

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2022	2023	2024\3	2025	2026
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)					
---	--	--	--	--	--

Is Item Included In Current Budget? Yes _____ No _____
 Does this Item include the use of Federal funds? Yes _____ No _____

Budget Account No.:

Fund _____ Dept. _____ Unit _____ Object _____ Program Code/Period _____

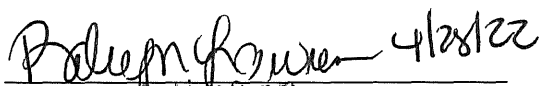
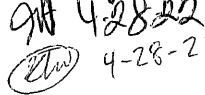
B. Recommended Sources of Funds/Summary of Fiscal Impact: N/A

No Fiscal Impact.

C. Departmental Fiscal Review: 
 Shairette Major, Division Director II

III. REVIEW COMMENTS

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


 OFMB  4-28-22
 4-28-22


 Contract Development and Control 4/29/22

B. Legal Sufficiency:


 Assistant County Attorney

C. Other Department Review:

 Department Director



**INDUSTRIAL DEVELOPMENT REVENUE BOND
PALM BEACH COUNTY, FLORIDA**

APPLICATION INSTRUCTIONS

1. The Palm Beach County Industrial Development Revenue Bond Application Package consists of the following:
 - a. Application Form
 - b. Application Attachments
 - c. Application Acknowledgements
 - d. \$1,500 Application Fee payable to Board of County Commissioners of Palm Beach County

2. Send 1 hard copy and 1 electronic copy of the Application Package to:
Sherry Howard
Deputy Director
Palm Beach County Department of Housing & Economic Sustainability
100 Australian Avenue, Suite 500
West Palm Beach, FL 33405
showard@pbcgov.org

3. Where there is insufficient space on the Application Form, please provide additional information as an Application Attachment.

4. For questions regarding the Application Package, please contact:
Sherry Howard
Deputy Director
Palm Beach County Department of Housing & Economic Sustainability
561-233-3600
showard@pbcgov.org



**INDUSTRIAL DEVELOPMENT REVENUE BOND
PALM BEACH COUNTY, FLORIDA**

APPLICATION FORM

1. Entity that will borrow the bond proceeds from the bond issuer.

Entity Oxbridge Academy Foundation, Inc. d/b/a Oxbridge Academy

Name:

Same as above

Contact name: Rebecca De Jesús, Chief Business Officer and
Treasurer

Address:

3151 N. Military Trail, West Palm Beach, FL 33409

Telephone:

(561) 972-9808 (Rebecca De Jesús, CPA)

(561) 972-9600 (Main line)

Fax:

(561) 972-9656

This entity is referred to as the project's "principal user" for the remainder of this questionnaire.

2. Form of organization of principal user (check one):

corporation

partner

sole proprietorship

other: _____

- Is the principal user related to any other organization by more than 50% common ownership?

yes

no

- If "yes", indicate name of related organization and relationship:

3. Ownership: List all stockholders or partners having 10% or more ownership interest in the principal user:

N/A: we are a non-profit, 501(c)3 entity

4. If any of the above persons own more than 50% of the principal user, list all other organizations which are related to the principal user by virtue of such persons having more than a 50% interest in such organizations:

n/a

5. Principal User Description: Provide a brief description of:

- the principal user, its history, and operations:

Oxbridge Academy is an independent, co-educational 7-12 private school. Oxbridge Academy opened in 2011 and has a projected enrollment of 560 students for the upcoming 22/23 school year.

- any outstanding debts:

Oxbridge has an outstanding debt obligation to First Republic Bank which were previously issued tax-exempt bonds by Palm Beach County.

- earning history:

The school's revenue is derived from tuition revenue, contributions and rental income.

6. Issuance Amount: Indicate the specific amount of U.S. dollars being requested by the issuance of Industrial Development Revenue Bonds:

Not to exceed \$21,500,000

7. Proposed Security and Guarantors: Indicate the proposed security and guarantors of the bonds:

Gross revenue pledge and 1st lien mortgage on School Campus; no guarantees

8. Method of Sale: Describe the proposed method of sale of the bonds:

We are requesting the funds to refinance/refunding of our 2014 and 2017 bond issuances.

The Bond will be purchased at par by Connect One Bank.

9. Investment-Grade Quality Bonds: Are the prospective bond issues considered to be of investment-grade quality as defined in Palm Beach County Policies and Procedures Manual (PPM) CW-F-065, Section H?

no yes

- If "no", please take note of the restrictions contained in PPM CW-F-065, Section H, including but not limited to, the requirement of an investor letter or representation of the underwriter that the initial purchasers of the bonds are qualified investors as therein defined.

10. Other Parties: As available/appropriate, please provide contact information (name, title, company, email address, telephone, and address) of the following other parties to this application:

- Commercial Bank:

Connect One Bank, Mark Cardone, First Senior Vice President; 908-206-2860;
mcardone@cnob.com

- Financial Advisor:

- Underwriter:

- General Counsel:
Scott Humphrey (561-907-5427) scott.humphrey@oxbow.com
and Pierre Azzi, Oxbow Carbon; pierre.azzi@oxbow.com
- Other:

11. Bond Counsel:

- Provide name and contact information for Bond Counsel:
McGuire Woods, Emery McRill and Clinton Randolph; 410-659-4422
emcrill@mcguirewoods.com; cwrandolph@mcguirewoods.com
- Is Bond Counsel (or Bond Counsel Firm) listed in the latest edition of *"The Bond Buyer's Municipal Market Place Director"* (the "Red Book")?
 yes no
- If "no", describe how the proposed Bond Counsel (or Bond Counsel Firm) is qualified to provide such services:

12. Use of Funds: Indicate the proposed use of the issuance:
We are requesting the funds to refinance/refunding of our 2014 and 2017 bond issuances.

13. Location of the Project:

- Street Address:
3151 N. Military Trail
West Palm Beach, FL 33409
- Indicate if the location is within a municipality or unincorporated Palm Beach County.
It is in unincorporated Palm Beach County.

14. Project Site:

- Indicate approximate size (in acres or square feet) of project site:
54 acres
- Are there buildings now on the project site?
 yes no
- Indicate the present use of the project site:
The site is a non-profit, independent 7-12 school
- Indicate present owner of project site:
Oxbridge Academy

15. If the principal user now owns the project site, indicate:

- Date of Purchase: 7/1/2014

- Purchase Price: \$24,206,000
- Holder of Mortgage: First Republic Bank
- Balance of Existing Mortgage: \$20,864,475.16

16. If the principal user is not now the owner of the project site, does the principal user have an option to purchase the site and any buildings on the site?

yes no

N/A; Oxbridge is the owner of the project site

- If "yes", indicate:
 - Date Option Agreement Signed with Owner:
 - Purchase Price under Option:
 - Expiration Date of Option:

17. Has the principal user entered into a contract to purchase the site?

yes no

N/A; Oxbridge is the owner of the project site

- If "yes", indicate:
 - Date signed:
 - Purchase Price:
 - Settlement Date:

18. If the principal user is not the owner of project site, does the principal user now lease the site or any buildings on the site?

yes no

N/A; Oxbridge is the owner of the project site

19. Is there a relationship legally or by virtue of common control or ownership between the principal user and the seller / lessor of the project site?

yes no

N/A; Oxbridge is the owner of the project site

- If "yes", describe this relationship:

20. Does the project involve acquisition of an existing building or buildings?

yes no

- If "yes", indicate number and size of buildings:

21. Does the project consist of the construction of a new building or buildings?

yes no

- If "yes", indicate number and size of new buildings:

22. Does the project consist of additions and/or renovations to existing buildings?

yes no

- If "yes", indicate nature of expansion and/or renovations:

23. What will be the use of the buildings or buildings to be acquired, constructed or expanded by the principal user for this project?

