTICLE VI
DEFAULTS AND REMEDIES

SECTION 1. EVENTS OF DEFAULT. Each of the following events shall constitute and is referred to in this Resolution as an "Event of Default":

(a) A failure by the County to pay the principal of any of the Series 2013 Bonds when the same shall become due and payable at maturity or upon mandatory sinking fund redemption; or

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

(c) If applicable, a failure of the County to reinstate any amounts required to cure any deficiency in the Debt Service Reserve Fund, pursuant to the requirements of Section 7 of Article III, during the year succeeding the year in which such deficiency occurs; or

(d) A failure by the County to observe and perform any covenant, condition, agreement or provision (other than as specified in clauses (a), (b) and (c) of this Section) contained in the Series 2013 Bonds or in this Resolution on the part of the County to be observed or performed, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the County by the Credit Facility Issuer, if any, or by the request of Owners of not less than 25% in aggregate principal amount of the Series 2013 Bonds then Outstanding, subject to the prior written consent of the Credit Facility Issuer, if any, unless the Owners of an aggregate principal amount of Series 2013 Bonds of not less than the aggregate principal amount of Bonds the Owners of which requested such notice, as the case may be, shall agree in writing to an extension of such period prior to its expiration, subject to the prior written consent of the Credit Facility Issuer, if any; provided, however, that the Owners of such aggregate principal amount of Series 2013 Bonds, or the Credit Facility Issuer, as the case may be, shall be deemed to have agreed to an

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extension of such period if corrective action is initiated by the County, or on behalf of the County, within such period and is being diligently pursued.

If on the date payment of principal of or interest on the Series 2013 Bonds is due, sufficient moneys are not available to make such payment, the Paying Agent shall give immediate notice by telephone, telegraph or other electronic means, promptly confirmed in writing of such insufficiency to the Credit Facility Issuer and the Reserve Account Credit Facility Issuer, if any. The Paying Agent and County shall do all other things necessary to effectuate the terms and provisions of the Credit Facility and the Reserve Account Credit Facility.

SECTION 2. REMEDIES; RIGHTS OF BONDHOLDERS. Upon the occurrence of an Event of Default, under Section 1(a) or (b) of this Article VI, any Bondholder may, or upon the occurrence of an Event of Default under Section 1(c) or (d) of this Article VI, the Credit Facility Issuer, if any, or the Owners of not less than 25% in aggregate principal amount of the Series 2013 Bonds, with the consent of the Credit Facility Issuer, if any, may pursue any available remedy at law or in equity or by statute, including any applicable law or statute of the United States of America or of the State, to enforce the payment of principal of and interest on the Series 2013 Bonds then Outstanding or the obligations of the County hereunder. Notwithstanding anything contained in this Section to the contrary neither the Credit Facility Issuer, if any, nor the Owners shall have the right to accelerate the payment of principal of and interest on the Series 2013 Bonds .

Prior written consent of the Credit Facility Issuer, if any, shall be required only as long as the Credit Facility Issuer shall not be in default under the Credit Facility and not be the subject of a liquidation, bankruptcy, insolvency or similar proceedings.

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

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

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

SECTION 3. RESTORATION TO FORMER POSITION. In the event that any proceeding taken to enforce any right under this Resolution shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then the County, the Credit Facility Issuer, if any, and the Owners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers shall continue as though no such proceeding had been taken.

SECTION 4. OWNERS' RIGHT TO DIRECT PROCEEDINGS. Anything in this Resolution to the contrary notwithstanding, the Owners of a majority in aggregate principal amount of the Series 2013 Bonds then Outstanding hereunder shall have the right, by an instrument in writing and upon the prior written consent of the Credit Facility Issuer, if any, to direct the time, method and place of conducting all remedial proceedings available under this Resolution or exercising any power conferred by this Resolution.

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

[End of Article VI]

ARTICLE VII
PAYING AGENT AND REGISTRAR

SECTION 1. COMPENSATION, EXPENSES AND ADVANCES. The Paying Agent and the Registrar, pursuant to the terms of this Resolution, shall be entitled to reasonable compensation for their services rendered hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for their actual out-of-pocket expenses (including reasonable counsel fees) reasonably incurred in connection therewith except as a result of their negligence or willful misconduct.

SECTION 2. DEALINGS IN SERIES 2013 BONDS AND WITH THE COUNTY. The Registrar, the Credit Facility Issuer, if any, and the Paying Agent in its or their individual capacity or capacities, may in good faith buy, sell, own, hold and deal in any of the Series 2013 Bonds issued hereunder, and may join in any action which any Owner of Bonds may be entitled to take with like effect as if it did not act in any capacity hereunder. The Registrar or the Paying Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the County or the Credit Facility Issuer, if any, and may act as depository, trustee or agent for any committee or body of Owners of Series 2013 Bonds secured hereby or other obligations of the County, or the Credit Facility Issuer as freely, if any, as if it did not act in any capacity hereunder.

SECTION 3. ALLOWANCE OF INTEREST. The Paying Agent may, but shall not be obligated to, allow and credit interest upon any moneys which it may at any time receive under any of the provisions of this Resolution, at such rate, if any, as it customarily allows upon similar funds of similar size and under similar conditions. All interest allowed on any such moneys shall be credited to the appropriate fund or otherwise applied as provided in Article III with respect to interest on investments. Funds held by

the County or Paying Agent hereunder need not be segregated from other funds held by the County or Paying Agent except to the extent required by law.

SECTION 4. PAYING AGENT. The initial Paying Agent for the Series 2013 Bonds shall be as set forth in Article VIII, Section 6 hereof. The Paying Agent shall:

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

(b) keep such books and records as shall be consistent with prudent industry practice, including amounts available to be drawn under any Reserve Account Credit Facility and amounts payable thereunder to any Reserve Account Credit Facility Issuer, and make such books and records available for inspection by the County, the Credit Facility Issuer, if any, the Reserve Account Credit Facility Issuer, if any, and any Bondholder at all reasonable times.

SECTION 5. QUALIFICATIONS OF PAYING AGENT; RESIGNATION, REMOVAL. Any Paying Agent appointed hereunder shall be a commercial bank or trust company duly organized under the laws of the United States of America or any state or territory thereof, having (or its parent having) a combined capital stock, surplus and undivided profits of at least \$50,000,000 and authorized by law to perform all the duties imposed upon it by this Resolution. The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) days' notice to the County, and the Credit Facility Issuer, if any; provided, however, that no resignation of the Paying Agent shall take effect until a successor has been appointed and has accepted the duties of Paying Agent.

The Paying Agent may be removed by the County by an instrument or instruments in writing which may be accompanied by an instrument of appointment by the County of a successor. Notwithstanding anything in this Section to the contrary, as long as a Credit Facility, if any, is still in effect, the Paying Agent shall not be removed without the prior

written consent of the Credit Facility Issuer provided that such Credit Facility Issuer shall not be in default under the Credit Facility or the subject of any liquidation, bankruptcy, insolvency or similar proceedings.

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

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

SECTION 6. REGISTRAR. The Registrar hereby agrees, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the County, the Bondholders and the Credit Facility Issuer, if any, at all reasonable times.

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

SECTION 7. QUALIFICATIONS OF REGISTRAR; RESIGNATION; REMOVAL.
The Registrar, initially, shall be the Paying Agent. Any successor appointed hereunder
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shall be a corporation duly organized under the laws of the United States of America or any state or territory thereof, having (or its parent having) a combined capital stock, surplus and undivided profits of at least \$50,000,000 and authorized by law to perform all the duties imposed upon it by this Resolution. The Registrar may at any time resign and be discharged of the duties and obligations created by this Resolution by giving at least sixty (60) days' notice to the County, the Paying Agent (if not also the Registrar) and the Credit Facility Issuer, if any. The Registrar may be removed at any time, at the direction of the County with the consent of the Credit Facility Issuer, if any, by an instrument, signed by the County, filed with the Registrar, the Paying Agent (if not also the Registrar) and the Credit Facility Issuer, if any

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

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

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

[End of Article VII]

ARTICLE VIII

MATTERS RELATING TO PUBLIC SALE OF SERIES 2013 BONDS

SECTION 1. GENERAL MATTERS RELATING TO SALE OF THE SERIES 2013 BONDS. The Official Notice of Sale and Summary Notice of Sale, in substantially the forms attached as Exhibit C to this Resolution, with such changes, modifications and deletions, consistent with the Parameters, as the County Administrator or Debt Manager (upon advice of the County Attorney, Bond Counsel and the Financial Advisor) shall deem necessary and appropriate, are hereby authorized and approved. The use and distribution of the final Official Notice of Sale and Summary Notice of Sale in connection with the public sale of the Series 2013 Bonds is hereby approved and authorized. Notice of the public sale of the Series 2013 Bonds shall be published in summary form in the manner required by Section 218.385, Florida Statutes at least one time at least 10 days prior to the date of sale in one or more newspapers or financial journals published within or without the State of Florida in accordance with said Section 218.385.

The County Administrator or Debt Manager are each hereby authorized and directed to make the initial determinations of the maturity dates and par amounts, the dated date, the Interest Payment Dates, and the redemption provisions, if any, for the Series 2013 Bonds, subject in all respects to the Parameters set forth herein, and to cause the same to be set forth in the final Official Notice of Sale. The Debt Manager is also authorized to determine the date of the public sale of the Series 2013 Bonds.

SECTION 2. PARAMETERS. The Board hereby delegates to the Mayor or, in the alternative, the County Administrator, in consultation with the Financial Advisor, the authority to sell the Series 2013 Bonds to the lowest qualified bidder or bidders in accordance with the Parameters.

For purposes of this Resolution, the "Parameters" shall be as follows: (i) the original aggregate principal amount of the Series 2013 Bonds shall not exceed \$31,000,000; (ii) the true interest cost rate per annum on the Series 2013 Bonds shall not exceed 6.00%; (iii) the final maturity date of the Series 2013 Bonds shall not be later than approximately 30 years from the Date of Issue; (iv) the purchase price shall not be less than 98% of the original aggregate principal amount of the Series 2013 Bonds; and (v) the Series 2013 Bonds shall be subject to mandatory sinking fund redemption, if issued as term bonds, and may be subject to extraordinary redemption and/or optional redemption, including at a make-whole redemption price, if at all, in such manner and at such times so as to produce the best market acceptance for the Series 2013 Bonds, all as shall be provided in the final Official Notice of Sale.

SECTION 3. PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT. The Preliminary Official Statement relating to the Series 2013 Bonds, in substantially the form submitted at this meeting and attached hereto as Exhibit B, is hereby approved with such insertions, deletions, modifications and changes as may be approved by the County Administrator and Debt Manager, upon the advice of the County's Bond Counsel, Disclosure Counsel and Financial Advisor. The printing, distribution and use of the Preliminary Official Statement in connection with the public offering for sale of the Series 2013 Bonds is hereby authorized. Either of the County Administrator or Debt Manager is hereby authorized to execute a certificate deeming the Preliminary Official Statement final within the meaning of the Rule. Either of the County Administrator or Debt Manager is hereby authorized to cause a final Official Statement to be prepared. The final Official Statement shall be in substantially the form of the printed Preliminary Official Statement, with such changes as necessary to conform the details of the Series 2013 Bonds and such other insertions, modifications and changes as may be approved by the County Administrator and Debt Manager, upon the advice of the County's Bond Counsel, Disclosure Counsel and Financial Advisor. The Mayor (or any member of the County Commission in the absence of the Mayor) is hereby authorized to execute a final Official Statement to be dated the date of public sale of the Series 2013 Bonds, and, upon such

execution, to deliver the same to the Underwriters for use by them in connection with the sale and distribution of the Series 2013 Bonds. The execution and delivery of the final Official Statement by the Mayor (or any member of the County Commission in the absence of the Mayor) shall constitute conclusive evidence of the approval thereof. The County hereby authorizes the final Official Statement and the information contained therein to be used by the Underwriters in connection with the offering and sale of the Series 2013 Bonds.

SECTION 4. MATTERS RELATING TO DEBT SERVICE RESERVE FUND AND CREDIT ENHANCEMENT. The County Administrator and Debt Manager, upon advice of the County's Financial Advisor that, in order to sell the Series 2013 Bonds or to maximize debt service savings, it is necessary to (i) obtain a Bond Insurance Policy securing the Series 2013 Bonds and/or (ii) fund the Debt Service Reserve Fund so that the amount on deposit therein is or will be equal to the Debt Service Reserve Requirement, are authorized to approve such actions as are recommended by the Financial Advisor. Assuming the Debt Service Reserve Fund is to be funded, the County Administrator and Debt Manager, upon advice of the County's Financial Advisor, are authorized to obtain a Reserve Account Credit Facility to satisfy the Debt Service Reserve Requirement, in whole or in part. The payment of the applicable premiums in the event it is determined to obtain a Bond Insurance Policy and/or Reserve Account Credit Facility is hereby authorized. The decision whether or not to fund the Debt Service Reserve Fund shall be evidenced in the final Official Notice of Sale. The decision whether or not to obtain a (a) Bond Insurance Policy, (b) Reserve Account Credit Facility and/or (c) Bond Insurance Policy will be evidenced in the final Official Notice of Sale or otherwise made in connection with the acceptance of the winning bid or bids submitted in connection with the public sale of the Series 2013 Bonds. Any such Credit Facility shall meet the requirements of this Resolution, including Section 7 of Article III. To the extent necessary to evidence the requirements of any Credit Facility Provider, the Mayor (or any member of the County Commission in the absence of the Mayor), in consultation with the County's Financial Advisor and Bond Counsel, is hereby authorized and directed to execute an agreement or

agreements with such Credit Facility Provider setting forth such requirements. The Clerk is authorized and directed to attest such agreement. The execution and delivery of any such agreement by the Mayor (or any member of the County Commission in the absence of the Mayor) shall constitute conclusive evidence of the approval thereof. Nothing contained herein shall require the County to obtain a Bond Insurance Policy and/or to fund the Debt Service Reserve Fund with respect to the Series 2013 Bonds.

SECTION 5. APPOINTMENT OF INITIAL PAYING AGENT AND REGISTRAR; COMPENSATION, EXPENSES AND ADVANCES. The Bank of New York Mellon Trust Company, N.A. is hereby appointed as initial Paying Agent and initial Registrar with respect to the Series 2013 Bonds. By the acceptance of such appointment, the Paying Agent and Registrar agree to comply with the terms of this Resolution, the Bond Insurance Policy, if any, and Reserve Account Credit Facility, if any, applicable to it. The Paying Agent and Registrar agree to provide to the Credit Facility Provider, if any, copies of all notices and reports relating to the County or the Series 2013 Bonds received by it or which either is required to be sent to the County or the registered owners of the Series 2013 Bonds. The Paying Agent and the Registrar, pursuant to the terms of this Resolution, shall be entitled to reasonable compensation for their services rendered under this Resolution and hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for their actual out-of-pocket expenses (including reasonable counsel fees) reasonably incurred in connection therewith except as a result of their negligence or willful misconduct. To the extent necessary to evidence the rights, duties and obligations of the Paying Agent and Registrar, the Mayor (or any member of the County Commission in the absence of the Mayor), in consultation with the County's Financial Advisor and Bond Counsel, is hereby authorized and directed to execute an agreement or agreements with the Paying Agent and Registrar setting forth such rights, duties and obligations. The Clerk is authorized and directed to attest such agreement. The execution and delivery of any such agreement by the Mayor (or any member of the County Commission in the absence of the Mayor) shall constitute conclusive evidence of the approval thereof.

[End of Article VIII]

**ARTICLE IX
MISCELLANEOUS PROVISIONS**

SECTION 1. MODIFICATION OR AMENDMENT.

(a) Except as provided in paragraph (b) below no material modification or amendment of this Resolution or of any resolution amendatory thereof or supplemental thereto, may be made without the consent in writing of the Owners of more than fifty percent (50%) in principal amount of the Series 2013 Bonds then Outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon, or affect the unconditional promise of the County to pay the interest of and principal on the Series 2013 Bonds, as the same mature or become due, from the Pledged Revenues, or reduce such percentage of Owners of such Bonds required above for such modification or amendments, without the consent of the Owners of all the Series 2013 Bonds affected.

(b) This Resolution may be amended, changed, modified and altered without the consent of the Owners of Bonds, (i) to cure any ambiguity, correct or supplement any provisions contained herein which may be defective or inconsistent with any other provisions contained herein, (ii) to provide other changes which will not adversely affect the interest of such Owners (without taking into account the existence of a Credit Facility), (iii) to secure or maintain a rating on the Series 2013 Bonds, or (iv) to provide market disclosure regarding the Series 2013 Bonds and the County's financial condition in accordance with municipal guidelines regarding the same and adopted by the County.

(c) Anything in this Section 1 of Article IX to the contrary notwithstanding, to the extent the Series 2013 Bonds are secured by a Credit Facility and such Series 2013 Bonds are then rated in as high a rating category in which such Series 2013 Bonds were rated at the time of initial issuance and delivery thereof, by Fitch, S&P and Moody's, as applicable, then the consent of the Credit Facility Issuer shall constitute the consent of the Holders of the Series 2013 Bonds provided such Credit Facility Issuer is not in default

under the Credit Facility or the subject of any liquidation, bankruptcy, insolvency or similar proceeding; and provided, further, that no modification or amendment shall permit a change in the maturity or redemption of such Bonds or a reduction in the rate of interest thereon, or affect the unconditional promise of the County to pay the interest of and principal on the Series 2013 Bonds, as the same mature or become due, from the Pledged Revenues, or adversely affect the rights of Bondholders or reduce the percentage of Owners of such Bonds required in Section 1(a) above for such modification or amendment, without the consent of the Owners of all the Series 2013 Bonds affected.

(d) Anything contained in this Section 1 to the contrary notwithstanding, if the principal of and interest on the Series 2013 Bonds is guaranteed under a Credit Facility and the Credit Facility Issuer is not in default under such Credit Facility or the subject of any liquidation, bankruptcy, insolvency or similar proceedings, any amendment or supplement to this Resolution shall be subject to the prior written consent of the Credit Facility Issuer. Further, the Credit Facility Issuer shall be provided with a full transcript of all proceedings relating to the adoption of any supplemental resolution.

SECTION 2. CREDIT FACILITY; ALTERNATES.

(a) If the County determines to secure the Series 2013 Bonds with a Credit Facility, such Credit Facility must meet the requirements set forth in this Section 2.

(b) Prior to implementation of any Credit Facility the County shall deliver to the Paying Agent an opinion of counsel for the Credit Facility Issuer that such obligation constitutes a legal, valid and binding obligation of such Credit Facility Issuer, enforceable in accordance with its terms.

(c) Each Credit Facility must:

- (1) be an irrevocable, unconditional obligation of the Credit Facility Issuer;
- (2) shall provide for payment of principal of and interest on the applicable Bonds when due, whether at maturity or earlier mandatory sinking fund redemption, when other funds hereunder are unavailable therefor; and

(3) result in the Series 2013 Bonds being rated at least "A" by Fitch, S&P or Moody's, respectively.

(d) The County may, at any time, provide for the replacement of the Credit Facility by the delivery of an Alternate Credit Facility to the Paying Agent, which Alternate Credit Facility shall meet the foregoing requirements of this Section 2. In addition, prior to the replacement of any Credit Facility, the County shall have delivered to the Paying Agent:

(1) Confirmation from any Rating Agency then rating the Series 2013 Bonds secured by such Credit Facility that such substitution will not reduce or impair the rating such Bonds held at the time of implementation of the previous Credit Facility; and

(2) An opinion of counsel for the substitute Credit Facility Issuer that such Alternate Credit Facility constitutes a legal, valid and binding obligation of such Credit Facility Issuer enforceable in accordance with its terms.

Any provision in this Section 2 of this Article IX to the contrary notwithstanding, if the Credit Facility shall be provided by the same Credit Facility Issuer by means of a Letter of Credit, then the consent of such Credit Facility Issuer shall not be necessary.

(e) At least thirty (30) days prior to the effective date of any Alternate Credit Facility, the Paying Agent shall give written notice to each owner of all Bonds Outstanding affected thereby. At the time such notice is given, a copy of the notice shall be sent to the Rating Agency or Rating Agencies then rating the Series 2013 Bonds affected thereby. The County may, by notice given to the owners of the Series 2013 Bonds affected thereby not less than twelve (12) days prior to the proposed date of substitution, rescind any notice thereof given pursuant to this Subsection 2(e).

(f) The County may utilize more than one Credit Facility to secure any Series 2013 Bonds provided each Credit Facility Issuer has a joint and several obligation to pay the principal of and interest on the Series 2013 Bonds. The provisions of this Subsection 2(f) relating to joint and several obligation shall not apply to the initial Credit Facility, if

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any, delivered on the Date of Issue. Except as aforesaid all provisions hereof relating to a Credit Facility shall apply to all Credit Facilities securing the Series 2013 Bonds pursuant to this Subsection 2(f).

SECTION 3. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions, and shall in no way affect the validity of any of the other provisions of this Resolution or of the Series 2013 Bonds issued hereunder.

SECTION 4. CREDIT FACILITY ISSUER; DEFAULT. Notwithstanding any of the provisions of this Resolution to the contrary, all of the rights of the Credit Facility Issuer granted herein, shall be null and void if the Credit Facility Issuer is in default under the Credit Facility or the subject of any liquidation, bankruptcy, insolvency or similar proceedings; provided, however, that the Credit Facility Issuer shall be entitled to claim any reimbursement obligations theretofore earned.

SECTION 5. NOTICE TO THE RATING AGENCY. The Rating Agency or Rating Agencies then rating the Series 2013 Bonds shall receive notice of the following events:

- (i) Any amendment to this Resolution.
- (ii) Any redemption, other than a mandatory sinking fund redemption.
- (iii) Defeasance of the Series 2013 Bonds.

SECTION 6. VALIDATION AUTHORIZED. The County Attorney and the County's Bond Counsel in connection with the Series 2013 Bonds are hereby authorized to take appropriate proceedings in the Circuit Court in and for Palm Beach County, Florida,

for validation of the Series 2013 Bonds and the proceedings incident thereto. The members of the County Commission, and the agents and employees of the County, including, without limitation, the County Administrator and the Debt Manager, are hereby also authorized to offer testimony for and on behalf of the County in connection with any such validation proceedings. Nothing herein shall be deemed to require such validation to be undertaken.

SECTION 7. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

[End of Article IX]

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

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

The Mayor thereupon declared the resolution duly passed and adopted this 7th day of May, 2013.

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

SHARON R. BOCK, CLERK & COMPTROLLER

By: _____
Deputy Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: _____
County Attorney

specified above (or earlier redemption date as herein provided), upon the presentation and surrender hereof at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., as paying agent (said entity and any bank or trust company becoming successor paying agent being herein called the "Paying Agent"), the Principal Amount stated hereon with interest thereon at the Interest Rate stated above, until the County's obligation with respect to the payment of such Principal Amount shall be discharged. Interest on this Bond is payable by check or draft of the Paying Agent made payable to the registered owner and mailed to the address of the registered owner as such name and address shall appear on the registration books of the County maintained by The Bank of New York Mellon Trust Company, N.A, as Registrar (said entity and any successor Registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each Interest Payment Date; provided, however, that if such fifteenth day is a Saturday, Sunday or holiday, then to the registered owner and at the registered address shown on the registration books of the County maintained by the Registrar at the close of business on the day next preceding such fifteenth day of the month which is not a Saturday, Sunday or holiday (the "Record Date"); provided further, however, that payment of interest on the Series 2013 Bonds may, at the option of any Holder of Bonds in an aggregate principal amount of at least \$1,000,000, be transmitted by wire transfer to the Holder to the domestic bank account number on file with the Paying Agent as of the Record Date. Such interest shall be payable from the Dated Date hereof; provided, however, that if and to the extent there is a default in the payment of the interest due on such interest payment date, such defaulted interest shall be paid to the persons in whose name Bonds are registered on the registration books of the County maintained by the Registrar at the close of business on the fifteenth day prior to a subsequent interest payment date established by notice mailed by the Registrar to the registered owner not less than the tenth day preceding such subsequent interest payment date. The Principal Amount and accrued interest thereon is payable in any coin or currency of the United States of America, which, on the date of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is one of an authorized issue of Bonds of the County designated as its Taxable Public Improvement Revenue Bonds, Series 2013 (Convention Center Hotel Project) (herein called the "Series 2013 Bonds"), in the aggregate principal amount of \$_____ of like date, tenor, and effect, except as to number, date of maturity and interest rate, issued for the purposes set forth in the Resolution hereinafter referred to under the authority of and in full compliance with the Constitution, the County Charter, as amended and supplemented, and Statutes of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes, as amended and supplemented and other applicable provisions of law, and a resolution duly adopted by the Board on May 7, 2013 (herein referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution.

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

Until the Series 2013 Bonds are paid or deemed paid pursuant to the provisions of the Resolution, the County covenants in the Resolution to appropriate in its annual budget in each Fiscal Year, by amendment if necessary, Non-Ad Valorem Revenues in amounts

sufficient to pay the principal of, redemption premium, if any, and interest on the Series 2013 Bonds , as the same become due (whether by redemption, at maturity or otherwise), and to restore any deficiency in the Debt Service Reserve Fund created and established under the Resolution for the Series 2013 Bonds, to the extent such Series 2013 Bonds are secured by the Debt Service Reserve Fund.

The Resolution provides that notwithstanding the foregoing covenant of the County, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues other than such services or programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the County. The Resolution further provides that to the extent that the County is in compliance with the foregoing covenant and Section 10(a) of Article III of the Resolution, the obligations of the County contained in the Resolution shall not be construed as a limitation on the ability of the County to pledge or covenant with respect to the Non-Ad Valorem Revenues for other indebtedness or other legally permissible purposes.

Such covenant to budget and appropriate Non-Ad Valorem Revenues is not a pledge by the County of such Non-Ad Valorem Revenues and is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into, including the payment of debt service on bonds or other obligations. Such covenant to budget and appropriate is subject to the provisions of Section 129.07, Florida Statutes, which makes it unlawful for the County to expend moneys not appropriated and in excess of the County's current budgeted revenues. Such covenant does not require the County to levy and collect any particular source of Non-Ad Valorem Revenues nor to maintain or increase any regulatory fees or user charges with respect to any particular source of Non-Ad Valorem Revenues. Such covenant does not give the Beneficial Owners or Paying Agent a prior claim on such Non-Ad Valorem Revenues as opposed to claims of general creditors of the County until such time as a deposit of such Non-Ad Valorem Revenues is made into the Sinking Fund or other fund created under the Resolution for the Series 2013 Bonds. The obligation of the County to

budget and appropriate Non-Ad Valorem Revenues is subject to the County satisfying funding requirements for essential governmental services of the County.

“Pledged Revenues” means: (i) moneys budgeted and appropriated by the County, and deposited into the Sinking Fund or any other Fund established under the Resolution, from Non-Ad Valorem Revenues (until deposited into the Sinking Fund in the manner and at the time specified in the Resolution such moneys do not constitute Pledged Revenues); (ii) any proceeds of Bonds originally deposited with the County and all moneys deposited and held from time to time by the County in the funds (other than the Cost of Issuance Account) and accounts established pursuant to the Resolution; (iii) investment income received by the County in the funds (other than the Cost of Issuance Account) and accounts established pursuant to the Resolution; and (iv) any other moneys received by the Paying Agent in connection with repayment of the Series 2013 Bonds .

“Non-Ad Valorem Revenues” means legally available revenues of the County derived from any source whatever other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Debt Service on the Series 2013 Bonds, including, after the payment from the sources of Non-Ad Valorem Revenues pledged thereto to the payment of the principal of and interest on any obligations of the County hereafter issued which have a prior pledge on any source of the Non-Ad Valorem Revenues; provided however that for the purpose of the anti-dilution test set forth in of the Resolution, “Non-Ad Valorem Revenues” means all legally available revenues of the County derived from any source whatever other than ad valorem taxation on real and personal property which are legally available for payment by the County of Non-Self-Supporting Debt.

[Insert provisions for redemption, if any, and notice of redemption]

The original registered owner, and each successive registered owner of this Bond shall be conclusively deemed to have agreed and consented to the following terms and conditions:

(1) This Bond shall be issued initially pursuant to a book-entry-only system administered by The Depository Trust Company, New York, New York ("DTC"), which shall act as Securities Depository for the Series 2013 Bonds, with no physical distribution of Series 2013 Bonds to be made. Any provisions of the Resolution or this Bond requiring physical delivery of Series 2013 Bonds shall, under the book-entry-only system, be deemed to be satisfied by a notation on the records maintained by DTC of beneficial ownership interests of DTC participants. Beneficial ownership interests in this Bond may be transferred in accordance with the book-entry-only system maintained by DTC.

(2) This Bond shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Bond is held in book-entry-only form Cede & Co. shall be considered the registered owner for all purposes hereof. Payment to DTC participants shall be the responsibility of DTC. Payments by DTC participants to individual beneficial owners shall be the responsibility of DTC participants and not of DTC, the Registrar or the County. By purchase and acceptance of a Series 2013 Bond or portion thereof in book-entry-only form, the beneficial owner agrees that the County shall have no responsibility for the action or inaction of DTC or other registered depository or any of its participants, nominees or successors as depository in connection with the Series 2013 Bonds.

(3) This Bond shall be registered as to both principal and interest and shall not be registered to "bearer."

(4) The Registrar shall maintain the books of the County for the registration of Series 2013 Bonds and for the registration of transfers of Series 2013 Bonds as provided in the Resolution. The Series 2013 Bonds shall be transferable by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the County maintained by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such Bond, the County shall issue in the name of the transferee a new Series 2013 Bond or Series 2013 Bonds.

(5) The County, the Paying Agent and the Registrar shall deem and treat the person in whose name any Series 2013 Bond shall be registered upon the books kept by the Registrar as the absolute owner of such Series 2013 Bond, whether such Series 2013 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Series 2013 Bond as the same becomes due, and for all other purposes. All such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2013 Bond to the extent of the sum or sums so paid, and neither the County, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

(6) At the option of the registered owner hereof and upon surrender hereof at the designated corporate trust office of the Registrar with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney and upon payment by such registered owner of any charges which the Registrar or the County may make as provided in the Resolution, the Series 2013 Bonds may be exchanged for Series 2013 Bonds of the same interest rate and maturity of any other authorized denominations.

(7) In all cases in which the privilege of exchanging Series 2013 Bonds or transferring Series 2013 Bonds is exercised, the County shall execute and the Registrar shall authenticate and deliver Series 2013 Bonds in accordance with the provisions of the Resolution. There shall be no charge for any such exchange or transfer of Series 2013 Bonds, but the County or the Registrar may require payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the County nor the Registrar shall be required (a) to transfer or exchange Series 2013 Bonds for a period from a Record Date to the next succeeding interest payment date on such Series 2013 Bonds or 15 days next preceding any selection of Series 2013 Bonds to be redeemed or thereafter until after the mailing of any notice of redemption, or (b) to transfer or exchange any Series 2013 Bonds called for redemption. However, if less than all of a Series 2013 Bond is redeemed or defeated, the

county shall execute and the Registrar shall authenticate and deliver, upon the surrender of such Bond, without charge to the Bondholder, for the unpaid balance of the principal amount of such Bond so surrendered, a registered Bond in the appropriate denomination and interest rate.

(8) The registered owner of this Bond shall have no right to enforce the provisions of the Resolution, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Resolution, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Resolution.

This Bond shall not be valid or obligatory for any purpose until the certificate of authentication set forth hereon shall have been duly executed by the Registrar.

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 the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the Laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Bond, and of the issue of Bonds of which this Bond is one, is in full compliance with all constitutional or statutory limitations or provisions.