The buildings are already owned by Oxbridge Academy and will continue to be a non-profit, independent 7-12 private school.

24. If any space in the project is to be leased to third parties, indicate total square footage of the project, amount to be leased to each tenant, and proposed use by each tenant:

Project Total Sq. Ft.	Third Parties Leased Sq. Ft.	Tenant / Proposed Use
194,409	30,817	Palm Beach County leases the property for use by PBSO
		The tenant has occupied the space since 1/1/2021
		and the lease expires 12/31/2025

25. Has construction work on this project begun?

yes no

- If "yes", complete the following:

N/A - no construction is required for this project as it is just a refunding/refinancing of the existing tax-exempt bonds.

Construction Work	Yes	No	% Complete

Site Clearance				%
Foundation				%
Footings				%
Steel				%
Masonry Work				%
Other (describe below)				%

26. List principal items or categories of equipment to be acquired as part of the project:

N/A - no equipment is required for this project as it is just a refunding/refinancing of the existing tax-exempt bonds.

27. Has any of the above equipment been ordered or purchased?

yes no

N/A - no construction is required for this project as it is just a refunding/refinancing of the existing tax-exempt bonds.

- If "yes", complete the following:

Equipment Item	Date Ordered	Delivery Date	Price

28. List the face amount of all tax-exempt financing previously arranged by or for the benefit of the principal user in Palm Beach County:

Date of Issue	Original Face	Current Outstanding
7/1/2014	24,200,000	16,697,999.69
6/22/2017	5,000,000	3,407,821.28
6/22/2017	2,000,000	758,654.19

29. Allocation of bond proceeds: Complete the following to detail the allocation of bond proceeds:

Description of Cost	Amount
Land	
Buildings	

Equipment	
Engineering	
Architecture	
Interest During Construction	
Bond Discount	
Cost of Financing	400,000
Other (please explain)	\$21,100,000 (Refunding existing debt with FRB)
Total	\$21,500,000

30. Have any of the above expenditures already been made by the applicant?

yes no

- If "yes", provide details:

31. Have any of the above expenditures been incurred but not paid by the principal user?

yes no

- If "yes", provide details:

32. Are costs of working capital, moving expenses, work in process, or stock in trade included in the proposed uses of bond proceeds?

yes no

- If "yes", provide details:

33. Will any of the funds to be borrowed through the County be used to repay or refinance an existing mortgage or outstanding loan?

yes no

- If "yes", provide details:

We are requesting the funds to refinance/refunding of our 2014 and 2017 bond issuances.

34. List capital expenditures with respect to **this project**:

Expenditure	Past 3-Years Amount	Next 3-Years Amount
Land		
Buildings		
Equipment		
Engineering		
Architecture		
Research & Development		
Interest During Construction		

n/a

Other (please explain below)		
TOTAL		

Research and development expenses with respect to a facility must be treated as capital expenditures with respect to it. This would include research and development with respect to products to be produced at the facility and with respect to equipment to be used there. Research and development expenses allocable to the project under the foregoing rule must be treated as capital expenditures with respect to it even though the research and development work takes place in a different county or state.

Costs of molds, etc., to be used at a facility are capital expenditures even if paid by the customer.

Costs of equipment to be moved to a facility are capital expenditures even if the purchase and initial use of the equipment occurred outside the County.

35. List capital expenditures with respect to **other facilities** of the principal user or any related person, if the facilities are located in Palm Beach County: n/a

Expenditure	Past 3-Years Amount	Next 3-Years Amount
Land		
Buildings		
Equipment		
Engineering		
Architecture		
Research & Development		
Interest During		
Other (please explain)		
TOTAL		

36. Contribution to the Local Economy: In accordance with Florida State 159.29(1), describe the nature and extent on the impact of the proposed project in Palm Beach County:

- Impact economic growth in the County:
The school is already an existing business.
- Number of new jobs to be created and estimated annual payroll:
The site and project (Oxbridge Academy) is a school. We employ roughly 180 part and full-time faculty and staff. Our estimated annual payroll is roughly \$12MM.
- Number of existing jobs retained and estimated annual payroll:
The site and project (Oxbridge Academy) is a school. We employ roughly 180 part and full-time faculty and staff. Our estimated annual payroll is roughly \$12MM.
- Estimated value of property to be added to tax rolls:
n/a
- Other ways in which the project will affect the economic prosperity and general welfare

of the County and residents:

Our school attracts students from other states and countries whose families move to Palm Beach County and find employment within our County. This augments the population and fills open positions.

- Extent to which local resources, manpower, and businesses will be used in the construction, operation, and maintenance of the project:
When opportunities arise to contract vendors, to the extent possible, Oxbridge Academy relies on local Palm Beach County vendors for projects and services.

37. Do any new or existing project jobs require specialized training or skills?

yes no

- If "yes", please indicate whether or not training programs will be instituted or whether or not local technical and vocational education can provide such training:

38. Impact of the Project: In accordance with Florida Statute 159.29(3) describe how the County will be able to cope satisfactorily with the impact of the project and will be able to provide, or cause to be provided when needed, the public facilities (including utilities and public services) that will be necessary for the construction, operation, repair and maintenance of the project or that will be needed due to any increases in population or other circumstances resulting from the project.

The project site is Oxbridge Academy, an existing business that will not require additional construction at this time. The issuance requested is to refinance/refund the existing 2014 and 2017 tax exempt bonds.