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

PALM BEACH COUNTY, FLORIDA

(OFFICIAL SEAL)

By: _____
Mayor

ATTEST:

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

[FORM OF CERTIFICATE OF AUTHENTICATION]

Date of Authentication: _____, 2013

This Bond is one of the Series 2013 Bonds delivered pursuant to the within mentioned Resolution.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Registrar

By: _____

Authorized Officer

[STATEMENT OF VALIDATION, if any]

ASSIGNMENT AND TRANSFER

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

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

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

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

Social security or other identifying number of Assignee:

EXHIBIT B

FORM OF PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE-BOOK-ENTRY ONLY

RATINGS:

Moody's: ["Aa1"]
 S&P: ["AA+"]
 Fitch: ["AA+"]
 See "RATINGS" herein

In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from taxation under the existing laws of the State of Florida, except as to estate taxes and taxes imposed under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined in said Chapter 220. INTEREST ON THE BONDS IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.

[Insert
 Logo]

\$ _____ *

**PALM BEACH COUNTY, FLORIDA
 TAXABLE PUBLIC IMPROVEMENT REVENUE BONDS, SERIES 2013
 (Convention Center Hotel Project)**

Dated: Date of Delivery

Due: June 1, as shown on the inside cover

The Palm Beach County, Florida Taxable Public Improvement Revenue Bonds, Series 2013 (Convention Center Hotel Project) (the "Bonds") are being issued as fully registered bonds and will be initially issued to and registered only in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. The Bonds will be available to purchasers in principal denominations of \$5,000 and integral multiples thereof under the book-entry system maintained by DTC through brokers and dealers who are, or act through, DTC Participants. Purchasers will not receive physical delivery of the Bonds. Beneficial Owners of Bonds must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of and interest on such Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein. The Bank of New York Mellon Trust Company, N. A., will serve as the initial Paying Agent and Registrar for the Bonds.

Interest on the Bonds is payable commencing on December 1, 2013 and each June 1, and December 1, thereafter until maturity. The Bonds are subject to redemption prior to maturity as described herein.

The Bonds are being issued by Palm Beach County, Florida (the "County") for the purpose of providing funds to (i) financing a portion of the County's financial obligations with respect to the development and construction of a convention center hotel to be located adjacent to the County's convention center, including the payment or reimbursement of costs related to the negotiation, execution, delivery [and administration] of certain agreements relating to the development of the convention center hotel (ii) funding the debt service reserve fund if determined necessary by the County, and (iii) paying costs of issuance of the Bonds[, including the premiums for a Credit Facility] and/or Reserve Account Credit Facility (as defined herein).].

The principal of and interest on the Bonds are payable from and secured by a pledge of and a lien on the Pledged Revenues, consisting primarily of Non-Ad Valorem Revenues budgeted and appropriated by the County on an annual basis and deposited into the Sinking Fund established pursuant to the Resolution (as herein defined).

[Add bond insurance reference if necessary.]

The Bonds are special obligations of the County and are payable solely in the manner and to the extent set forth in the Resolution. The Bonds are not general obligations of the County within the meaning of the Constitution of the State of Florida, but are payable solely from and secured solely by a lien upon and a pledge of the Pledged Revenues in the manner and to the extent provided in the Resolution. No Bondholder shall ever have the right to compel the exercise of the ad valorem taxing power of the County or taxation in any form on any real or personal property to pay the Bonds or the interest thereon, nor shall any Bondholder be entitled to payment of principal of or interest on the Bonds from any other funds of the County other than as provided in the Resolution.

This cover page contains information for quick reference only. It is not a summary of the issue. Investors must read the entire official statement to obtain information essential to the making of an informed investment decision.

BIDS FOR THE BONDS WILL BE RECEIVED USING i-DEAL LLC's PARITY@/BiDCOMP ELECTRONIC COMPETITIVE BIDDING SYSTEM AS SPECIFIED IN THE OFFICIAL NOTICE OF SALE.

The Bonds are offered when, as and if issued and received by the Underwriters, subject to approval of certain legal matters by Greenspoon Marder, P.A., Bond Counsel. Squire Sanders (US) LLP is disclosure counsel to the County with respect to the Bonds. The County is represented by the Office of the County Attorney. Spectrum Municipal Services, Inc. is Financial Advisor to the County with respect to the Bonds. The Bonds are expected to be delivered through the facilities of DTC in New York, New York on or about _____, 2013.

The date of this Official Statement is _____, 2013.

* Preliminary, subject to change as provided in the Official Notice of Sale.

This Preliminary Official Statement and the information contained herein in are subject to completion and amendment without notice. The Bonds may not be sold nor may any offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the securities in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

**MATURITIES, AMOUNTS, INTEREST RATES, PRICES OR YIELDS AND
INITIAL CUSIPS NUMBERS****

<u>Maturity (June 1)</u>	<u>Amount**</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>Initial CUSIP No.*</u>
2015				
2016				
2017				
2017				
2018				
2019				
2020				
2020				
2021				
2021				
2022				
2022				
2023				
2024				
2025				

* Copyright 2013, American Bankers Association. CUSIP data herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of McGraw-Hill Companies, Inc. This data is not intended to create a data base and does not serve in any way as a substitute for the CUSIP Services. The County does not assume responsibility for the use of CUSIP numbers, nor is any representation made as to their correctness. The CUSIP numbers are included solely for the convenience of the readers of this Official Statement.

** Preliminary, subject to change, as provided in the Official Notice of Sale.

PALM BEACH COUNTY, FLORIDA

301 N. Olive Avenue
West Palm Beach, FL 31401
(561) 355-2030

BOARD OF COUNTY COMMISSIONERS

STEPHEN L. ABRAMS.....Mayor and Commissioner
PRISCILLA A. TAYLORVice Mayor and Commissioner
HAL VALECHE.....Commissioner
JESS R. SANTAMARIA.....Commissioner
MARY LOU BERGER.....Commissioner
PAULETTE BURDICKCommissioner
SHELLEY VANACommissioner

County Administrator

ROBERT WEISMAN

County Attorney

DENISE M. NIEMAN, ESQ.

Clerk & Comptroller

SHARON R. BOCK, ESQ.

Financial Advisor

SPECTRUM MUNICIPAL SERVICES, INC.

Bond Counsel

GREENSPOON MARDER, P.A.

Disclosure Counsel

SQUIRE SANDERS (US) LLP

No dealer, broker, salesman or any other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized by the County or the Underwriters. This official statement does not constitute an offer to sell or the solicitation of an offer to buy any of the Bonds, nor may there be any sale of the Bonds by any persons in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the county since the date hereof.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR HAS THE RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COUNTY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED OR RECOMMENDED THE BONDS FOR SALE. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

The Underwriters listed on the cover page hereof have reviewed the information in this Official Statement in accordance with and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

THIS OFFICIAL STATEMENT CONTAINS CERTAIN "FORWARD-LOOKING STATEMENTS" CONCERNING THE COUNTY'S OPERATIONS, PERFORMANCE AND FINANCIAL CONDITION, INCLUDING ITS FUTURE ECONOMIC PERFORMANCE, PLANS AND OBJECTIVES AND THE LIKELIHOOD OF SUCCESS IN DEVELOPING AND EXPANDING. THESE STATEMENTS ARE BASED UPON A NUMBER OF ASSUMPTIONS AND ESTIMATES WHICH ARE SUBJECT TO SIGNIFICANT UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE CITY. THE WORDS "MAY," "COULD," "WILL," "EXPECT," "ANTICIPATE," "BELIEVE," "INTEND," "PLAN," "ESTIMATE" AND SIMILAR EXPRESSIONS ARE MEANT TO IDENTIFY THESE FORWARD-LOOKING STATEMENTS. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED BY THESE FORWARD-LOOKING STATEMENTS.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE COUNTY FOR PURPOSES OF RULE 15c2-12 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN FINANCIAL INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(b)(1).

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OFFICIAL STATEMENT

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PALM BEACH COUNTY, FLORIDA
TAXABLE PUBLIC IMPROVEMENT REVENUE BONDS, SERIES 2013
(Convention Center Hotel Project)

INTRODUCTION

The purpose of this Official Statement is to set forth certain information relating to Palm Beach County, Florida (the "County") and the issuance by the County of \$ _____ * principal amount of its Taxable Public Improvement Revenue Bonds, Series 2013 (Convention Center Hotel Project) (the "Bonds"). The Bonds are being issued pursuant to the Constitution of the State of Florida, Chapters 125 and 166, Florida Statutes, the County Charter and other applicable provisions of law (collectively, the "Act"), and pursuant to the Resolution No. R-2013-____ adopted by the Board of County Commissioner of the County (the "Board") on _____, 2013 (the "Resolution").

The Bonds are being issued by the County for the purpose of providing funds to (i) finance a portion of the County's financial obligations with respect to the development and construction of a convention center hotel to be located adjacent to the County's convention center, including the payment or reimbursement of costs related to the negotiation, execution, delivery [and administration] of certain agreements relating to the development of the convention center hotel [and] (ii) [fund the debt service reserve fund for the Bonds, and (iii)] pay costs of issuance of the Bonds[, including the premiums for a Credit Facility) and/or Reserve Account Credit Facility (as defined herein),].

The principal of and interest on the Bonds are payable from and secured by a pledge of and a lien on the Pledged Revenues (as described herein), consisting primarily of Non-Ad Valorem Revenues budgeted and appropriated by the County on an annual basis and deposited into the Sinking Fund (as such terms are defined in the Resolution) established pursuant to the Resolution.

The Bonds are special obligations of the County and are payable solely in the manner and to the extent set forth in the Resolution. The Bonds are not general obligations of the County within the meaning of the Constitution of the State of Florida, but are payable solely from and secured solely by a lien upon and a pledge of the Pledged Revenues in the manner and to the extent provided in the Resolution. No Bondholder shall ever have the right to compel the exercise of the ad valorem taxing power of the County or taxation in any form on any real or personal property to pay the Bonds or the interest thereon, nor shall any Bondholder be entitled to payment of principal of or interest on the Bonds from any other funds of the County other than as provided in the Resolution.

Capitalized terms not otherwise defined in this Official Statement will have the same meanings assigned to such terms in the Resolution. See Article I, entitled Definitions and Statutory Authority in "Appendix A - The RESOLUTION" attached hereto. This Official

* Preliminary, subject to change as provided in the Official Notice of Sale.

Statement also includes summaries of the Bonds, the Resolution, information about the County and certain reports and other statistical data. The summaries and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive and each summary and reference is qualified in its entirety by reference to each such document, statute, report or instrument.

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

DESCRIPTION OF THE BONDS

General Description

The Bonds will be issued as fully registered bonds, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only, and purchasers will not receive physical delivery of the Bonds or any certificate representing their beneficial ownership interest in the Bonds. See “BOOK-ENTRY ONLY SYSTEM” herein.

The Bonds are available to purchasers in principal denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated as of the date of their initial issuance and will bear interest from that date at the rates (calculated based upon a year of 360 days consisting of twelve thirty-day months) and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable in arrears on June 1 and December 1 of each year, commencing on December 1, 2013. The Bank of New York Mellon Trust Company, N.A. will act as Paying Agent and Registrar for the Bonds.

Redemption Provisions

The Bonds are subject to redemption prior to maturity as described below.

Optional Redemption. [The Bonds maturing on or before June 1, _____ will not be subject to optional redemption prior to maturity. The Bonds maturing on or after June 1, _____ are subject to redemption prior to maturity at the option of the County, in whole or in part, at any time on or after June 1, _____, and if in part, in such order of maturities and in such amounts determined by the County and by lot within a maturity, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the date of redemption, without premium.] [Add provision for make-whole call.]

Mandatory Redemption. As further described in the Official Notice of Sale, the Bonds are subject to a special option which permits the successful bidder to specify that all the principal amount of the Bonds in any two or more consecutive years will, in lieu of maturing in each of such years, be considered to comprise a single maturity of Bonds (a “Term Bond”) scheduled to mature in the latest of such years and be subject to mandatory redemption in the principal amounts set forth on the inside front cover. The successful bidder may designate no more than four (4) term maturities in such manner for the Bonds, and only one term maturity for such series may be subject to mandatory sinking fund redemption in any year. The final Official Statement

will reflect which Bonds, if any, will be Term Bonds and subject to mandatory redemption by completion of the following paragraph and amortization table for the Term Bonds.

The 2013A Bonds maturing on June 1, 20__ (the "20__ Term Bonds"), are subject to mandatory redemption in part, by lot, on June 1, 20__ and on each June 1 thereafter to and including June 1, 20__, at the principal amount of the 20__ Term Bonds to be redeemed, without premium, plus accrued interest, in the years and amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
	\$ _____		\$ _____

Notice of Redemption of the Bonds. In the event any of the Bonds are called for redemption, the Paying Agent will give notice of the redemption of such Bonds, which notice will (i) specify the Bonds, including series designation, to be redeemed, the CUSIP numbers, certificate numbers, the date of issue, interest rate, maturity date of the Bonds redeemed, the redemption date, the date of notice, the redemption price and the place or places where amounts due upon such redemption will be payable, and, if less than all of the Bonds are to be redeemed, the numbers of the Bonds, and the portions of Bonds, so to be redeemed, and (ii) state that on the redemption date, the Bonds to be redeemed will cease to bear interest.

Notice of redemption will be given by the Paying Agent not less than 30 days nor more than 60 days prior to the date fixed for redemption. So long as the Bonds are registered in book-entry form, notices of redemption will be given to DTC. See "BOOK-ENTRY ONLY SYSTEM."

Failure to mail any such notice (or any defect therein) to one or more Bondholders will not affect the validity of any proceedings for such redemption with respect to Bondholders to which notice was duly mailed.

If the County has not deposited the redemption price of the Bonds to be redeemed in accordance with the Resolution or otherwise provided the redemption price of the Bonds to be redeemed prior to the giving of notice of redemption, the notice of redemption will be captioned "Conditional Notice of Redemption" and state that: (i) the redemption is conditioned on the receipt of moneys for such redemption on or prior to the redemption date, (ii) the County retains the right to rescind such notice on or prior to the scheduled redemption date, and (iii) such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded.

Subject to the preceding paragraph, the giving of any notice of redemption, other than for mandatory sinking fund redemptions and for Bonds that are the subject of an advance refunding, will be conditioned upon deposit by the County of the redemption price of the Bonds to be redeemed with the Paying Agent at or before the giving of notice.

Any Bonds which have been duly selected for redemption will cease to bear interest on the specified redemption date.

BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity and each interest rate, if different within the same maturity of the Bonds as set forth on the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as

may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the County on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County and the Underwriters believe to be reliable, but the County and the Underwriters take no responsibility for the accuracy thereof.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the County or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

NEITHER THE COUNTY NOR THE REGISTRAR OR PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DTC PARTICIPANT OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE BONDS IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT, THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS OF BONDS UNDER THE RESOLUTION, THE SELECTION BY DTC OR ANY DTC PARTICIPANT OR ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS, OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES IN THIS OFFICIAL STATEMENT TO THE HOLDERS OF BONDS OR REGISTERED OWNERS OF THE BONDS SHALL MEAN CEDE & CO., AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

PURPOSE OF THE BONDS

The Bonds are being issued for the purpose of providing funds to (i) finance a portion of the County's financial obligations with respect to the development and construction of a convention center hotel to be located adjacent to the County's convention center, including the payment or reimbursement of costs related to the negotiation, execution, delivery [and administration] of certain agreements relating to the development of the convention center hotel (the "Project") [and] (ii) [fund the debt service reserve fund for the Bonds, and (iii)] pay costs of issuance of the Bonds[, including the premiums for a Credit Facility) and/or Reserve Account Credit Facility (as defined herein)].

PLAN OF FINANCE

[A portion of the proceeds of the Bonds will be used to pay a portion of the County's financial commitment with respect to the development and construction of a convention center hotel adjacent to the County's convention center on property previously acquired by the County and leased to [the Developer]. In addition to costs previously incurred by the County in

connection with the planning of the convention center hotel, under the terms of the lease and development agreements between the County and the Developer, the County is obligated to pay a portion of the costs of the Convention Center Hotel. No revenues from the convention center hotel and no payments from the Developer secure the Bonds.]

[The Resolution provides for the deposit of \$27,000,000 from proceeds of the Bonds into a separate account to be applied and disbursed in accordance with the County’s agreement with the [Developer]. While such proceeds are deposited in such separate account and until the Project is completed, such proceeds are excluded from Pledged Revenues (defined below) and will not be available to fund deficiencies in any other fund or account created under the Resolution, including the Sinking Fund.]

ESTIMATED SOURCES AND USES OF FUNDS

The table below sets forth the expected sources and uses of proceeds of the Bonds.

Sources of Funds:

Par Amount of Bonds	\$
Plus Premium	
Total Sources of Funds	<u>\$</u>

Uses of Funds:

Deposit to [Construction] Fund	\$
Costs of Issuance (including underwriting discount)	
Total Uses of Funds	<u>\$</u>

SECURITY FOR THE BONDS

Limited Obligations

The Bonds are special obligations of the County and are payable solely in the manner and to the extent set forth in the Resolution. The Bonds are not general obligations of the County within the meaning of the Constitution of the State of Florida, but are payable solely from and secured solely by a lien upon and a pledge of the Pledged Revenues in the manner and to the extent provided in the Resolution. No Bondholder shall ever have the right to compel the exercise of the ad valorem taxing power of the County or taxation in any form on any real or personal property to pay the Bonds or the interest thereon, nor shall any Bondholder be entitled to payment of principal or interest on the Bonds from any other funds of the County other than as provided in the Resolution.

The Pledged Revenues

The Bonds are special obligations of the County payable solely from and secured solely by the Pledged Revenues. “Pledged Revenues” include (a) moneys that are budgeted and appropriated by the County and deposited into the Sinking Fund established under the Resolution from Non-Ad Valorem Revenues, (b) any proceeds of Bonds originally deposited with the County and all moneys deposited and held from time to time by the County in certain funds and

accounts established under the Resolution, in each case in accordance with the Resolution, (c) investment income received by the County in the funds and accounts established under the Resolution, and (d) any other moneys received by the Paying Agent in connection with repayment of the Bonds. See "PLAN OF FINANCE," herein for a discussion of the use of proceeds of the Bonds and the exclusion of a portion of the proceeds of the Bonds from Pledged Revenues.

The term "Non-Ad Valorem Revenues" means revenues of the County derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the County of debt service on the Bonds, and after the payment of principal and interest from the sources of Non-Ad Valorem Revenues pledged thereto on any obligations of the County which have a prior pledge on any sources of the Non-Ad Valorem Revenues; provided, however, that for the purposes of the financial anti-dilution test set forth in the Resolution and described herein relating to the issuance of additional debt payable from non-ad valorem revenues, "Non-Ad Valorem Revenues" means all legally available revenues of the County derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Non-Self-Supporting Debt. See "-Additional Debt Payable From Non-Ad Valorem Revenues" below.

Covenant to Budget and Appropriate

The County has covenanted in the Resolution to appropriate in its annual budget in each Fiscal Year, by amendment if necessary, Non-Ad Valorem Revenues in amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds, as the same become due (whether by redemption, at maturity or otherwise), and to restore any deficiency in the [Debt Service Reserve Fund or] any [other] fund or account created and established by the Resolution. Notwithstanding the foregoing covenant, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues other than such services or programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the County.

The covenant to budget and appropriate Non-Ad Valorem Revenues does not create a lien on or constitute a pledge by the County of such Non-Ad Valorem Revenues to the repayment of the Bonds. Until such time as the County has appropriated and paid Non-Ad Valorem Revenues to the Paying Agent for the Bonds, the promise is also subject to any lien upon or pledge of any such Non-Ad Valorem Revenues to indebtedness of the County heretofore or hereafter incurred, including the payment of debt service on bonds or other obligations. Such covenant does not require the County to levy and collect any particular Non-Ad Valorem Revenues or to maintain, continue or increase any particular source of Non-Ad Valorem Revenues. Until such time as the County has appropriated and paid Non-Ad Valorem Revenues to the Paying Agent for the Bonds for deposit into the Sinking Fund, such covenant does not give the Paying Agent a prior claim on such Non-Ad Valorem Revenues as opposed to claims of general creditors of the County. The obligation of the County to budget and appropriate Non-Ad Valorem Revenues is subject to the County satisfying funding requirements for essential governmental services of the County.

Subject to the limitation upon the incurrence by the County of additional debt payable from Non-Ad Valorem Revenues, the County could legally create a pledge of any one or more sources of Non-Ad Valorem Revenues to secure indebtedness other than the Bonds, and in this event such other debt would be entitled to be paid from such revenues prior to the Bonds in the event of a shortfall of available revenues of the County. However, as further described below, except for debt associated with the County's water and sewer system and its airport system, the County has not pledged any Non-Ad Valorem Revenues to debt, and the County does not have any plans to make such a pledge. The policy of the current administration of the County would not permit Non-Ad Valorem Revenues to be pledged (except as has been done with respect to the water and sewer system and airport system).

The County has three classes of indebtedness for which County funds are obligated: (i) general obligation debt secured by the full faith credit and taxing power of the County and payable from ad valorem taxes; (ii) enterprise fund debt consisting of (a) water and sewer revenue bonds secured by and payable from the revenues of the County's potable water treatment and distribution and wastewater collection, treatment and disposal system and (b) airport revenue bonds payable from the revenues of the County airport system; and (iii) debt (referred to herein as "Non-Self-Supporting Debt"), consisting of debt payable from a covenant to budget and appropriate from Non-Ad Valorem Revenues similar to the debt evidenced by the Bonds.

Additional Debt Payable From Non-Ad Valorem Revenues

The County has covenanted in the Resolution that while the Bonds are Outstanding the total Non-Self Supporting Debt due in any Fiscal Year of the County will not exceed 50% of Non-Ad Valorem Revenues of the County. The County has covenanted in the Resolution and agreed that it will not incur any indebtedness payable from or supported by a pledge of the Non-Ad Valorem Revenues unless following the incurrence of such additional indebtedness, (i) the total amount of Non-Ad Valorem Revenues (based on the most recent Fiscal Year) will be greater than twice the Maximum Debt Service, (ii) the total amount of Non-Ad Valorem Revenues in each Fiscal Year in which Bonds are Outstanding (based on reasonable projections of the County) will be greater than twice the Non-Self-Supporting Debt in each such Fiscal Year; and (iii) the aggregate principal amount of Non-Self-Supporting Debt bearing a variable interest rate will not exceed 25% of the aggregate principal amount of Non-Self-Supporting Debt.

For purposes of the foregoing test, "Non-Ad Valorem Revenues" means all available revenues of the County derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Non-Self-Supporting Debt.

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

See “Future Non-Ad Valorem Financings” herein for a description of certain additional Non-Self Supporting Debt that the County anticipates issuing in the next Fiscal Year after the issuance of the Bonds.

Funding of Debt Service Reserve Fund

[Describe funding amount or state no reserve fund will be funded.]

DESCRIPTION OF CERTAIN NON-AD VALOREM REVENUES

The following is a brief description of certain of the County’s Non-Ad Valorem Revenues.

Local Government Half-cent Sales Tax

Pursuant to Section 218.61, Florida Statutes, each county or municipality eligible for revenue sharing will receive a portion of the local government half-cent sales tax. The “Local Government Half-cent Sales Tax” is money remitted by a sales tax dealer located within the county and transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund, which is earmarked for distribution to the governing body of that county and of each municipality within that county.

The proportion of the Local Government Half-cent Sales Tax to be received by the County and the municipalities within the County is determined by the following formulas:

$$\begin{array}{l} \text{County’s share (percentage of total Local} \\ \text{Government Half-cent Sales Tax earmarked} \\ \text{for distribution within the County)} \end{array} = \begin{array}{l} \text{unincorporated area} \\ \text{population} \\ \text{total county} \\ \text{population} \end{array} + \begin{array}{l} 2/3 \text{ of the incorporated} \\ \text{area population} \\ + \\ 2/3 \text{ of the incorporated} \\ \text{area population} \end{array}$$

$$\begin{array}{l} \text{Municipality’s share (percentage of total} \\ \text{Local Government Half-cent Sales Tax} \\ \text{earmarked for distribution within the County)} \end{array} = \begin{array}{l} \text{population of municipality} \\ \text{total county} \\ \text{population} \end{array} + \begin{array}{l} 2/3 \text{ of the incorporated} \\ \text{area population} \end{array}$$

In order to be eligible to receive the Local Government Half-cent Sales Tax, each year the County must certify to the Department of Revenue that the County has complied with certain requirements set forth in Section 218.23, Florida Statutes, as amended. The County has never failed to comply with such requirements.

Local Communications Services Tax

Section 202.19, Florida Statutes, as amended, authorizes any county within the State of Florida (the “State”) to levy, by ordinance, a discretionary communications services tax on the sale of communications services (the “Local Communications Services Tax”). Communications services means the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals, including cable services, to a point, or between or among points, by or through any electronic, radio, satellite, cable, optical, microwave, or other medium or method now in existence or hereafter devised, regardless of protocol used for such transmission or

conveyance. For charter counties, such as the County, this tax may not exceed 5.1% of the payments received by the providers of such communication services from purchasers. The maximum rate does not include permitted add-ons of up to 0.12%, nor does it supersede conversion or emergency rates authorized by Section 202.20, Florida Statutes, which are in excess of the maximum rate.

Section 202.125, Florida Statutes, exempts all purchases of communication services by the Federal Government and its agencies and instrumentalities, the State and any county, municipality or political subdivision of the State and any religious or educational organization exempt from federal income tax under Section 501(c)(3) of the Internal Revue Code.

The County levies a 5% Local Communications Services Tax. The Local Communications Services Tax must be collected by the provider from purchasers and remitted to the Department. The proceeds of the Local Communications Services Tax, less the Department's costs of administration, are transferred to the Local Communications Services Tax Clearing Trust Fund held by the Department and distributed to the County on a monthly basis.

Tourist Development Tax

Under Section 125.0104, Florida Statutes, the County has imposed a four percent (4%) tax on persons who lease accommodations in hotels, motels, apartments and the like for a term of six (6) months or less, which tax may be used, among other things, to acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate or promote one or more publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums or auditoriums and for the payment of debt service on bonds issued to finance such uses and to pay planning and design costs incurred prior to the issuance of such bonds.

Utility Service Tax

In 1989, the County adopted an ordinance levying a utility service tax on the purchase of electricity, metered or bottled gas and telecommunication services in the unincorporated areas of the County. Effective October 1, 2001, the Local Communications Services Tax replaced the portion of the utility service tax levied on telecommunication services. The utility service tax is imposed at a graduated rate not to exceed 10% on the purchase of electricity and metered or bottled gas services. Federal, State and other public bodies, religious buildings used for religious purposes and the utilities providing the utility service are exempt from the tax.

Electric Franchise Tax

In 1985, the County adopted an ordinance which granted to Florida Power & Light Company ("FPL") a 30-year nonexclusive franchise to construct, maintain and operate power facilities over public rights-of-way throughout the unincorporated areas of the County. The franchise fee is an amount equal to 6% of the revenues collected by FPL in such unincorporated areas. The franchise fee is added to each electricity customer's monthly bill and is remitted monthly by FPL to the County. The franchise will expire in 2015 unless the County and FPL renew the franchise.

State Revenue Sharing Funds

Pursuant to Section 218.215(1), Florida Statutes, the State has created the Revenue Sharing Trust Fund for Counties. Each county receives a minimum entitlement from the Revenue Sharing Trust Fund for Counties. The “minimum entitlement” is the amount of revenue, certified by each county and determined by the Department of Revenue, that must be shared with such county such that the county will receive the amount of revenue necessary to meet its obligations as a result of pledges or assignments or trusts entered into which obligated funds received from revenue sources or proceeds to be distributed out of the Revenue Sharing Trust Fund for Counties pursuant to the Florida Revenue Sharing Act of 1972, Part II of Chapter 218, Florida Statutes, as amended.

After giving effect to the minimum entitlements for each county, moneys in the Revenue Sharing Trust Fund for Counties are apportioned among eligible counties based on an apportionment factor composed of three equally weighted portions: (i) each eligible county’s percentage of the total population of all eligible counties in the State; (ii) each eligible county’s percentage of the total population of the State residing in unincorporated areas of all eligible counties; and (iii) each eligible county’s percentage of total sales tax collections in all eligible counties during the preceding year. The apportionment factors are computed once each fiscal year by the Department for use during the fiscal year. The Department establishes a schedule of equal monthly distributions for any computation period.

In order to be eligible to receive moneys apportioned from the Revenue Sharing Trust Fund for Counties after giving effect to the minimum entitlement, each year the County must certify to the Department that the County has complied with certain requirements set forth in Section 218.23, Florida Statutes, as amended. The County has never failed to comply with such requirements.

Parking Revenues

Parking revenues consist of the rentals, rates, charges and other fees derived from the operation of the parking facilities serving the Palm Beach County Governmental Center and the County Courthouse located in West Palm Beach. These facilities consist of a 650 space parking garage, a 1,200 space parking garage and a 250 space surface parking lot.

Excess Fees

In addition to the moneys that the County appropriates for the operation of the constitutional offices (Tax Collector, Property Appraiser, Clerk of the Circuit Court, Supervisor of Elections and the Sheriff), each of the constitutional offices includes in its budget various fees and charges that are not included in the County’s budget. To the extent that the actual amount of the fees and charges collected exceeds the budgeted amount, the excess amount is transferred to the County’s General Fund.

County Officers’ Fees

County officers’ fees consist primarily of filing fees relating to court cases received by the Clerk of the Circuit Court and various fees received by the Supervisor of Elections.

Park and Recreation Fees

Park and recreation fees consist of fees charged for the use of the County's parks and recreation areas, including concession income and land rentals. Park and recreation fees also include the income derived from the operation of two County-owned golf courses.

Animal Regulation Fees

Animal regulation fees are the fees and charges levied pursuant to County ordinance under which the County requires the licensing of all domestic animals and kennels, stables, grooming parlors and pet shops within the unincorporated areas of the County.

Reimbursement of Indirect Costs

Reimbursement of indirect costs consists of charges made against the County's Enterprise Funds as reimbursement for services provided to the enterprises by other County departments and agencies.

Fines and Forfeitures

Fines consist of those revenues received from fines and penalties imposed by the County for the commission of statutory offenses, violations of administrative rules and regulations, and neglect of official duty. Forfeitures consist of those revenues resulting from the forfeiture of deposits or bonds that were held as performance guarantees and from proceeds of the sale of contraband property seized by law enforcement agencies.

Miscellaneous Revenues

Miscellaneous revenues consist primarily of revenues derived from the sale of surplus property, rental income, charges for services performed by various departments of the County and other fees, fines, and forfeitures. The County can discontinue or change any of its fees, rates and charges and may discontinue any of the activities of the County that generate user service charges, regulatory fees or any other Non-Ad Valorem Revenues.

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HISTORICAL NON-AD VALOREM REVENUES

The following table sets forth the sources and total amounts of Non-Ad Valorem Revenues of the County for the Fiscal Years ended September 30, 2008 through 2012.

<u>Revenues:</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Electric Franchise Tax	\$ 25,042,044	\$ 29,913,714 ⁽¹⁾	\$ 34,017,118 ⁽¹⁾	\$ 33,262,458	\$31,407,084
Utility Service Tax	30,543,325	29,662,838 ⁽¹⁾	33,837,191 ⁽¹⁾	33,947,339	33,478,695
Tourist Development Tax	5,562,744	4,469,298 ⁽¹⁾	4,643,837 ⁽¹⁾	5,096,099	5,764,332
Communications Service Tax	28,992,767	26,446,677	25,645,070	24,125,967	24,914,036
Half-Cent Sales Tax	72,375,457	64,658,133	64,268,115	66,826,718	70,206,178
State Revenue Sharing	24,757,350	22,072,684	21,985,390	22,779,584	24,222,170
Licenses and Permits	5,965,537	5,609,587 ⁽¹⁾	5,375,253 ⁽¹⁾	5,404,452	5,691,190
Parks and Recreation Fees	12,311,308	12,559,968	12,631,848	12,905,162	12,491,427
Animal Regulation Fees	2,802,393	3,107,008	2,751,155	2,779,778	2,976,200
Parking Revenue	213,747	353,503	373,136	364,290	326,900
Reimburse of Indirect Costs	13,357,131	14,277,742	15,912,878	18,015,373	16,335,055
County Officers' Fees	2,750,190	3,218,454 ⁽¹⁾	6,335,079 ⁽¹⁾	6,355,787	5,785,694
Charges for Other Services	49,967,579	81,137,945	87,470,077	79,154,771	78,347,467
Excess Fees – Clerk ⁽²⁾	503,679	492,167	1,415,897	1,161,931	1,929,119
Excess Fees – Sheriff ⁽²⁾	7,697,452	17,192,263 ⁽¹⁾	15,635,667 ⁽¹⁾	17,777,509	17,889,890
Excess Fees - Elections ⁽²⁾					
Supervisor	1,481,382	855,558 ⁽¹⁾	2,642,680 ⁽¹⁾	5,125,239	4,928,198
Fines and Forfeitures	1,979,045	2,337,136 ⁽¹⁾	1,760,663 ⁽¹⁾	1,956,199	1,553,566
Interest Income	34,257,321	57,833,423 ⁽¹⁾	26,413,522 ⁽¹⁾	14,296,094	14,355,141
Miscellaneous	<u>23,109,714</u>	<u>13,524,257⁽¹⁾</u>	<u>16,465,716⁽¹⁾</u>	<u>16,638,345</u>	<u>11,899,272</u>
Total Revenues	<u>\$343,670,165</u>	<u>\$389,722,355</u>	<u>\$379,580,292</u>	<u>\$367,973,095</u>	<u>\$364,501,614</u>

Source: Palm Beach County.