39. Does the project produce emissions through stacks or chimneys which would subject it to the jurisdiction of the Florida Department of Environmental Regulation?

yes no

- If "yes", provide details:

40. Does the project produce sewage, industrial effluent, or discharge of an unusual character requiring specialized treatment?

yes no

- If "yes", provide details:



**INDUSTRIAL DEVELOPMENT REVENUE BOND
PALM BEACH COUNTY, FLORIDA**

APPLICATION ATTACHMENTS

Please provide the following Application Attachments:

1. Pro Forma Financial Statements
 - Preferably for 10 years
 - For a minimum of 5 years
 - Statements must
 - i. disclose the principal user's estimate of company operations resulting from the new investment
 - ii. include management discussion and analysis
 - iii. summarize significant accounting policies
 - iv. summarize significant forecast assumptions
2. Conventional Financing Statements:
 - Provided for principal user (including a parent or subsidiary)
 - Prepared in accordance with generally accepted accounting principals
 - Audited by an independent Certified Public Accountant
 - For the immediate 3 preceding years attached
3. Annual Report for the Principal User attached
4. Form 10-K filed with the Securities and Exchange Commission
 - If applicable n/a
5. Any additional information from Application Form questions.
 - Please indicate the number of the question(s) pertaining to the additional information.

n/a



**INDUSTRIAL DEVELOPMENT REVENUE BOND
PALM BEACH COUNTY, FLORIDA**

APPLICATION ACKNOWLEDGEMENTS

By initialing and signing, the following is acknowledged

- RDJ : Agreement with the provisions set forth in all of the following:
- o U.S. Internal Revenue Code Sections 103, 146, and 148; and applicable U.S. Treasury Regulations
 - o Chapter 159, Florida Statutes
 - o Chapter 19A-4, Florida Administrative Code
 - o Palm Beach County Board of County Commissioners Resolution R2007-0927
 - o Palm Beach County Board of County Commissioners Resolution R2018-0606
 - o Palm Beach County Policies and Procedures Manual (PPM) CW-F-065
- RDJ : Agreement to pay all fees costs payable to the Palm Beach County Department of Housing and Economic Sustainability and the County Attorney's Office prior to and post- closing
- RDJ : At, or as soon as possible after, the Bond Closing the principal user will provide the County Attorney's Office with 1 complete bond transcript bound hard copy and 3 complete bond transcript electronic copy
- o Bond transcripts will be provided at the principal users' own expense
- RDJ : The principal user will submit Form BF2006-G (Notice of Intent to Issue Bonds and Request for Written Confirmation) to the State of Florida Division of Bond Finance and provide a copy to the County Attorney's Office and the Department of Housing and Economic Sustainability

Authorized Company Officer Signature

Rebecca De Jesús

Print Name

Treasurer and CBO
Title


April 4, 2022

Date

(Revised 10-2018)



Interoffice Memorandum

Date: April 6, 2022
To: Dorritt M. Miller, Assistant County Administrator
From: Sherry Howard 
Deputy Director, Department of Housing and Economic Development
Re: Industrial Development Revenue Bond Application
Oxbridge Academy Refinance/Refund 2014 and 2017 bond issuance

Department of
Housing & Economic
Development

Administration

100 Australian Avenue – Suite #500

West Palm Beach, FL 33406

(561) 233-3600

FAX: (561) 233-3651

www.discover.pbcgov.org

Palm Beach County
Board of County
Commissioners

Robert S. Weinroth, Mayor

Gregg K. Weiss, Vice Mayor

Maria G. Marino

Dave Kerner

Maria Sachs

Melissa McKinlay

Mack Bernard

County Administrator

Verdenia C. Baker

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The Palm Beach County Department of Housing and Economic Development (DHED) has reviewed the Industrial Development Bond Application (specifically for a 501(c) (3) bond) submitted by Oxbridge Academy Foundation, Inc. d/b/a Oxbridge Academy, ("The Borrower"). In accordance with the Florida Industrial Development Act, 159.25 et. seq., Florida Statutes, the Palm Beach County Department of Housing and Economic Development (DHED) reviewed a 2022 Industrial Development Revenue Bond application ("2022 application") submitted by "the Borrower". The 2022 application satisfactorily requests the issuance of bonds to be used to refinance/refund existing bonds and other costs as defined in 159.41, Florida Status.

Requested Amount

The 2022 application requests the issuance of no more than \$21,500,000 in Industrial Development Revenue Bonds.

Use of Funds

Proceeds from the sale of bond approved via the 2022 application will be used to refinance/refund the 2014 and 2017 bond issuances. The sources of payment for the bonds include tuition revenue, contributions, rental income and shall not be deemed to constitute a debt, liability, or obligation of the County or the State of Florida, or of any political subdivision thereof.

Appropriateness, Economic Contribution, & Public Purpose – 159.29(1), Florida Statute

The 2022 Application states that the Borrower employs about 180 part and full time employees – faculty and staff - with an estimated annual payroll of \$12MM. DHED conducted a Regional Economic Models Inc. (REMI) analysis back in 2014 projecting 149 full-time equivalents over five years. Today, the borrower surpassed that projection by 30 equivalent jobs.

In addition, Oxbridge Academy brands itself as a co-educational college preparatory high school, providing opportunities to students in scholarship, excellence, and leadership in Palm Beach County. The Academy began operations in mid-2011 with a total of 119 students. The school grew to 247 students in the 2012-2013 school year and has projected 560 students for the 2022-2023 school year.

ATTACHMENT 2

Financially Responsible – 159.29(2), Florida Statute

Financial documents provided by the Borrower and reviewed by DHED demonstrate fiscal ability to meet the financial obligations of the bond issuance. A summary of Financial Statement for the period ended June 30, 2021 follows:

- The consolidated financial statements are prepared on the accrual basis of accounting and are deemed sufficient by the audit firm, Caler, Donten, Levine, Cohen, Porter & Veil, P.A., who stated that audit evidence obtained is sufficient and appropriate to provide a basis for their audit opinion. Per the audit opinion offered, the financial statements fairly present, in all material respects, the financial position of Oxbridge Academy Foundation, Inc.
- For the period ending June 30, 2021, the Academy had an increase in net assets of approximately \$1.2M. The change is primarily attributable to increases in Contribution Revenue, a PPP loan forgiveness, and decreases in total expenses as compared to the previous year.
- The Academy has \$27M in unrestricted assets to meet operating expenses and other creditor obligations as needed.
- Tuition revenue has increased with the pace of enrollment from more than \$1.5M in 2013 to \$10.3M in 2021. For the year 2023/2024 tuition revenue is projected at \$14M.

Recommendation

Based on the review of the Application, the financial statements, the financial strength and collateral in the form of tuition and first lien mortgage on School Campus, and the growing demand for private high school education, the Department of Housing and Economic Development supports Oxbridge Academy's application.

cc: Jonathan B. Brown, Director, Department of Housing and Economic Sustainability
David C. Behar, Assistant County Attorney

NOTICE OF PUBLIC HEARING

Proposed Issue of Revenue Refunding Bonds
by Palm Beach County, Florida for the benefit of
Oxbridge Academy Foundation, Inc.,
d/b/a Oxbridge Academy of the Palm Beaches

The Board of County Commissioners of Palm Beach County, Florida (the "County") will hold a public hearing in the Jane M. Thompson Memorial Chambers, 6th Floor, Palm Beach County Governmental Center, 301 North Olive Avenue, West Palm Beach, Florida 33401, on Tuesday, May 17, 2022, at 9:30 a.m., or thereafter as the same may be heard, for the purpose of giving interested persons an opportunity to be heard on the proposed issuance by the County, pursuant to Chapter 125, Florida Statutes and Part II of Chapter 159, Florida Statutes, as amended, in one or more issues or series, at one time or from time to time, of its taxable or tax-exempt revenue refunding bonds (the "Bonds").