⁽¹⁾ These amounts have been restated from the amounts set forth in Table X of the Statistical Section of the County's Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2010 due to errors in rearranging the categories of non-ad valorem revenues. The totals for each year do not change. The corrections were made in the Table X of the Statistical Section of the County's Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2011.

⁽²⁾ Excess fees represent unspent appropriations of the constitutional officers which are required by Florida Statutes to be returned to the County at the end of the Fiscal Year.

[Add discussion of year to date collections.]

DEBT SERVICE COVERAGE

The table that follows compares the annual debt service on all Non-Self-Supporting Debt of the County payable from the Non-Ad Valorem Revenues to the actual Non-Ad Valorem Revenues received in the Fiscal Years ended September 30, 2008 through 2012.

(Dollars in Thousands)

<u>Fiscal Year</u>	<u>Debt Service</u>	<u>Non-Ad Valorem Revenues</u>	<u>Coverage</u>
2008	\$ 81,178	\$343,670	4.23x
2009	96,236	389,722	4.05x
2010	102,111	379,580	3.72x
2011	101,425	367,973	3.63x
2012	101,185	364,502	3.60x

Source: Palm Beach County.

[Insert description of municipal bond insurance, if applicable.]

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements on the Bonds and other Non-Self Supporting Debt of the County. As of September 30, 2012, the County's Non-Self Supporting Debt bearing interest at a variable rate consisted of (a) taxable Non-Self Supporting Debt outstanding in the aggregate principal amount of \$ _____, which for purposes of the following table is assumed to bear interest at a fixed rate per annum of 5.5% and (b) tax-exempt Non-Self Supporting Debt outstanding in the aggregate principal amount of \$ _____ which for purposes of the following table is assumed to bear interest at a fixed rate per annum of 4.50%.

Fiscal Year Ending <u>September 30,</u>	<u>Bonds Principal</u>	<u>Bonds Interest</u>	<u>Total Bonds Debt Service</u>	<u>Outstanding Non-Self Supporting Debt</u>	<u>Total Non-Ad Valorem Debt Service</u>
2013	\$	\$	\$	\$ 105,913,024	
2014				105,634,302	
2015				96,063,110	
2016				69,590,019	
2017				68,306,092	
2018				62,564,888	
2019				60,820,734	
2020				60,742,626	
2021				60,274,708	
2022				58,899,169	
2023				58,804,361	
2024				52,160,518	
2025				52,052,662	
2026				37,951,954	
2027				37,855,619	
2028				35,472,583	
2029				26,550,236	
2030				19,060,433	
2031				19,061,182	
2032				11,264,250	
2033				11,264,000	
2034				11,263,750	
2035				11,267,500	
2036				11,264,000	
2037				11,267,500	
2038				11,266,500	
Total	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$1,269,097,831</u>	<u>\$</u>

PRO-FORMA DEBT SERVICE COVERAGE

As described herein under the caption "SECURITY FOR THE BONDS - Additional Debt Payable From Non-Ad Valorem Revenues," the County has agreed that it will not incur any indebtedness payable from or supported by a pledge of the Non-Ad Valorem Revenues unless, among other things, following the incurrence of such additional indebtedness, the total amount of Non-Ad Valorem Revenues (based on the most recent Fiscal Year) will be greater than twice the Maximum Debt Service on all Non-Self-Supporting Debt of the County. For purposes of this test, the interest rate on variable rate date is required to be assumed to be 12% per annum. Based upon this assumption and assuming the Bonds are issued, the Maximum Debt Service on all

Non-Self-Supporting Debt of the County is approximately \$_____. Non-Ad Valorem Revenues for the Fiscal Year ended September 30, 2012 were \$_____, resulting in a coverage ratio of [_____:1.00].

FUTURE NON-AD VALOREM FINANCINGS

[UPDATE] For Fiscal Years ending September 30, 2014-2017, the County has projected in its Capital Improvement Program (“CIP”) potential new Non-Self-Supporting Debt for eligible projects payable from Non-Ad Valorem Revenues of approximately \$_____ million. The CIP includes future jail expansion requirements of \$_____ million that the County does not expect to incur during this period. As a result, the amount of CIP potentially to be financed should be closer to the \$_____ million.

[In addition to the CIP, the County entered into a contract to grant Max Planck Florida Corporation additional funds for the construction of its research facility. The County expects to issue debt to meet its obligations under the contract as follows: \$13,370,000 in November 2013; \$13,384,000 in November 2015; and \$5,347,000 in November 2017].

Other than such debt described above, the County has no plans as of the date of this Official Statement to issue any other Non-Self-Supporting Debt payable from Non-Ad Valorem Revenues, although the County’s plans are subject to change at any time.

CHANGES IN FLORIDA LAW THAT MAY AFFECT COUNTY FINANCES

[Include discussion of any 2013 legislative changes that may adversely affect County finances.]

RETIREMENT PLANS AND OTHER POST EMPLOYMENT BENEFITS

Florida Retirement System

The County participates in the Florida Retirement System (“FRS”), a cost-sharing, multi-employer public employee retirement system administered by the State of Florida Department of Management Services, Division of Retirement, which was created December 1, 1970. The FRS was non-contributory by employees until July 1, 2011, as more particularly described below. FRS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The benefits are established by Florida Statutes, Chapter 121, and may only be amended by the State Legislature.

During its 2011 regular session, the State Legislature adopted legislation that makes significant changes to the FRS with respect to employee contributions and employer contributions, among other items. Effective July 1, 2011, all members of the FRS are required to contribute 3% of their gross compensation toward their retirement. In addition, the legislation reduces the required employer contribution rates for each membership class and subclass of the FRS. For Fiscal Year 2010-11, contribution rates ranged from 7.91% to 17.10% of annual covered payroll. Under the adopted legislation, employer contribution rates range from 4.91% to

14.10% of annual covered payroll. Additionally, the act eliminates the cost of living adjustment for all FRS employees for service earned on or after July 1, 2011, although the act does contemplate reinstatement of the adjustment in 2016 under certain conditions.

On June 20, 2011, the Florida Education Association, a teachers union, announced it filed a class action lawsuit challenging the constitutionality of such legislative changes with respect to existing employees. The suit alleges the legislation unlawfully impairs state employee contracts, constitutes a taking of private property without full compensation and violates government workers constitutional right to collective bargaining. The Sixth Circuit Court for the State of Florida ruled for the plaintiffs declaring the law unconstitutional. On March 8, 2012, the order of the Circuit Court was appealed to the First District Court of Appeals of Leon County, Florida. On March 19, 2012, the case was transferred to the Supreme Court of Florida under a writ of certiorari. Briefs on the merits of the case are due to the Supreme Court of Florida from the Appellant on May 17, 2012, from the Appellee on June 6, 2012 and oral argument has been set for September 5, 2012. At present, the outcome of such lawsuit cannot be determined.

The other changes to the FRS contained in the legislation only apply to employees who are initially enrolled in the FRS on or after July 1, 2011. For personnel entering the FRS on and after July 1, 2011, the following changes apply: the average final compensation upon which retirement benefits are calculated will be based on the eight highest (formerly five highest) fiscal years of compensation prior to retirement, the Deferred Retirement Option Plan (DROP) is maintained but the interest accrual rate will be reduced from 6.5% to 1.3%, the normal retirement age is increased from 62 to 65 and the years of creditable service is increased from 30 to 35 and the vesting period is increased to eight years (formerly six).

As stated above, the contribution requirements of the County are established and can only be amended by the State Legislature. The County's contribution to FRS for the years ended September 30, 2012, 2011 and 2010 were \$59.1 million, 93.5 million and \$100.5 million, respectively, which is equal to the required contribution for each year. The 2009 and 2010 figures were restated to take into consideration the change in status of the Solid Waste Authority to a component unit from part of Primary Government. For a more detailed description of FRS, see Note 6 entitled "RETIREMENT PLANS - FLORIDA RETIREMENT SYSTEM" of "Appendix C - EXCERPTS FROM THE COMPREHENSIVE ANNUAL FINANCIAL REPORT" attached hereto.

Palm Tran, Inc. Defined Benefit Plan

Palm Tran, Inc. was created by Resolution 95-1636D of the County pursuant to Chapter 617, Florida Statutes for the purpose of providing public transportation in the County. The Board of Palm Tran, Inc., consists of the seven members of the Board of County Commissioners of the County. Amalgamated Transit Union Local 1577 (Palm Tran) has a separate pension plan that is a mandatory contribution, single-employer, defined benefit retirement program (the "Palm Tran Plan"). The Palm Tran Plan is administered by the Pension Resource Center and provides retirement, disability and death benefits to plan members and beneficiaries. The Board of Trustees of the Palm Tran Plan has the authority to establish and amend benefit provisions. The Palm Tran Plan issues a stand-alone, publically available financial report. The County has no fiduciary responsibility with respect to the Palm Tran Plan.

Contribution requirements of Palm Tran Plan members and Palm Tran, Inc., are established by the Pension Trust Agreement and may be amended by the Board of Trustees. Members are required to contribute 2.5% of their annual covered payroll and Palm Tran, Inc. is required to contribute 15.7% of annual covered payroll. The County provides funds to Palm Tran, Inc. for operations.

As of January 1, 2012, the most recent actuarial valuation date, the Palm Tran Plan was 64.5% funded. The actuarial accrued liability for benefits was \$88.5 million, and the actuarial value (AV) of assets was \$57.0 million, resulting in an unfunded actuarial accrued liability (“UAAL”) of \$31.5 million, and the ratio to covered payroll was 125.8%. For a description of the actuarial methods and assumptions, see Note 6 entitled “RETIREMENT PLANS - PALM TRAN, INC.-DEFINED BENEFIT PLAN” of “Appendix C - EXCERPTS FROM THE COMPREHENSIVE ANNUAL FINANCIAL REPORT” attached hereto.

According to the actuarial valuation, the annual pension cost and net pension obligation as of September 30, 2012 were as follows:

Annual Pension Cost and Net Pension Obligation

Annual Required Contribution (ARC)	\$11,081,517
Interest on net pension obligation	614,231
Adjustment to ARC	<u>(433,289)</u>
Annual pension cost	11,262,459
Contributions made	<u>(3,964,409)</u>
Increase (decrease) in net pension obligation	7,298,050
Net pension obligation beginning of Fiscal Year	<u>8,013,869</u>
Net pension obligation end of Fiscal Year	<u>\$15,311,919</u>

**Palm Tran, Inc. Pension Plan
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
1/01/10	\$51,323,623	\$76,463,660	\$25,140,037	67.1%	\$25,386,904	99.0%
1/01/11	54,522,208	83,602,521	29,080,313	65.2	25,497,963	114.0
1/01/12	57,037,023	88,489,140	31,452,117	64.5	24,999,674	125.8

Source: Palm Beach County, Florida Comprehensive Annual Financial Report For Fiscal Year ended September 30, 2012.

Lantana Firefighter’s Defined Benefit/Contribution Plan

The County employs the firefighters of the Town of Lantana (the “Lantana Firefighters”). The Lantana Firefighters pension plan is the Lantana Firefighter’s Pension Fund (“LFPF”),

which consists of a combined defined benefit and defined contribution pension plan. The LFPF is governed by a Board of Trustees consisting of representatives of the firefighters and the Town of Lantana (the "Town"). The LFPF provides a defined benefit retirement annuity to retiring participants and also provides a defined contribution retirement benefit in the form of a share accounts, payable upon retirement, death or disability. The County does not perform the investment function or have significant administrative involvement in the LFPF. The administrator for the LFPF is Pension Resource Center LLC.

Funding of the LFPF is accomplished by contributions made by members of ten percent (10%) of their salary, an excise tax imposed by the Town pursuant to Chapter 175, Florida Statutes, in the amount of 1.85% tax on fire insurance premiums paid to insure real or personal property within the corporate limits of the Town, of which 100% is allocated to the defined benefit portion of the LFPF and a contribution by the County of an amount determined by the Board of Trustees of the LFPF in conjunction with the actuary determination. The current rate of contribution is 69.10% of annual covered payroll.

As of September 30, 2011, the most recent actuarial valuation date, the LFPF was 76.7% funded. The actuarial accrued liability for benefits was \$27.3 million, and the actuarial value (AV) of assets was \$20.9 million, resulting in an unfunded actuarial accrued liability ("UAAL") of \$6.3 million, and the ratio to covered payroll was 285.4%. For a description of the actuarial methods and assumptions, see Note 6 entitled "RETIREMENT PLANS - LANTANA FIREFIGHTER'S - DEFINED BENEFIT/CONTRIBUTION PLAN" of "Appendix C - EXCERPTS FROM THE COMPREHENSIVE ANNUAL FINANCIAL REPORT" attached hereto.

Pursuant to the actuarial valuation, the annual pension cost and net pension obligation as of September 30, 2012 were as follows:

Annual Pension Cost and Net Pension Obligation

Annual Required Contribution (ARC)	\$ 1,401,002
Interest on net pension obligation	2,642
Adjustment to ARC	<u>4,138</u>
Annual pension cost	1,399,506
Contributions made	<u>(1,386,885)</u>
Increase (decrease) in net pension obligation	12,621
Net pension obligation beginning of Fiscal Year	<u>41,505</u>
Net pension obligation end of Fiscal Year	<u>\$ 54,126</u>

Lantana Firefighter's Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
9/30/09	\$17,132,902	\$21,670,754	\$4,537,852	79.1%	\$2,384,322	190.3%
9/30/10	19,301,948	24,669,989	5,368,041	78.2	2,155,087	249.1
9/30/11	20,943,102	27,289,591	6,346,489	76.7	2,223,670	285.4

Source: Palm Beach County, Florida Comprehensive Annual Financial Report For Fiscal Year ended September 30, 2012.

Other Post Employment Benefits

In June 2004, the Governmental Accounting Standards Board (“GASB”) issued Statement No. 45 (“GASB 45”), which addresses how state and local governments should account for and report their costs and obligations related to post-employment health care and other non-pension benefits referred to as other post-employment benefits (“OPEB”). GASB 45 generally requires that state and local government employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner they currently do for pensions. Annual OPEB cost for most state and local government employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they become due. The provisions of GASB 45 established disclosure requirements for information about the plans in which an employer participates, the funding policy followed, the actuarial valuation process and assumptions, and for certain employers, the extent to which the plan has been funded over time. GASB 45 requirements first became effective for the County’s Fiscal Year ending September 30, 2008.