The Bonds will be issued for the purposes of providing funds to refund the outstanding Palm Beach County, Florida Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2014 (the "2014 Bonds") and the outstanding Palm Beach County, Florida Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2017A and Series 2017B (collectively, the "2017 Bonds" and together with the 2014 Bonds, collectively, the "Original Bonds"), the proceeds of which were used to finance and refinance the costs of the acquisition, improvement, renovation, installation and equipping of a coeducational college-preparatory high school campus for students in grades 9 through 12 (the "Project") on the campus of Oxbridge Academy Foundation, Inc., d/b/a Oxbridge Academy of the Palm Beaches (the "Academy"), at 3151 North Military Trail, West Palm Beach, Florida 33409 (the "Campus") and to defray the costs of issuing the Original Bonds. Specifically, the Project consists of (a) the acquisition of the Campus, consisting of approximately 54.34 acres of land and the existing improvements thereon comprised of four buildings with approximately 194,409 gross square feet of space used for classrooms, media/library facilities, science labs, which include science, technology, engineering and mathematics (STEM), chemistry and biology, performing and visual art facilities, an auditorium with a 535 person seating capacity, food services, administration and maintenance, in addition to athletic facilities, which include a multipurpose stadium, a softball field, a gymnasium and a fully equipped conditioning/strength training room, and landscaping and (b) improvements, renovations, installation and equipping of the existing facilities including engineering, architectural costs, equipment, furniture and fixtures and certain other necessary and useful renovations, improvements, equipment purchases and other capital expenditures. Proceeds of the Bonds also may be used to defray the costs of issuing the Bonds.

A plan of financing for the refinancing of the Project through the refunding of the Original Bonds will entail the issuance of taxable and/or tax-exempt Bonds in the maximum aggregate principal amount of not to exceed \$21,500,000. The Bonds do not currently, and will not in the future, constitute a debt, liability or pledge of the faith and credit or taxing power of the County, the State of Florida or any other political unit of the State of Florida. The Bonds shall be payable solely from revenues and other proceeds made available to the County by the Academy.

ATTACHMENT 3

This notice is given pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended. Any person interested in the proposed issuance of the Bonds or the location or nature of the proposed improvements may appear at the hearing and testify or present written comments concerning the proposed improvements and the proposed issuance of the Bonds. Any written statement submitted prior to the hearing should be sent to Verdenia C. Baker, County Administrator, 11th Floor, 301 North Olive Avenue, West Palm Beach, Florida 33401. At such hearing, all objections and suggestions will be heard, reviewed and considered.

BOARD OF COUNTY COMMISSIONERS OF
PALM BEACH COUNTY, FLORIDA

Published: *The Palm Beach Post*

Dated: May [], 2022

RESOLUTION NO. R2022-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AUTHORIZING THE ISSUANCE OF THE REVENUE REFUNDING BONDS (OXBRIDGE ACADEMY PROJECT), SERIES 2022, IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$21,500,000 (THE "BONDS"), FOR THE PURPOSE OF MAKING A LOAN OF FUNDS TO OXBRIDGE ACADEMY FOUNDATION, INC., D/B/A OXBRIDGE ACADEMY (THE "BORROWER"), IN ORDER TO REFUND THE OUTSTANDING PRINCIPAL AMOUNT OF THE PALM BEACH COUNTY, FLORIDA ADJUSTABLE MODE REVENUE BONDS (OXBRIDGE ACADEMY FOUNDATION, INC. PROJECT), SERIES 2014 AND THE PALM BEACH COUNTY, FLORIDA ADJUSTABLE MODE REVENUE BONDS (OXBRIDGE ACADEMY FOUNDATION, INC. PROJECT), SERIES 2017A AND SERIES 2017B, THE PROCEEDS OF WHICH WERE USED TO FINANCE AND REFINANCE THE ACQUISITION, IMPROVEMENT, RENOVATION, INSTALLATION AND EQUIPPING OF EDUCATIONAL FACILITIES; APPROVING THE ISSUANCE OF THE BONDS FOR PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; PROVIDING THAT THE BONDS SHALL NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF PALM BEACH COUNTY, FLORIDA OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES HEREIN PROVIDED; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND FINANCING AGREEMENT WITH THE BORROWER AND THE PURCHASER OF THE BONDS, TO PROVIDE SECURITY FOR SUCH BONDS AND FOR OTHER MATTERS THEREIN PROVIDED; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN OTHER DOCUMENTS REQUIRED IN CONNECTION WITH THE FOREGOING; AND PROVIDING CERTAIN OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Board of County Commissioners of Palm Beach County, Florida (the "Issuer") is authorized pursuant to the Constitution of the State of Florida, Chapter 125, Florida Statutes, Part II of Chapter 159, Florida Statutes, as amended, the Charter of the Issuer and other applicable provisions of law (collectively, the "Act"), to finance and refinance educational facilities and projects as contemplated in the Act and to fully perform the obligations of the Issuer in connection therewith in order to promote the economy of Palm Beach County, Florida and the State of Florida, increase and preserve opportunities for gainful employment and purchasing power, improve the prosperity and welfare of the State of Florida and its inhabitants and otherwise contribute to the prosperity, health and welfare of Palm Beach County, Florida and the State of Florida and the inhabitants thereof; and

WHEREAS, Oxbridge Academy Foundation, Inc., d/b/a Oxbridge Academy, a Florida non-profit corporation (the "Borrower"), has requested that the Issuer issue, from time to time, in one or more series, taxable and/or tax exempt, revenue refunding bonds under the Act, in an aggregate principal amount not to exceed \$21,500,000 (the "Bonds") and loan the proceeds of the Bonds to the Borrower (the "Loan") for the purposes refunding the outstanding principal amount of the Issuer's Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2014 (the "2014 Bonds") and the Issuer's Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2017A and Series 2017B (collectively, the "2017 Bonds" and together with the 2014 Bonds, collectively, the "Original Bonds"), the proceeds of which were used to finance and refinance the costs of the acquisition, improvement, renovation, installation and equipping of a coeducational college-preparatory middle and high school campus for students in grades 7 through 12 (the "Project") on the campus of the Borrower, at 3151 North Military Trail, West Palm Beach, Florida 33409 (the "Campus") and to defray the costs of issuing the Original Bonds. Specifically, the Project consists of (a) the acquisition of the Campus, consisting of approximately 54.34 acres of land and the existing improvements thereon comprised of four buildings with approximately 194,409 gross square feet of space used for classrooms, media/library facilities, science labs, which include science, technology, engineering and mathematics (STEM), chemistry and biology, performing and visual art facilities, an auditorium with a 535 person seating capacity, food services, administration and maintenance, in addition to athletic facilities, which include a multipurpose stadium, a softball field, a gymnasium and a fully equipped conditioning/strength training room, and landscaping and (b) improvements, renovations, installation and equipping of the existing facilities including engineering, architectural costs, equipment, furniture and fixtures and certain other necessary and useful renovations, improvements, equipment purchases and other capital expenditures; and

WHEREAS, proceeds of the Bonds also may be used to defray the costs of issuing the Bonds; and

WHEREAS, the Project constitutes an "educational facility" and a "project" within the meaning and contemplation of the Act, is appropriate to the needs and circumstances of, and shall make a significant contribution to the economic growth of, Palm Beach County, Florida, shall provide or preserve gainful employment and shall serve a public purpose by advancing the economic prosperity and the general welfare of the State of Florida and its people and by improving living conditions within the State of Florida; and

WHEREAS, the availability of financing by means of industrial development revenue bonds was and is an important inducement to the Borrower to proceed with the refinancing of the Project through the refunding of the Original Bonds with the proceeds of the Bonds; and

WHEREAS, the Bonds shall not be deemed to constitute a debt, liability or obligation or a pledge of the faith and credit or taxing power of the Issuer or of the State of Florida or of any political subdivision thereof, but the Bonds shall be payable solely from the revenues and proceeds to be derived by the Issuer from certain of the payments received under the financing agreements entered into between the Issuer and the Borrower; and

WHEREAS, the Board of County Commissioners of the Issuer conducted a public hearing on May 17, 2022, notice of such hearing, inviting comments and discussion concerning the issuance of the Bonds by the Issuer to refinance the Project with the proceeds of the Bonds, was published in *The Palm Beach Post*, a newspaper of general circulation in Palm Beach County, Florida, on May 6, 2022 (a copy of such notice is attached hereto as Exhibit A), for the purpose of providing the affected public with an opportunity to comment on the issuance of the Bonds, in accordance with the requirements of Section 147(f) of the Internal Revenue Code, as amended.

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

SECTION 1. For the purpose of refunding the Original Bonds and thereby refinancing the cost of the Project, subject and pursuant to the provisions hereof, the issuance of revenue refunding bonds of the Issuer under the authority of the Act, from time to time, in one or more series, taxable and/or tax-exempt, in the original aggregate principal amount not exceeding \$21,500,000, or in such lesser amount as hereinafter provided, is hereby authorized, such authorization to include the necessary authorization and approval under Section 147(f) of the Internal Revenue Code of 1986, as amended. Such Bonds shall be designated "Palm Beach County, Florida Revenue Refunding Bonds (Oxbridge Academy Project), Series 2022," and subject to the award of the sale thereof as hereinafter provided, shall be issued and delivered to the order of ConnectOne Bank or another financial institution selected by the Borrower, or an affiliate thereof (the "Bank"). The award of the sale of the Bonds in an aggregate principal amount which shall not exceed \$21,500,000, at a purchase price of not less than par (the "Purchase Price") and at an initial rate of interest, as approved by the Mayor (as defined herein), not to exceed 15% (the "Maximum Initial Rate") and with a final maturity not later than June 1, 2052 (the "Final Maturity Date"), to the Bank is hereby authorized, the Mayor's approval of the principal amount and the initial rate of interest to be conclusively evidenced by the execution by the Mayor of an order to authenticate and deliver the Bonds to or upon the order of the Bank.

Subject to the limitations set forth in the first paragraph of this Section 1, the Bonds shall be dated such date or dates, shall bear interest at such rates, shall be payable or shall mature on such date or dates, shall be issued in such denominations, shall be subject to optional, extraordinary and mandatory redemption at such time or times, and upon such terms and conditions, shall be subject to optional and mandatory tender at such time or times and upon such terms and conditions, shall be payable at the place or places and in the manner, shall be executed, authenticated and delivered and shall otherwise be in such form and subject to such terms and conditions, all as provided in the Financing Agreement (hereinafter defined).

The Bonds and the interest thereon shall not be deemed to constitute a general debt, liability or obligation of the Issuer or the State of Florida or any political subdivision thereof, including, without limitation, Palm Beach County, or a pledge of the faith and credit of the Issuer or the State of Florida or any political subdivision thereof, including, without limitation, Palm Beach County, but shall be payable solely from the revenues provided therefor, and the Issuer is not obligated to pay the Bonds or the interest thereon

except from the revenues and proceeds pledged therefor, and neither the faith and credit of the Issuer nor the faith and credit or taxing power of the State of Florida or any political subdivision thereof, including, without limitation, Palm Beach County, is pledged to the payment of the principal of or the interest on the Bonds.

SECTION 2. It is desirable and in the public interest that the Issuer loan funds to the Borrower (the "Loan") to refinance the costs of the Project through the refunding of the Original Bonds and to pay certain costs of issuing the Bonds. In order evidence the Loan, in order to secure the payment of the principal of and interest on the Bonds herein authorized, according to their tenor, purport and effect, and in order to secure the performance and observance of all of the covenants, agreements and conditions in said Bonds, the execution and delivery of a loan and financing agreement, a proposed form of which is attached hereto as Exhibit B (the "Financing Agreement"), to be entered into by and between the Issuer, the Borrower and the Bank, is hereby authorized. The form of the Financing Agreement is hereby approved, subject to such changes, insertions and omissions and such filling of blanks therein as may be approved and made in the form of the Financing Agreement by the Mayor or his agents or assignees. The execution by the Mayor and the Clerk (as defined herein) of the Financing Agreement, in a manner consistent with the provisions of this Resolution, shall be conclusive evidence of approval of the final terms, provisions, form, content and substance of the Financing Agreement, which shall thereupon become binding upon the Issuer.

SECTION 3. Such other documents as the Issuer deems necessary or desirable to accomplish the purposes of this Resolution shall be in such form, and shall contain such provisions, as the Mayor or his agents or assignees shall approve. The execution by the Mayor and the Clerk of the Bonds and such other documents shall be conclusive evidence of approval of the final terms, provisions, form, content and substance of the Bonds and all such other documents executed and delivered in connection therewith, which shall thereupon become binding upon the Issuer.

SECTION 4. The Issuer and the officers, employees and agents of the Issuer acting on behalf of the Issuer are hereby authorized and empowered to execute such documents, instruments and contracts, whether or not expressly contemplated hereby, and to do all acts and things required by the provisions of this Resolution and by the provisions of the Bonds and the Financing Agreement authorized herein, as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution, or as may be requested by the Bank or the Borrower. The Mayor and the Clerk are hereby designated as the primary officers of the Issuer charged with the responsibility of issuing the Bonds, and the Mayor is hereby authorized to delegate to any other person any of the duties or authorizations of the Mayor or the Clerk hereunder.

SECTION 5. The Issuer hereby finds, determines and declares as follows:

A. The Issuer is not obligated to pay the Bonds except from the proceeds derived from the repayment of the Loan by the Borrower or from the other

security pledged thereof, and neither the faith and credit nor the taxing power of the Issuer or the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds.

B. The Issuer and the Borrower will, concurrently with the issuance of the Bonds, execute the documentation required for the refinancing of the Project as contemplated hereby.