The County has separate defined benefit post-employment healthcare plans that provide medical benefits to eligible retired employees and their dependents. The County also provides funding to the Sheriff’s office from the County’s general fund. The Sheriff has its own separate plan for its retirees and dependents. In addition, the Tax Collector, the Property Appraiser and the Clerk and Comptroller, as constitutional officers have their own plans which are administered by the employer for their employees. However, the Clerk and Comptroller’s budgets are partially funded from the County’s general fund, while the Tax Collector and Property Appraiser are funded through fees that the respective offices generate. The Solid Waste Authority is a separate legal entity and has a separate plan administered by it as the employer for its employees. The Supervisor of Elections and the Metropolitan Planning Organization participate in the County’s plan. The Fire Rescue Union has a separate health plan that is a defined benefit plan with attributes similar to a defined contribution plan. Fire rescue services provided by the County are funded by a municipal service taxing unit created by the County pursuant to Section 125.01, Florida Statutes (the “MSTU”). The funding of the MSTU is pursuant to a tax levy (separate from the County’s tax levy) only on those properties within the boundaries of the MSTU. The MSTU is a separate legal entity from the County under Florida law. The County is required under its collective bargaining agreement with the Fire Rescue Union to make

contributions equal to 3% of the total current base annual pay plus benefits for the Fire Rescue employees. Such contributions are made from funds of the MSTU. The County only contributes to this plan and is not responsible for the custody of the assets of the plan.

With respect to the Fire Rescue Union's plan, contribution requirements of plan members and the employer are established and may be amended by the County or the union under the collective bargaining agreement. All constitutional officers and entities of the County are required by Florida Statute Section 112.08001 to allow their retirees and eligible participants to continue participation in the group insurance plan. In both the plan for the Sheriff and the Fire Rescue plan, in addition to the implicit benefit, those plans offer an explicit benefit. See Note 9 entitled "OTHER POST EMPLOYMENT BENEFITS (OPEB)" of "Appendix C - EXCERPTS FROM THE COMPREHENSIVE ANNUAL FINANCIAL REPORT" attached hereto for a detailed description of the additional explicit benefits and for the actuarial methods and assumptions relating to each of the plans.

The annual OPEB cost is calculated based on the annual required contribution ("ARC") of the employer, which is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the annual OPEB cost for the year, the percentage of OPEB cost contributed to each of the plans, and the net OPEB obligation as of fiscal year ended September 30, 2012 and the two preceding Fiscal Years:

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**PALM BEACH COUNTY, FLORIDA
HEALTHCARE PLANS
ANNUAL OPEB OBLIGATION**

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation Liability (Asset)</u>
County			
9/30/2010	\$ 1,205,000	92.8%	\$598,206
9/30/2011	1,159,000	188.5	(427,805)
9/30/2012	1,238,000	142.0	(948,198)
Tax Collector⁽¹⁾			
9/30/2010	\$ 152,303	0.0	493,357
9/30/2011	153,415	0.0	646,772
9/30/2012	270,209	0.0	916,981
Property Appraiser⁽¹⁾			
9/30/2010	\$ 38,397	0.0%	\$98,471
9/30/2011	39,647	0.0	138,118
9/30/2012	29,081	36.2	156,672
Clerk & Comptroller⁽²⁾			
9/30/2010	\$413,000	92.4%	\$134,482
9/30/2011	430,000	91.1	172,966
9/30/2012	486,892	50.1	416,111
Sheriff			
9/30/2010	\$18,000,000	25.0%	\$36,000,000
9/30/2011	19,250,000	26.6	50,120,000
9/30/2012	21,260,000	21.5	66,810,000
Fire Rescue Union⁽¹⁾			
9/30/2010	\$12,974,000	35.1%	\$13,848,359
9/30/2011	9,893,000	47.8	19,012,821
9/30/2012	10,425,000	42.7	24,991,229

Source: Palm Beach County, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2012.

(1) Entities budgets are not funded through County's general fund.

(2) A small portion of the Clerk's budget is partially funded through County's general fund.

The plans are financed on a “pay-as-you-go” basis. The schedule of funding progress as of [the most recent actuarial valuation date] for each of the plans is set forth in the table below:

**PALM BEACH COUNTY PRIMARY GOVERNMENT HEALTHCARE PLANS
SCHEDULE OF FUNDING PROGRESS**

	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
County		\$ 16,267,000	\$ 16,267,000	0.0%	\$241,965,767	6.7%
Tax Collector		1,546,776	1,546,776	0.0%	12,439,356	12.4%
Property Appraiser		192,396	192,396	0.0%	11,597,574	1.7%
Clerk & Comptroller		6,200,857	6,200,857	0.0%	31,154,225	19.9%
Sheriff		240,478,000	240,478,000	0.0%	257,194,182	93.5%
Fire Rescue Union	\$23,359,477	129,760,000	106,400,523	18.0%	138,684,968	76.7%

Source: Palm Beach County, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2012.

LITIGATION

There is no litigation of any nature now pending or, to the best of the County’s knowledge, threatened which seeks to restrain or enjoin the sale, execution, issuance or delivery of the Bonds or in any way contests the validity of the Bonds or any proceedings of the County taken with respect to the authorization, sale, or issuance of the Bonds, or the pledge or application of any moneys provided for the payment of or security for the Bonds.

The County is involved in various lawsuits arising in the ordinary course of operations. Although the outcome of these matters is not presently determinable, it is the opinion of management of the County, based upon consultation with legal counsel, that the outcome of these matters will not materially affect the financial position of the County.

TAX MATTERS

General

In the opinion of Bond Counsel, under existing law, interest on the Bonds is exempt from taxation under the existing laws of the State of Florida, except as to estate taxes and taxes imposed under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined in said Chapter 220. An opinion to that effect will be included in the legal opinion of Bond Counsel. Bond Counsel expresses no opinion as to any other tax consequences regarding the Bonds. **INTEREST ON THE BONDS IS NOT EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES. THE LEGAL DEFEASANCE**

OF THE BONDS MAY RESULT IN A DEEMED SALE OR EXCHANGE OF THE BONDS UNDER CERTAIN CIRCUMSTANCES; OWNERS OF THE BONDS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL INCOME TAX CONSEQUENCES OF SUCH AN EVENT. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE FEDERAL, STATE AND LOCAL, AND FOREIGN TAX CONSEQUENCES OF THEIR ACQUISITION, OWNERSHIP AND DISPOSITION OF THE BONDS.

The following discussion is generally limited to “U.S. owners,” meaning beneficial owners of Bonds that for United States federal income tax purposes are individual citizens or residents of the United States, corporations or other entities taxable as corporations created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), and certain estates or trusts with specific connections to the United States. Partnerships holding Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Bonds (including their status as U.S. owners).

Original Issue Discount and Original Issue Premium

Certain of the Bonds (“Discount Bonds”) may be offered and sold to the public at an original issue discount (“OID”). OID is the excess of the stated redemption price at maturity (the principal amount) over the “issue price” of a Discount Bond, provided that excess equals or exceeds a statutory de minimis amount (one-quarter of one percent of the Discount Bond’s stated redemption price at maturity multiplied by the number of complete years to its maturity (or, if required by applicable Treasury Regulations, to an earlier call date)). The issue price of a Discount Bond is the initial offering price to the public (other than to Bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the time a U.S. owner owns a Discount Bond (i) is interest includable in the U.S. owner’s gross income for federal income tax purposes, and (ii) is added to the U.S. owner’s tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale, or other disposition of the Discount Bond. The effect of OID is to accelerate the recognition of taxable income during the term of the Discount Bond.

Certain of the Bonds (“Premium Bonds”) may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. If a U.S. owner purchases a Premium Bond, that owner will be considered to have purchased such a Premium Bond with “amortizable Bond premium” equal in amount to such excess. The U.S. owner may elect (which election shall apply to all securities purchased at a premium by such U.S. owner), in accordance with the applicable provisions of Section 171 of the Code, to amortize that premium as an offset to the interest payments on the Premium Bond using a constant yield to maturity method over the remaining term of the Premium Bond (or, if required by applicable Treasury Regulations, to an earlier call date). Pursuant to Section 67(b)(11) of the Code, the amortization

of that premium is not considered a miscellaneous itemized deduction. Any amortization of Bond premium will reduce the basis of the Premium Bond pursuant to Section 1016(a)(5) of the Code.

Owners of Discount Bonds and Premium Bonds should consult their own tax advisors as to the determination for federal tax purposes of the amount of OID or amortizable Bond premium properly accruable or amortizable in any period with respect to the Discount Bonds or Premium Bonds and as to other federal tax consequences and the treatment of OID and amortizable Bond premium for purposes of state or local taxes on, or based on, income.

Information Reporting and Backup Withholding

General information reporting requirements will apply to payments of principal and interest made on a Bond and the proceeds of the sale of a Bond to non-corporate holders of the Bonds, and “backup withholding,” currently at a rate of 28%, will apply to such payments if the owner fails to provide an accurate taxpayer identification number in the manner required or fails to report all interest required to be shown on its federal income tax returns. A beneficial owner of a Bond that is a U.S. owner generally can obtain complete exemption from backup withholding by providing a properly completed IRS Form W-9 (Request for Taxpayer Identification Number and Certification).

Medicare Tax Affecting U.S. Owners

For taxable years beginning after December 31, 2012, a U.S. owner that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will be subject to a Medicare tax on the lesser of (1) the U.S. owner’s “net investment income” for the taxable year and (2) the excess of the U.S. owner’s modified adjusted gross income for the taxable year over a certain threshold. A U.S. owner’s net investment income will generally include its interest income and its net gains from the disposition of the Bonds, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). A U.S. owner that is an individual, estate, or trust, should consult its own tax advisor regarding the applicability of the Medicare tax.

Non-U.S. Owners

Under the Code, interest and OID on any Bond whose beneficial owner is not a U.S. owner are generally not subject to United States income tax or withholding tax (including backup withholding) if the non-U.S. owner provides the payor of interest on the Bonds with an appropriate statement as to its status as a non-U.S. owner. This statement can be made on IRS Form W-8BEN or a successor form. If, however, the non-U.S. owner conducts a trade or business in the United States and the interest or OID on the Bonds held by the non-U.S. owner is effectively connected with such trade or business, that interest or OID will be subject to United States income tax but will generally not be subject to United States withholding tax (including backup withholding). The foregoing is a brief summary of certain federal income tax consequences to a non-U.S. owner. Non-U.S. owners should consult their own tax advisors regarding the tax consequences of an investment in the Bonds.

Circular 230

THE FOREGOING DISCUSSION IN "TAX MATTERS" WAS NOT INTENDED OR WRITTEN BY BOND COUNSEL TO BE USED, AND IT CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON AN OWNER OF THE BONDS. THE FOREGOING DISCUSSION IN "TAX MATTERS" WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE BONDS. EACH PROSPECTIVE PURCHASER OF THE BONDS SHOULD SEEK ADVICE BASED ON THE PROSPECTIVE PURCHASER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

LEGALITY

Certain legal matters incident to the authorization, issuance and sale of the Bonds by the County and with regard to the tax-exempt status thereof are subject to the approving opinion of Greenspoon Marder, P.A., Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. The County is represented by the Office of the County Attorney. Squire Sanders (US) LLP represents the County as Disclosure Counsel in connection with the Bonds.

The proposed text of the separate legal opinions of Bond Counsel and Disclosure Counsel are set forth as "Appendix D – FORM OF BOND COUNSEL OPINION" and "Appendix E – FORM OF DISCLOSURE COUNSEL OPINION," respectively. The actual legal opinions to be delivered may vary from the text of APPENDIX D and E, if necessary, to reflect facts and law on the date of delivery of the Bonds. The opinions will speak only as of their date and subsequent distribution of it by recirculation of this Official Statement or otherwise shall not create any implication that subsequent to the date of the opinions Bond Counsel has affirmed its opinion or that Disclosure Counsel has reviewed or expressed any opinion concerning any of the matters referenced in this Official Statement.

The legal opinions of Bond Counsel and Disclosure Counsel are based on existing law, which is subject to change. Such legal opinions are further based on factual representations made to Bond Counsel and Disclosure Counsel as of the date thereof. Bond Counsel and Disclosure Counsel assume no duty to update or supplement their respective opinions to reflect any facts or circumstances, including changes in law, that may thereafter occur or become effective.

Bond Counsel will deliver a supplemental opinion on the date of issuance of the Bonds to the effect that certain of the statements contained herein constitute fair and accurate summaries of the provisions of the Resolution and the Bonds purported to be summarized. In addition, Bond Counsel will opine that the statements under the heading "TAX MATTERS" are fair and accurate statements of the matters set forth therein. Except to the extent described in the preceding sentence and as specifically provided in the such supplemental opinion, Bond Counsel has not undertaken independently to verify and therefore expresses no opinion as to the information or statements contained in this Official Statement or any financial or statistical information, exhibits, schedules, or attachments hereto.

The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The fees of Bond Counsel, Disclosure Counsel and Underwriters' Counsel are contingent upon the issuance of the Bonds.

FINANCIAL ADVISOR

Spectrum Municipal Services, Inc. has acted as Financial Advisor to the County in connection with the issuance of the Bonds and has assisted the County in the preparation of this Official Statement. Certain of the fees of the financial advisor are contingent upon the issuance of the Bonds.

GENERAL PURPOSE FINANCIAL STATEMENTS

Appendix C contains excerpts from the Comprehensive Annual Financial Report of the County for the Fiscal Year ended September 30, 2012. Such excerpts from the Comprehensive Annual Financial Report, including the auditor's report, have been included in this Official Statement as public documents and consent from the auditor was not requested. The auditor has not performed any services relating to, and is therefore not associated with, the issuance of the Bonds.

UNDERWRITING

The Bonds are being purchased by _____ (the "Underwriters"). The Underwriters have agreed to purchase the Bonds at a price of \$ _____ (representing the par amount of the Bonds of \$ _____, plus premium of \$ _____, less Underwriters' discount of \$ _____). The Underwriters will be obligated to purchase all of the Bonds if any of the Bonds are purchased. The Bonds may be offered and sold to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower or yields higher than the public offering prices or yields set forth on the inside cover page of this Official Statement, and such public offering prices or yields may be changed, from time to time, by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking financial advisory, investment management, principal investment, hedging, financial and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the requirements of Securities and Exchange Commission Rule 15c2-12 (the "Rule"), the County agreed in the Resolution to provide certain financial information and operating data relating to the County and the Bonds in each year, and to provide notices of the occurrence of certain enumerated events. See Article VIII, Section 6 entitled "Continuing Disclosure" in "Appendix A-- The Resolution" attached hereto. The County is in material compliance with its prior continuing disclosure undertaking for the last five years.

RATINGS

Moody's Investors Service, Inc., Fitch Ratings and Standard & Poor's Ratings Services have assigned long-term ratings of ["Aa1"] ["AA+"] and ["AA+,"] respectively, to the Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007; Fitch Ratings, One State Street Plaza, New York, New York 10004; Standard & Poor's Ratings Services, 55 Water Street, New York, New York 10041.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

AUTHORIZATION AND APPROVAL

The delivery of this Official Statement by the County has been duly authorized by the Board of County Commissioners.

PALM BEACH COUNTY

By: _____
Mayor
Board of County Commissioners

By: _____
County Administrator

Appendix A

THE RESOLUTION

Appendix B

STATISTICAL INFORMATION - PALM BEACH COUNTY

The following information in this Appendix B was obtained from the Comprehensive Annual Financial Report of the County for the Fiscal Year ended September 30, 2012

Appendix C

EXCERPTS OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

Appendix D
FORM OF BOND COUNSEL OPINION

Appendix E

FORM OF DISCLOSURE COUNSEL OPINION

EXHIBIT C

FORMS OF OFFICIAL NOTICE OF SALE AND SUMMARY NOTICE OF SALE

\$_____*

PALM BEACH COUNTY, FLORIDA
Taxable Public Improvement Revenue Bonds
(Convention Center Hotel Project)
Series 2013

OFFICIAL NOTICE OF SALE

Palm Beach County, Florida Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013 (the "Bonds"), are being offered for sale in accordance with this Official Notice of Sale. Bids for the purchase of the Bonds will be received on behalf of Palm Beach County, Florida, electronically via i-Deal LLC's Parity/BiDCOMP Competitive Bidding System ("Parity[®]") on _____, 2013, between _____ A.M. and _____ A.M. (but not later than _____ A.M.) Eastern Time.

_____, 2013

* Preliminary, subject to change.