C. A negotiated sale of the Bonds is required and necessary and is in the best interest of the Issuer for the following reasons: the Bonds will be special and limited obligations of the Issuer payable out of moneys derived by the Issuer from the Borrower's operation of the Project or as otherwise provided herein; the cost of issuance of the Bonds, which must be borne directly or indirectly by the Borrower, would most likely be greater if the Bonds were sold at public sale by competitive bid than if the Bonds are sold at negotiated sale, and there is no basis, considering prevailing market conditions, for any expectation that the terms and conditions of a sale of the Bonds at public sale by competitive bid would be any more favorable than at negotiated sale; because prevailing market conditions are uncertain, it is desirable to sell the Bonds at a predetermined price; and industrial development revenue bonds having the characteristics of the Bonds are typically sold at negotiated sale under prevailing market conditions.

D. The purposes of the Act will be more effectively served by awarding, or causing to be awarded, contracts for the refinancing of the Project upon a negotiated basis rather than by awarding, or causing to be awarded, such contracts based on competitive bids.

E. The Bank, as initial purchaser of the Bonds, shall provide the Issuer with a disclosure statement in a form and containing the information required by Section 218.385(6), Florida Statutes, prior to its purchase of the Bonds. Disclosure containing such statutorily required information shall be acceptable to the Issuer, and the Issuer does not require any further disclosure from the Bank.

SECTION 6. The term "Mayor" as used herein refers to the Mayor or the Vice Mayor of the Board of County Commissioners of the Issuer unless specifically indicated otherwise. Throughout this Resolution when reference is made to the "Mayor," the Mayor or the Vice Mayor of the Issuer may act independently and interchangeably in performing the duties and functions resolved herein. The term "Clerk" as used herein refers to the Clerk & Comptroller or any Deputy Clerk of the Issuer unless specifically indicated otherwise. Throughout this Resolution when reference is made to the "Clerk" the Clerk & Comptroller or any Deputy Clerk of the Issuer may act independently and interchangeably in performing the duties and functions resolved herein.

SECTION 7. In case any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Resolution, and this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained herein. This Resolution is adopted, the Financing Agreement shall be executed and the Bonds shall be issued, with the intent that the laws of the State of Florida shall govern their construction, except as shall otherwise be expressly provided by the terms thereof.

SECTION 8. All resolutions or parts thereof in conflict herewith are hereby repealed.

SECTION 9. This Resolution shall become effective immediately upon its passage and adoption.

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 Robert S. Weinroth – Mayor	_____
Commissioner Gregg K. Weiss – Vice Mayor	_____
Commissioner Maria G. Marino	_____
Commissioner Dave Kerner	_____
Commissioner Maria Sachs	_____
Commissioner Melissa McKinlay	_____
Commissioner Mack Bernard	_____

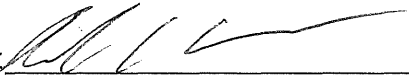
The Mayor thereupon declared the Resolution duly passed and adopted this ____ day of May, 2022.

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

ATTEST:
Joseph Abruzzo, Clerk & Comptroller

By: _____

**APPROVED AS TO
LEGAL SUFFICIENCY**

By:  _____

David C. Behar, Esq.
Assistant County Attorney

EXHIBIT A

NOTICE OF PUBLIC HEARING

[ATTACHED]

NOTICE OF PUBLIC HEARING

Proposed Issue of Revenue Refunding Bonds
by Palm Beach County, Florida for the benefit of
Oxbridge Academy Foundation, Inc.,
d/b/a Oxbridge Academy of the Palm Beaches

The Board of County Commissioners of Palm Beach County, Florida (the "County") will hold a public hearing in the Jane M. Thompson Memorial Chambers, 6th Floor, Palm Beach County Governmental Center, 301 North Olive Avenue, West Palm Beach, Florida 33401, on Tuesday, May 17, 2022, at 9:30 a.m., or thereafter as the same may be heard, for the purpose of giving interested persons an opportunity to be heard on the proposed issuance by the County, pursuant to Chapter 125, Florida Statutes and Part II of Chapter 159, Florida Statutes, as amended, in one or more issues or series, at one time or from time to time, of its taxable or tax-exempt revenue refunding bonds (the "Bonds").

The Bonds will be issued for the purposes of providing funds to refund the outstanding Palm Beach County, Florida Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2014 (the "2014 Bonds") and the outstanding Palm Beach County, Florida Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2017A and Series 2017B (collectively, the "2017 Bonds" and together with the 2014 Bonds, collectively, the "Original Bonds"), the proceeds of which were used to finance and refinance the costs of the acquisition, improvement, renovation, installation and equipping of a coeducational college-preparatory high school campus for students in grades 9 through 12 (the "Project") on the campus of Oxbridge Academy Foundation, Inc., d/b/a Oxbridge Academy of the Palm Beaches (the "Academy"), at 3151 North Military Trail, West Palm Beach, Florida 33409 (the "Campus") and to defray the costs of issuing the Original Bonds. Specifically, the Project consists of (a) the acquisition of the Campus, consisting of approximately 54.34 acres of land and the existing improvements thereon comprised of four buildings with approximately 194,409 gross square feet of space used for classrooms, media/library facilities, science labs, which include science, technology, engineering and mathematics (STEM), chemistry and biology, performing and visual art facilities, an auditorium with a 535 person seating capacity, food services, administration and maintenance, in addition to athletic facilities, which include a multipurpose stadium, a softball field, a gymnasium and a fully equipped conditioning/strength training room, and landscaping and (b) improvements, renovations, installation and equipping of the existing facilities including engineering, architectural costs, equipment, furniture and fixtures and certain other necessary and useful renovations, improvements, equipment purchases and other capital expenditures. Proceeds of the Bonds also may be used to defray the costs of issuing the Bonds.

A plan of financing for the refinancing of the Project through the refunding of the Original Bonds will entail the issuance of taxable and/or tax-exempt Bonds in the maximum aggregate principal amount of not to exceed \$21,500,000. The Bonds do not currently, and will not in the future, constitute a debt, liability or pledge of the faith and credit or taxing power of the County, the State of Florida or any other political unit of the State of Florida. The Bonds shall be payable solely from revenues and other proceeds made available to the County by the Academy.

This notice is given pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended. Any person interested in the proposed issuance of the Bonds or the location or nature of the proposed improvements may appear at the hearing and testify or present written comments concerning the proposed improvements and the proposed issuance of the Bonds. Any written statement submitted prior to the hearing should be sent to Verdenia C. Baker, County Administrator, 11th Floor, 301 North Olive Avenue, West Palm Beach, Florida 33401. At such hearing, all objections and suggestions will be heard, reviewed and considered.

BOARD OF COUNTY COMMISSIONERS OF
PALM BEACH COUNTY, FLORIDA

Published: *The Palm Beach Post*

Dated: May [], 2022

EXHIBIT B

FORM OF FINANCING AGREEMENT

[ATTACHED]

LOAN AND FINANCING AGREEMENT

by and between

PALM BEACH COUNTY, FLORIDA,
as Issuer

and

OXBRIDGE ACADEMY FOUNDATION, INC.,
as Borrower

and

CONNECTONE BANK,
as Lender

Dated as of June 1, 2022

\$[_____]
Palm Beach County, Florida
Revenue Refunding Bonds
(Oxbridge Academy Foundation, Inc. Project)
Series 2022

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This **LOAN AND FINANCING AGREEMENT**, dated as of June 1, 2022 (this "Agreement"), is by and between **PALM BEACH COUNTY, FLORIDA**, a political subdivision duly organized and existing under the Constitution and laws of the State of Florida (the "Issuer"), **OXBRIDGE ACADEMY FOUNDATION, INC.**, a Florida not-for-profit corporation, d/b/a Oxbridge Academy (the "Borrower"), and **CONNECTONE BANK**, a New Jersey chartered commercial bank (with any successor bondowner, the "Lender").

WITNESSETH:

WHEREAS, the Issuer is empowered pursuant to Chapter 125, Florida Statutes, Part II, Chapter 159, Florida Statutes, the Issuer's Charter, the Constitution of Florida and other applicable provisions of law as amended (the "Act"), to issue its bonds for the purpose of fostering the industrial and business development of, and improving living conditions in, Palm Beach County, Florida; and

WHEREAS, pursuant to an Indenture of Trust dated as of June 1, 2014 by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee, the Issuer issued its Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2014 in original aggregate principal amount of \$24,200,000 (the "Series 2014 Bonds"), and loaned the proceeds thereof to the Borrower (the "Series 2014 Loan"), pursuant to a Loan Agreement dated as of June 1, 2014 by and between the Borrower and the Issuer; and

WHEREAS, pursuant to an Indenture of Trust dated as of June 1, 2017 by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee, the Issuer issued its Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2017A (the "Series 2017A Bonds") and its \$2,000,000 in original aggregate principal amount Adjustable Mode Revenue Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2017B (the "Series 2017B Bonds") and together with the Series 2014 Bonds and the Series 2017A Bonds, collectively, the "Prior Bonds"), and loaned the proceeds thereof to the Borrower (the "Series 2017 Loan" and together with the Series 2014 Loan, collectively, the "Prior Loans"), pursuant to a Loan Agreement dated as of June 1, 2017 by and between the Borrower and the Issuer; and

WHEREAS, the proceeds of the Prior Loans were loaned to the Borrower for the purposes of (a) financing a portion of the costs of constructing and installing certain capital improvements, including the replacement of roofs and other campus improvements on the campus of the Borrower at 3151 North Military Trail, West Palm Beach, Florida 33409 (collectively, as more particularly described in Exhibit A hereto, the "Project") and (b) defraying the costs of issuing the corresponding Prior Bonds; and

WHEREAS, the Borrower has requested that the Issuer issue its Revenue Refunding Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2022 (the "Bonds") and to loan the proceeds from the sale thereof to the Borrower for the purposes of (a) refinancing the costs of the acquisition, construction, installation and equipping of the Project by refunding the Prior Bonds and (b) defraying the costs of issuing the Bonds; and

WHEREAS, the Borrower desires to borrow the proceeds of the Bonds upon the terms and conditions set forth in this Agreement; and

WHEREAS, the Lender has agreed to purchase the Bonds from the Issuer; and

WHEREAS, the Bonds in registered form are to be in substantially the form attached hereto as Exhibit B, with appropriate variations, omissions and insertions as permitted or required by this Agreement; and

WHEREAS, THE BONDS SHALL BE LIMITED OBLIGATIONS OF THE ISSUER, AND THE BONDS AND THE INTEREST THEREON, THE PURCHASE PRICE THEREOF AND REDEMPTION PREMIUM, IF ANY, SHALL NOT BE DEEMED TO CONSTITUTE OR CREATE AN INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE ISSUER OR THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY; and

WHEREAS, all things necessary to make the Bonds, when issued, executed and delivered by the Issuer, to the extent required pursuant to this Agreement, the valid, binding and legal obligations of the Issuer according to the import thereof, except as otherwise stated herein, have been done and performed, and the creation, execution and delivery of this Agreement, and the issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

ARTICLE I. DEFINITIONS AND INTERPRETATION

Section 101. Definitions. The following terms have the following meanings in this Agreement, unless the context otherwise requires:

“1933 Act” means the Securities Act of 1933, as amended.

“Act” has the meaning given to such term in the recitals hereto.

“Bond Counsel” means McGuireWoods LLP or any other attorney or firm of attorneys nationally recognized on the subject of municipal bonds and satisfactory to the Issuer and the Lender.

“Bondholder” means the registered owner of the Bonds from time to time.

“Bonds” means the \$[] Palm Beach County, Florida Revenue Refunding Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2022.

“Borrower’s Obligations” means any and all indebtedness, obligations and liabilities of any type or nature, direct or indirect, absolute or contingent, related or unrelated, due or not due, liquidated or unliquidated, arising by operation of law or otherwise, now existing or hereafter arising or created, of the Borrower and/or any subsidiary of the Borrower, without duplication, represented by or incurred pursuant or relating to the Related Documents. Without limiting the generality of the foregoing, the term “Borrower’s Obligations” shall include (i) the obligations of the Borrower under the Related Documents to (A) pay the principal of, premium (if any) and interest on the Bonds, when and as the same become due and payable (whether at the

stated maturity thereof, or by acceleration of maturity or after notice of redemption or prepayment or otherwise), (B) pay all other payments required under the Related Documents to be paid by the Borrower to the Lender, to any affiliate of the Lender or to others, when and as the same shall become due and payable, and (C) timely perform, observe and comply with all of the terms, covenants, conditions, stipulations and agreements, express or implied, which the Borrower is required by the Related Documents to perform or observe; and (ii) all obligations of the Borrower owing to the Lender under the Continuing Covenant Agreement or other debt instruments issued by the Lender under the terms of the Continuing Covenant Agreement.

“Business Day” means any day on which (i) the offices of the Lender are each open for business, (ii) the Federal Reserve System is in operation, (iii) the New York Stock Exchange is not closed and (iv) banks in the State are open for business.

“Clerk” means the Clerk & Comptroller or any Deputy Clerk of the Issuer.

“Closing Date” means June [], 2022, the date of delivery of the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, together with the United States Treasury Regulations promulgated thereunder and in effect from time to time.

“Continuing Covenant Agreement” means the Continuing Covenant Agreement dated as of June 1, 2022 between the Borrower and the Lender.

“Default Rate” means, for any day, the fluctuating rate per annum at all times equal to the sum of three percent (3%) plus the greater of (i) the Fixed Rate in effect on such day and (ii) the Prime Rate; *provided, however*, that the Default Rate shall not exceed the Maximum Lawful Rate.

“Event of Default” has the meaning stated in Section 501 of this Agreement, and “default” means any Event of Default hereunder or under the Continuing Covenant Agreement without regard to any lapse of time or notice.

“FHLBNY Rate” means, as of any date, the Federal Home Loan Bank of New York Advance Rate, as reported by the Federal Home Loan Bank of New York, for a period equal to ten (10) years, determined as of the date that is [] Business Days preceding such date, provided that if such rate is not so reported, then the FHLBNY Rate shall mean a similar rate from a recognized source as reasonably determined by the Lender.