OFFICIAL NOTICE OF SALE

\$_____*

TAXABLE PALM BEACH COUNTY, FLORIDA
PUBLIC IMPROVEMENT REVENUE BONDS
(Convention Center Hotel Project)
Series 2013

Notice is given that all-or-none bids will be received by Palm Beach County, Florida (the "County"), for the purchase of the County's \$_____* Taxable Public Improvement Revenue Bonds, Series 2013 (the "Bonds"). All bids must be submitted electronically via Parity® between ____ A.M. and ____ A.M. (but not later than ____ A.M.) Eastern Time on ____, 2013. To bid on the Bonds, bidders must be a contracted customer of the BiDCOMP Competitive Bidding System (the "System"). Prospective bidders that do not have a contract with the System should call (212) 849-5021 to become a customer and to obtain a list of the bidding rules and procedures. For further information about Parity®, potential bidders may contact I-Deal LLC at 1359 Broadway, 2nd Floor, New York, NY 10018, or telephone (212) 849-5021. The use of Parity® shall be at the bidder's risk and expense, and the County shall have no liability with respect thereto. Only bids submitted through Parity® will be considered. To the extent any instructions or directions set forth on Parity® conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control.

THE BIDDING PROCESS, CURRENTLY SCHEDULED FOR ____, 2013, BETWEEN ____ A.M. AND ____ A.M., EASTERN TIME, MAY BE CANCELLED OR POSTPONED OR THE PRINCIPAL AMOUNT AND AMORTIZATION OF THE BONDS MAY BE CHANGED OR ANY OTHER PROVISION OF THIS OFFICIAL NOTICE OF SALE MAY BE AMENDED BY THE COUNTY UPON NO LESS THAN TWENTY-FOUR (24)

* Preliminary, subject to change.
PMB 418986.2

HOURS PRIOR NOTICE COMMUNICATED THROUGH THOMSON MUNICIPAL MARKET MONITOR. IF SUCH A POSTPONEMENT, CHANGE OR AMENDMENT OCCURS, BIDS WILL BE RECEIVED IN ACCORDANCE WITH THIS OFFICIAL NOTICE OF SALE, AS MODIFIED BY SUCH NOTICE.

BOND DETAILS

The Bonds will be issued as fully registered bonds and, when executed and delivered, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Individual purchases of beneficial interests in the Bonds may be made only in book-entry-only form in denominations of \$5,000 or integral multiples of \$5,000. Purchasers of beneficial interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. As long as Cede & Co. is the registered owner of the Bonds, payments of principal and interest with respect to the Bonds will be made to such registered owner who will in turn remit such principal and interest payments to DTC participants for subsequent disbursement to the Beneficial Owners.

The Bonds will be dated the date of their original issuance and delivery and bear interest from such date, payable commencing on _____ 1, 20____, and on each _____ 1 and _____ 1 thereafter until maturity or prior redemption, at the rate or rates specified in the proposal of the successful bidder. The schedule of maturities and principal amounts to be paid are as follows:

INITIAL MATURITY SCHEDULE
BONDS

Maturity*	Principal	Maturity*	Principal
(_____ 1)	<u>Amount*</u>	(_____ 1)	<u>Amount*</u>
	\$		\$

*NOTE: The County reserves the right to modify the initial maturity schedules shown above (the "Initial Maturity Schedule"). See "BOND DETAILS - Adjustment of Principal Amounts" and "TERMS OF BID AND BASIS OF AWARD" below.

[Term Bond Option - Bidders may designate the principal amounts of the Bonds set forth in the Initial Maturity Schedule for any two (2) or more consecutive years as a single term maturity which will mature in the latest of the years designated, and will have a stated maturity amount equal to the sum of the annual principal amounts designated as a part of such term maturity. Bidders may designate no more than four (4) term maturities in such manner for the Bonds, and only one term maturity for such series may be subject to mandatory sinking fund redemption in any year. Upon such designation, the Bonds of such term maturity shall be subject to mandatory sinking fund redemption in part by lot on _____ 1, in the principal amounts which would otherwise have matured in such designated years, at the price of par plus accrued interest to the redemption date, without premium.]

Adjustment of Principal Amounts - The Initial Maturity Schedule for the Bonds represents an estimate of the principal amounts and maturities of Bonds which will be sold. The County reserves the right to change the Initial Maturity Schedule by announcing any such change not later than twenty-four (24) hours prior to the date and time established for receipt of bids, through Thomson Municipal Market Monitor. If such a change is announced, then the changes, when incorporated into the Initial Maturity Schedule, shall become part of a revised maturity schedule (the "Revised Maturity Schedule"). The Revised Maturity Schedule shall be deemed the principal amounts and maturities for the bid submitted via Parity®. If no such change is announced, then the Initial Maturity Schedule will be deemed the principal amounts and maturities for the bid submitted via Parity®.

In addition, if after the final computation of the bids the County determines, in its sole discretion and without the consent of the successful bidder, that the principal amount of any of the maturities in the Initial Maturity Schedule or the Revised Maturity Schedule needs to be adjusted, the County reserves the right: (i) either to increase or decrease the aggregate principal amount by no more than ten percent (10%) of the aggregate principal amount stated in the Initial Maturity Schedule or the Revised Maturity Schedule at the time of the Bid of the Bonds, and (ii) either to increase or decrease the principal amount by no more than ten percent (10%) within a given maturity of the Bonds (to be rounded up or down to the nearest \$5,000 without regard to the 10% cap). In the event of any such adjustment, no rebidding or recalculation of the bids submitted will be required or permitted and the Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering yield as specified in the proposal of the successful bidder. With the consent of the successful bidder, the aggregate principal amount of the Bonds may be increased to an amount exceeding ten percent (10%) of the aggregate principal amount stated in the Initial Maturity Schedule or the Revised Maturity Schedule at the time of the Bid of the Bonds, with the aggregate principal amount not to exceed \$_____.

Should any adjustment to the principal amount of the Bonds be made pursuant to the two paragraphs immediately preceding, the dollar amount of the price bid will be changed so that the percentage net compensation to the successful bidder (i.e., the percentage resulting from dividing (i) the aggregate difference between the offering price of the Bonds to the public and the price to be paid to the County, less any bond insurance premium to be paid by the successful bidder, by (ii) the principal amount of the Bonds) does not increase or decrease from what it would have been if no such adjustment was made to the principal amounts of the Bonds. To facilitate any such adjustment in the principal amounts, the apparent successful bidder is required to indicate by facsimile transmission to the County and the Financial Advisor (as defined below) at fax no. (561) 630-4823 within one-half hour of the time of bid opening, the amount of any original issue discount or premium on each maturity of the Bonds, the amount received from the sale of the Bonds to the public that will be retained by such bidder as its compensation, [and in the case of a bid submitted with bond insurance, the amount of the insurance premium].

Optional Redemption Provisions - The Bonds maturing on or prior to _____1, 20__ are not subject to optional redemption. The Bonds maturing on or after _____1, 20__ are subject to redemption prior to maturity, at the option of the County, in whole or in part on any date on or after _____1, 20__, and if in part, in such order of maturities and in such amounts as the County shall select and by lot within a maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, and without premium.

[Add extraordinary and/or make-whole redemption provisions]

AUTHORIZATION

The County will issue the Bonds under the authority of, and in full compliance with the Constitution and laws of the State of Florida, including particularly, Chapters 125 and 166 of the Florida Statutes, as amended, the Charter of Palm Beach County, Florida, as amended, and other applicable provisions of law and Resolution No. R-2013-___ adopted by the Board of County Commissioner of Palm Beach County, Florida (the "Board") on May 7, 2013 (the "Resolution"). All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Resolution.

PURPOSE

The Bonds are being issued: (1) to pay (including through reimbursement) a portion of the Costs of the development, acquisition, construction and equipping of the Convention Center Hotel on a site owned by the County adjacent to its Convention Center in West Palm Beach, Florida to be leased to the Developer of such Convention Center Hotel, including by funding certain obligations of the County with respect thereto as required by related Convention Center Hotel Agreements and paying the Costs related or incidental to the foregoing, all as more fully described in the Resolution; [(2) to make a deposit to the Debt Service Reserve Account related to the Bonds in an amount equal to the Debt Service Reserve Requirement of \$_____,] and (3) to pay costs of issuance [, including premiums for a Bond Insurance Policy and Reserve Account Credit Facility].

SECURITY FOR BONDS

The Bonds are special obligations of the County and are payable solely in the manner and to the extent set forth in the Resolution. **THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE COUNTY WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF FLORIDA, BUT ARE PAYABLE SOLELY FROM AND SECURED**

SOLELY BY A LIEN UPON AND A PLEDGE OF THE PLEDGED REVENUES IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. NO BONDHOLDER SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE COUNTY OR TAXATION IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY THE BONDS OR THE INTEREST THEREON, NOR SHALL ANY BONDHOLDER BE ENTITLED TO PAYMENT OF PRINCIPAL OR INTEREST ON THE BONDS FROM ANY OTHER FUNDS OF THE COUNTY OTHER THAN AS PROVIDED IN THE RESOLUTION.

The Bonds are payable solely from and secured solely by the Pledged Revenues. The Pledged Revenues consist of Non-Ad Valorem Revenues budgeted and appropriated by the County, and deposited into the Sinking Fund established under the Resolution.

"Non-Ad Valorem Revenues" mean revenues of the County derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Debt Service on the Series 2013 Bonds, after the payment, from the sources of Non-Ad Valorem Revenues pledged thereto, of the principal of and interest on any obligations of the County heretofore or hereafter issued which have a prior pledge on any sources of the Non-Ad Valorem Revenues; provided, however, that for the purposes of the anti-dilution test set forth in Article III, Section 10(a) of the Resolution, "Non-Ad Valorem Revenues" shall mean all legally available revenues of the County derived from any source whatever, other than ad valorem taxation on real and personal property, which are legally available for payment by the County of Non-Self-Supporting Debt.

The County covenants in the Resolution to appropriate in its annual budget in each Fiscal Year, by amendment if necessary, Non-Ad Valorem Revenues in amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds, as the same become due (whether by redemption, at maturity or otherwise), and to restore any

deficiency in [the Debt Service Reserve Account or] any other fund or account created and established under the Resolution. Notwithstanding the foregoing covenant of the County, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues other than such services or programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the County.

The obligations of the County contained in the Resolution shall not be construed as a limitation on the ability of the County to pledge or covenant with respect to the Non-Ad Valorem Revenues for other indebtedness or other legally permissible purposes. Such covenant to budget and appropriate Non-Ad Valorem Revenues is not a pledge by the County of such Non-Ad Valorem Revenues and is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereafter entered into, including the payment of debt service on bonds or other obligations. Such covenant to budget and appropriate is subject to the provisions of Section 129.07, Florida Statutes, which makes it unlawful for the County to expend moneys not appropriated and in excess of the County's current budgeted revenues. Such covenant does not require the County to levy and collect any particular source of Non-Ad Valorem Revenues nor to maintain or increase any regulatory fees or user charges with respect to any particular source of Non-Ad Valorem Revenues. Such covenant does not give the Beneficial Owners or Paying Agent a prior claim on such Non-Ad Valorem Revenues as opposed to claims of general creditors of the County until such time as a deposit of such Non-Ad Valorem Revenues is made into the Sinking Fund. The obligation of the County to budget and appropriate Non-Ad Valorem Revenues is subject to the County satisfying funding requirements for essential governmental services of the County.

For further information, see "SECURITY FOR THE BONDS" in the Preliminary Official Statement.

RATINGS

Moody's Investors Service, Inc., Standard & Poor's Ratings Services and Fitch Ratings have assigned municipal bond ratings to the Bonds of "___" with a "____ outlook", "___" with a "____ outlook," and "___" with a "____ outlook", respectively. The rating reports of such rating agencies will be made available upon request to the Office of the Debt Manager for the County, Palm Beach County Governmental Center, 301 North Olive Avenue, 7th Floor, West Palm Beach, Florida 33401, (561) 355-2733 or to the County's Financial Advisor, Spectrum Municipal Service, Inc., 2501A Burns Road, Palm Beach Gardens, Florida 33410, (561) 622-4362, Attention: Clark D. Bennett, Managing Director, (the "Financial Advisor").

Such ratings reflect the views of the respective rating agencies and an explanation of the significance of such ratings may be obtained only from the rating agencies. There is no assurance that such ratings will be in effect for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of the rating agencies, circumstances so warrant. Any such downward revision or withdrawal may have an adverse effect upon the market price of the Bonds.

[BOND INSURANCE POLICY/RESERVE ACCOUNT CREDIT FACILITY]

[Information about bond insurance/reserve surety, if any, to be added.]

CONTINUING DISCLOSURE

In the Resolution, the County has committed to provide certain annual information and notices of material events, as required by Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") and as described in the Preliminary Official Statement under the caption "CONTINUING DISCLOSURE."

The obligation of the successful bidder to purchase the Bonds shall be conditioned upon it receiving, at or prior to the delivery of the Bonds, in form and substance reasonably satisfactory to the successful bidder, a copy of the Resolution setting forth the continuing disclosure undertaking described above, which shall constitute a written agreement for the benefit of the registered owners and Beneficial Owners of the Bonds, as required by the Rule.

LEGAL OPINIONS

The opinions of Bond Counsel will, among other matters, approve the legality of the Bonds. The opinions of Bond Counsel will be furnished to the successful bidder, without charge, together with the closing documents customarily delivered by the County for the issuance of bonds. The Bonds are being issued as taxable bonds. For further discussion of some of certain tax matters relating to the Bonds, see the information under "TAX MATTERS" in the Preliminary Official Statement.

Squire Sanders (US) LLP, Disclosure Counsel to the County ("Disclosure Counsel"), have advised the County on certain matters relating to disclosure for the issuance of the Bonds and in connection with the preparation of the Preliminary Official Statement and the Official Statement. The opinion of Disclosure Counsel will be furnished to the successful bidder, without charge, together with the closing documents customarily delivered by the County for the issuance of bonds.

The proposed text of the separate legal opinions of Bond Counsel and Disclosure Counsel are set forth in Appendices D and E, respectively, to the Preliminary Official Statement. The actual legal opinions to be delivered may vary from the text of Appendices D and E, if necessary, to reflect facts and law on the date of delivery of the Bonds. The opinions will speak only as of their date and neither Bond Counsel nor Disclosure Counsel

will assume any duty to update or supplement their respective opinions to reflect any change in facts or circumstances, including changes in law that may thereafter occur or become effective.

GOOD FAITH DEPOSIT

The successful bidder is required to provide by wire transfer to the County prior to the award of the Bonds a good faith deposit in the amount of \$_____, representing approximately [two percent (2%)] of the principal amount of the Bonds (the "Good Faith Deposit"). Please see "BIDDING DETAILS" and "TERMS AND BASIS OF AWARD" for further details.

The proceeds of the Good Faith Deposit of the successful bidder shall be held as security for the performance of the successful bidder's obligation to comply with the terms of its bid. At the time of the delivery of and payment for the Bonds, the amount of the Good Faith Deposit shall be credited against the purchase price due from the successful bidder for the Bonds. In the event the successful bidder should fail to comply with the terms of its bid, the proceeds of the Good Faith Deposit shall be retained by the County. The retention of such proceeds by the County will constitute full liquidated damages and the successful bidder shall have no further liability. If the Bonds are not issued for any reason other than the successful bidder failing to comply with its bid, the County shall promptly deliver the proceeds of the Good Faith Deposit to the successful bidder, in immediately available funds, and the County shall have no further liability to the successful bidder. No interest shall be paid or credited to the successful bidder on the proceeds of the Good Faith Deposit.

BIDDING DETAILS

All bids must be unconditional and submitted electronically via Parity®. No telephone, facsimile, mail, courier delivery or personal delivery bids will be accepted. To participate, bidders must be a contracted customer of the System. If the prospective bidder does not have a contract with the System, call (212) 849-5021 to become a customer and to obtain a list of the bidding rules and procedures. To the extent any instructions or directions set forth on Parity® conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control.

Bidders may change and submit bids as many times as they wish during the auction; provided, however, that each bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost on the Bonds ("TIC"), when compared to the immediately preceding bid of such bidder. The last bid submitted by a bidder before the end of the auction will be compared to all other final bids submitted by others to determine the winning bidder or bidders.

After receipt of bids is closed and prior to the award, the apparent successful bidder indicated on Parity® must submit the Good Faith Deposit to the County by wire transfer. The award to the apparent successful bidder is contingent upon receipt of the Good Faith Deposit and the Bonds will not be awarded by or on behalf of the County to such bidder until the County has confirmed receipt of the Good Faith Deposit. Wiring instructions for the Good Faith Deposit are as follows:

Bank: Wells Fargo
ABA#: 121000248
Acct Name: Board of County Commissioners of Palm Beach County
Consolidated Account
Acct #: 2155001070034
REF: Commercial Checking Account Public Funds
Attention: Sherry Brown

Each bidder will be solely responsible for making the necessary arrangements to access the System for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. I-Deal LLC will not have any duty or obligation to provide or assure such access to any bidder, and neither the County nor i-Deal LLC will be responsible for the proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, the System. The County is authorizing the use of PARITY® as a communications mechanism to conduct the electronic bidding for the Bonds; the owners of such service are not agents of the County. The County is not bound by any advice and determination of i-Deal LLC to the effect that any particular bid complies with the terms of this Official Notice of Sale and in particular the specifications set forth in this Official Notice of Sale, including under "TERMS OF BID AND BASIS OF AWARD" below. All costs and expenses incurred by bidders in connection with their registration and submission of bids via Parity® are the sole responsibility of such bidders.

TERMS OF BID AND BASIS OF AWARD

Bids must be unconditional and for the purchase of all, but not less than all, of the Bonds. **THE PURCHASE PRICE FOR THE BONDS SHALL BE NO LESS THAN 98.5% OF THE PAR AMOUNT OF THE BONDS.** In addition, the reoffering price of any individual maturity of the Bonds may not be less than 98.5% nor more than 108% of the par amount of that maturity (calculated to the date of delivery of the Bonds). **BIDDERS MUST INCLUDE IN THEIR BIDS A LIST OF THE MEMBERS OF THEIR SYNDICATE.**

The Bonds shall bear interest expressed in multiples of one-eighth (1/8) or one-twentieth (1/20) of one per centum. All Bonds maturing on the same date shall bear the same rate of interest.

The Bonds will be awarded to the bidder offering to purchase the Bonds at the lowest annual interest cost computed on a TIC basis, but not exceeding ____%. The annual TIC will be determined by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Bonds from the payment dates to the date of the Bonds and to the price bid. For purposes of this Official Notice of Sale, sinking fund installments for any Term Bonds shall be considered as serial maturities. The TIC must be calculated to six (6) decimal places. If two or more bids provide the lowest TIC, the County shall determine by lot which bid shall be accepted, and such determination shall be final.

Award or rejection of bids will be made by the County prior to [____] p.m., West Palm Beach, Florida Time on the date of receipt of bids. ALL BIDS SHALL REMAIN FIRM UNTIL [] P.M., WEST PALM BEACH, FLORIDA TIME, ON THE DATE OF RECEIPT OF BIDS. Award is subject to the timely receipt of the Good Faith Deposit as mentioned above.

EACH BIDDER MUST SPECIFY IN ITS BID THE INTEREST RATE FOR THE BONDS OF EACH MATURITY AND ALL BONDS MATURING ON THE SAME DATE MUST BEAR INTEREST AT THE SAME RATE. NO BIDS FOR LESS THAN ALL OF THE BONDS OFFERED WILL BE ENTERTAINED. THE COUNTY RESERVES THE RIGHT TO REJECT ALL BIDS OR ANY BID NOT CONFORMING TO THIS OFFICIAL NOTICE OF SALE. THE COUNTY ALSO RESERVES THE RIGHT TO WAIVE, IF PERMITTED BY LAW, ANY IRREGULARITY OR INFORMALITY IN ANY PROPOSAL. THE COUNTY SHALL NOT REJECT ANY CONFORMING BID UNLESS ALL CONFORMING BIDS ARE REJECTED.

COMPLIANCE WITH SEC AND MSRB RULES

The successful bidder agrees to take any and all other actions necessary to comply with applicable SEC and Municipal Securities Rulemaking Board (the "MSRB") rules governing the offering, sale and delivery of the Bonds, including, without limitation, the payment of any fees or charges required to be paid by the MSRB or the Securities Industry and Financial Markets Association in connection with the purchase or sale of the Bonds.

SMALL BUSINESS ENTERPRISE PARTICIPATION

It is the County's policy to foster participation by African-American firms, Hispanic firms, women-owned firms, and disadvantaged business enterprises (collectively, the "Small Business Enterprise Firms") in each of its bond issues. The County strongly encourages each bidder to support that policy by including Small Business Enterprise Firms in its syndicate. No bid, however, will be considered non-responsive on the basis of non-compliance with the County's request that the syndicate include Small Business Enterprise Firms. To assist the County, each bidder shall identify any Small Business Enterprise Firms that are part of the syndicate.

SETTLEMENT OF BONDS

It is expected that closing for the Bonds will occur in West Palm Beach, Florida on or about _____, 2013 (the "Closing Date"), or such other date as shall be appropriate to ensure compliance with the Rule. On the Closing Date, the Bonds will be delivered to DTC, as securities depository, and registered in the name of Cede & Co., as nominee of DTC. The successful bidder shall timely obtain CUSIP identification numbers and pay CUSIP Service Bureau charges for assignment of the numbers. The successful bidder shall advise the County within two (2) business days after notice of award of the CUSIP

identification numbers for the Bonds. The successful bidder shall also advise the underwriting department of DTC, not less than four (4) business days prior to the Closing Date, of the interest rates borne by the Bonds, the CUSIP identification numbers and the Closing Date. Any delay, error or omission with respect to the CUSIP numbers shall not constitute a cause for failure or refusal by the successful bidder to accept delivery of, and pay for, the Bonds in accordance with the terms of this Official Notice of Sale.

FULL PAYMENT OF THE PURCHASE PRICE (MINUS THE AMOUNT OF THE GOOD FAITH DEPOSIT) MUST BE MADE TO THE COUNTY BY 11:00 A.M. EASTERN TIME ON THE CLOSING DATE BY THE SUCCESSFUL BIDDER IN FEDERAL RESERVE FUNDS OR IMMEDIATELY AVAILABLE FUNDS, WITHOUT COST TO THE COUNTY.

BLUE SKY LAWS

The successful bidder will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under the securities or "Blue Sky" laws of the several states and the preparation of any surveys or memoranda in connection with such sale. The County shall have no responsibility for such clearance, exemption or preparation.

CLOSING DOCUMENTS

In addition to the opinions of Bond Counsel and Disclosure Counsel referred to above, at the time of payment for and delivery of the Bonds, the County will furnish the successful bidder with the following documents, all to be dated as of the date of delivery:

1. ***No Litigation Opinion*** - An opinion of the Office of the County Attorney to the effect that, except as described in the Official Statement, there is no

litigation pending or, to its knowledge, threatened which, if determined adversely, would materially adversely affect the validity of the Bonds.

2. ***General Certificate*** - A certificate or certificates of the appropriate officers of the County to the effect that (1) to the best of such officer's knowledge and belief, and after reasonable investigation, (a) neither the Official Statement nor any amendment or supplement to it contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (b) since the date of the Official Statement, no materially adverse change has occurred in the financial position or results of operation of the County, except as set forth in or contemplated by the Official Statement; and (2) the Bonds have been executed by the manual or facsimile signature of the appropriate County officials who were duly authorized to execute the same.

3. ***Debt Manager's Receipt*** - The receipt of the Debt Manager showing that the purchase price of the Bonds has been received and deposited in the appropriate funds and accounts.

The successful bidder will also be required to execute certain closing documents required by Florida law or by Bond Counsel in connection with the delivery of the Bonds or the delivery of the opinions of Bond Counsel described in this Official Notice of Sale.

PRELIMINARY OFFICIAL STATEMENT; FINAL OFFICIAL STATEMENT

The County has authorized the distribution of the Preliminary Official Statement, which it deemed final (except for permitted omissions) for purposes of the Rule. The Preliminary Official Statement describes the Bonds and contains information with respect to

the County. The Preliminary Official Statement may be obtained electronically from [www.i-Dealprospectus.com] or from the County and the County's financial advisor as provided under "ADDITIONAL INFORMATION" below.

This Official Notice of Sale is not intended to be a disclosure document. All bidders must review the Preliminary Official Statement and will be required to certify that they have done so prior to participating in the bidding. In the event of any conflict between the statements contained in the Preliminary Official Statement and in this Official Notice of Sale, the statements contained in the Preliminary Official Statement shall prevail.

Upon the sale of the Bonds, the County will deliver a final Official Statement substantially in the same form as the Preliminary Official Statement, subject to such amendments as are necessary, to the successful bidder within the earlier of seven (7) business days following the sale of the Bonds or to accompany the successful bidder's confirmation that requests payment for the Bonds. Up to five hundred (500) copies of the Official Statement (and any supplement to the Official Statement) will be made available to the successful bidder at the expense of the County. Additional copies may be obtained at the expense of the successful bidder.

MANDATORY STATE FILING

Section 218.38(1)(b)1, Florida Statutes, as amended, requires that the County file, within one hundred twenty (120) days after the delivery of the Bonds, an information statement with the Division of Bond Finance of the Board of Administration of the State of Florida (the "Division of Bond Finance") containing the following information: (a) the name and address of the managing underwriter, if any, connected with the bond issue; (b) the name and address of any attorney or financial consultant who advised the County with respect to the bond issue; (c) any fee, bonus, or gratuity paid by any underwriter or

financial consultant, in connection with the bond issue, to any person not regularly employed or engaged by such underwriter or consultant; and (d) any other fee paid by the County with respect to the bond issue, including any fee paid to attorneys or financial consultants. The successful bidder shall provide to the County the information mentioned in (a) and (c) above when the Bonds are delivered. Such information provided pursuant to the cited Statute shall be maintained by the Division of Bond Finance and by the County as a public record.

TRUTH-IN-BONDING STATEMENT

Each bidder will be required to complete and sign the Truth-in-Bonding Statement set forth in Exhibit A to this Official Notice of Sale and submit such statement to the County's Debt Manager (which submission may be by facsimile transmission at (561) 656-7142) on the date bids are due and prior to award of the Bonds by the County.

PUBLIC ENTITY CRIMES

Section 287.133, Florida Statutes, provides, among other things, that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO (currently \$25,000) for a period of thirty-six (36) months following the date of being placed on the convicted vendor list.

ADDITIONAL INFORMATION

The Preliminary Official Statement and this Official Notice of Sale may be obtained electronically from [www.i-Dealprospectus.com]. In addition, copies of the Preliminary Official Statement and this Official Notice of Sale will be furnished, in limited quantities, upon application to the undersigned at the Palm Beach County Governmental Center, 301 North Olive Avenue, 7th Floor, West Palm Beach, Florida 33401, (501) 355-2733, or to the County's Financial Advisor, Spectrum Municipal Services, Inc., 2501A Burns Road, Palm Beach Gardens, Florida 33410, (561) 622-4362, Attention: Clark D. Bennett, Managing Director.

PALM BEACH COUNTY, FLORIDA

Sherry Brown

Debt Manager

Dated: _____, 2013

EXHIBIT A

TRUTH-IN-BONDING STATEMENT

In compliance with Section 218.385, Florida Statutes, as amended, the undersigned bidder submits the following Truth-In-Bonding Statement with respect to the Palm Beach County, Florida Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013 (the "Bonds") being issued pursuant to Resolution No. R-2013-___ adopted by Palm Beach County, Florida (the "County") on May 7, 2013 (the "Resolution") (NOTE: For information purposes only and not a part of the bid):

The County is proposing to issue \$_____ of the Bonds. The Bonds are being issued: (1) to pay (including through reimbursement) a portion of the Costs of the development, acquisition, construction and equipping of the Convention Center Hotel on a site owned by the County adjacent to its Convention Center in West Palm Beach, Florida to be leased to the Developer of such Convention Center Hotel, including by funding certain obligations of the County with respect thereto as required by related Convention Center Hotel Agreements and paying the Costs related or incidental to the foregoing, all as more fully described in the Resolution; [(2) to make a deposit to the Debt Service Reserve Account related to the Bonds in an amount equal to the Debt Service Reserve Requirement of \$_____,] and (3) to pay costs of issuance [, including premiums for a Bond Insurance Policy and Reserve Account Credit Facility].

The Bonds are expected to be repaid over a period of approximately _____ (___) years. At a forecasted interest rate of _____%, total interest paid over the life of the Bonds will be \$_____.

The Bonds are special obligations of the County secured by the Pledged Revenues (as defined in the Resolution). Authorizing the debt or obligation will result in an average annual debt service payment of approximately \$_____ of the County's monies not otherwise available to finance the other services of the County each year for approximately __ years.

(BIDDER'S NAME)

By: _____

Name:

Title:

Date: _____

SUMMARY NOTICE OF SALE

\$ _____ *

PALM BEACH COUNTY, FLORIDA

Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013

NOTICE IS HEREBY GIVEN that all-or-none bids will be received by Palm Beach County, Florida (the "County") for the purchase of all of its \$ _____ * Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013 (the "Bonds"). In accordance with the Official Notice of Sale, all bids for the Bonds must be submitted electronically via i-Deal LLC's Parity/BiDCOMP Competitive Bidding System ("Parity[®]") between ____ A.M. and ____ A.M. (but not later than ____ A.M.) Eastern Time on ____, 2013.

To bid on the Bonds, bidders must be a contracted customer of the BiDCOMP Competitive Bidding System (the "System"). Prospective bidders that do not have a contract with the System should call (212) 849-5021 to become a customer and to obtain a list of the bidding rules and procedures. For further information about Parity[®], potential bidders may contact I-Deal LLC at 1359 Broadway, 2nd Floor, New York, NY 10018, or telephone (212) 849-5021. The use of Parity[®] shall be at the bidder's risk and expense, and the County shall have no liability with respect thereto. Only bids submitted through Parity[®] will be considered. The County reserves the right to cancel or postpone the date and time established for the receipt of bids and to change the principal amount or amortization of the Bonds by notice communicated through Thompson Municipal Market Monitor no less than twenty-four (24) hours prior to the date and time established for receipt of bids.

As described in the Official Notice of Sale, the Bonds are being issued pursuant to Resolution No. R-2013-__ adopted by the County on May 7, 2013 (the "Resolution"): (1) to pay (including through reimbursement) a portion of the Costs of the development, acquisition, construction and equipping of the Convention Center Hotel on a site owned by the County adjacent to its Convention Center in West Palm Beach, Florida to be leased to the Developer of such Convention Center Hotel, including by funding certain obligations of the County with respect thereto as required by related Convention Center Hotel Agreements and paying the Costs related or incidental to the foregoing, all as more fully described in the Resolution; [(2) to make a deposit to the Debt Service Reserve Account related to the Bonds in an amount equal to the Debt Service Reserve Requirement of \$ _____,] and (3) to pay costs of issuance [, including premiums for a Bond Insurance Policy and Reserve Account Credit Facility]. All capitalized terms not defined herein shall have the meaning ascribed thereto in the Resolution.

The Bonds will be issued in fully registered book-entry only form through the facilities of The Depository Trust Company, New York, New York, as the securities depository. Beneficial interests in the Bonds may be sold in denominations of \$5,000 or integral multiples of \$5,000. Settlement for the Bonds is expected to occur on or about ____, 2013. The Preliminary Official Statement and the Official Notice of Sale may be obtained electronically from [www.i-Dealprospectus.com]. In addition, copies of the Preliminary Official Statement and this Official Notice of Sale will be furnished, in limited quantities, upon request from the Office of the Debt Manager for the County, Palm Beach County Governmental Center, 301 North Olive Avenue, 7th Floor, West Palm Beach, Florida 33401, (501) 355-2733, or from the County's Financial Advisor, Spectrum Municipal Services, Inc., 2501A Burns Road, Palm Beach Gardens, Florida 33410, (561) 622-4362, Attention: Clark D. Bennett, Managing Director.

PALM BEACH COUNTY, FLORIDA
Sherry Brown, Debt Manager

Dated: ____, 2013

*Preliminary, subject to change.