“Final Fixed Rate Period” means the period commencing on the Mandatory Purchase Date through the final maturity date of the Bonds.

“Fixed Rate” means (a) during the Initial Fixed Rate Period, 2.95% and (b) during the Final Fixed Rate Period, the greater of (i) 2.95% and (ii) the product of (A) the difference obtained by subtracting the Maximum Federal Corporate Tax Rate as of the first day of such Fixed Rate Period from 1.0 and (B) the sum of (1) the FHLBNY Rate in effect on the first day of such Fixed Rate Period and (2) 1.25%; *provided, however*, that the Fixed Rate shall not exceed the Maximum Lawful Rate.

“Fixed Rate Period” means each of the Initial Fixed Rate Period and the Final Fixed Rate Period.

“GAAP” or “generally accepted accounting principles” shall have the meaning assigned to such term in the Continuing Covenant Agreement.

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

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Initial Fixed Rate Period” means the period commencing on the Closing Date and ending on, but not including, the Mandatory Purchase Date.

“Interest Payment Date” means (i) [the first day of each calendar month] following the Closing Date, (ii) each redemption and prepayment date with respect to the Bonds, (iii) the Mandatory Purchase Date and (iv) the final maturity date of the Bonds.

“Interest Rate” means the Fixed Rate or the Default Rate, as applicable.

“Lender” means the Bondholder.

“Loan” has the meaning given to such term in Section 202.

“Mandatory Purchase Date” means June [], 2032, as the same may be extended pursuant to Subsection 306(f).

“Mayor” means the Mayor or the Vice Mayor of the Board of County Commissioners of the Issuer.

“Maximum Federal Corporate Tax Rate” means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time.

“Maximum Lawful Rate” means the maximum, non-usurious, lawful rate of interest that may be contracted for, charged or received in connection with the relevant obligation under applicable law without regard to any filing made by a lender with respect to notice of rates in excess of any statutory or regulatory threshold interest rate.

“Mortgage” means the Mortgage, Assignment of Rents and Security Agreement dated as of June 1, 2022, made by the Borrower in favor of the Issuer, recorded in the Recorder’s Office.

“Outstanding,” when used with respect to the Bonds, refers to the Bonds issued under this Agreement, excluding: (i) any portion of the Bonds that has been exchanged or replaced, or delivered to the Lender for credit against a principal payment, (ii) any portion of the Bonds that has been paid and (iii) any portion of the Bonds that has become due and for the payment of which moneys have been duly provided.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity

“Prime Rate” means the “prime rate” as published in the Money Rates section of *The Wall Street Journal* for such date.

“Prior Bonds” has the meaning given to such term in the recitals hereto.

“Project” has the meaning given to such term in the recitals hereto and is more particularly described in the Tax Certificate.

“Recorder’s Office” means the Official Records Book of the Public Records of Palm Beach County, Florida.

“Related Documents” means this Agreement, the Bonds, the Security Documents and the Continuing Covenant Agreement.

“Required Payment” means any payment of money required under the terms of the Related Documents to be made by the Borrower for its own account or for the account of the Issuer.

“Reserved Rights of the Issuer” means the following: (i) the rights of the Issuer pursuant to provisions for consent, concurrence, approval or other action by the Issuer under this Agreement, notice to the Issuer or the filing of reports, certificates or other documents with the Issuer; (ii) the right of the Issuer to any payment or reimbursement pursuant to Section 206, Subsection 304(b), Subsection 401(c), Section 404, Section 405, Subsection 603(c), Subsection 603(f), Subsection 603(g), Subsection 603(h) and Section 604; and (iii) the powers of the Issuer as stated herein to enforce the rights set forth clauses (i) and (ii) of this definition.

“Security Agreement” means the Security Agreement dated as of June 1, 2022, by the Borrower in favor of the Lender.

“Security Documents” means, collectively, the Mortgage, the Security Agreement and any other document or instrument, whether currently existing or hereafter executed and delivered, which pledges, directly or indirectly, any collateral or otherwise provides security, in whole or in part, in support of the Borrower’s Obligations.

“Service” has the meaning given to that term in Section 208(b).

“State” means the State of Florida.

“Tax Certificate” means the Tax Certificate and Agreement dated the Closing Date executed by the Borrower and the Issuer in connection with the original issuance of the Bonds.

“United States” means the United States of America.

Section 102. Incorporation of Certain Definitions by Reference. Each capitalized term used herein and not otherwise defined herein shall have the meaning provided therefor in the Continuing Covenant Agreement, unless the context otherwise requires.

Section 103. Computation of Time Periods. In this Agreement, in the computation of a period of time from a specified date to a later specified date, unless otherwise specified herein, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding” and the word “through” means “to and including.”

Section 104. Relation to other Documents; Incorporation by Reference.

(a) Nothing in this Agreement shall be deemed to amend or relieve the Issuer or the Borrower of any of its obligations under any Related Document to which it is a party. Conversely, to the extent that the provisions of any Related Document allow the parties hereto to take or not take certain actions, the parties hereto nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in subsection (c) below, all references to this Agreement or any other documents, including, without limitation, the other Related Documents, shall be deemed to include all amendments, restatements, modifications and supplements thereto to the extent such amendment, restatement, modification or supplement is made in accordance with the provisions of such document and this Agreement.

(c) All provisions of this Agreement making reference to specific Sections of any Related Document shall be deemed to incorporate such Sections into this Agreement by reference as though specifically set forth herein (with such changes and modifications as may be herein provided) and shall continue in full force and effect with respect to this Agreement until all amounts due and owing under this Agreement, the Bonds and the other Related Documents are indefeasibly paid in full.

Section 105. Construction. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, to the singular include the plural and to the part include the whole. The word “including” shall be deemed to mean “including but not limited to,” and “or” has the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The Section headings contained in this Agreement and the table of contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Article, section, subsection, exhibit, schedule and annex references are to this Agreement unless otherwise specified. Any exhibit, schedule or annex attached hereto is incorporated by reference herein and is a constituent part of this Agreement.

ARTICLE II.
ASSIGNMENT BY THE ISSUER; CERTAIN REPRESENTATIONS, WARRANTIES
AND COVENANTS OF THE BORROWER

Section 201. Assignment and Pledge of the Issuer. The Issuer assigns and pledges to the Lender upon the terms hereof (a) all funds and investments held from time to time in the funds established under this Agreement and (b) all of its right, title and interest in this Agreement, the Mortgage and the other Related Documents, including enforcement rights and remedies; *provided, however,* that the foregoing assignment and pledge does not include the Reserved Rights of the Issuer. As additional security for its obligations to make payments to the Lender, and for its other payment obligations under this Agreement, the Borrower grants to the Lender a security interest in its interest in the moneys and other investments held from time to time in the funds established under this Agreement.

Section 202. Loan by the Issuer; Amounts Payable; Security. Upon the terms and conditions of this Agreement, the Issuer shall lend to the Borrower the proceeds of the Bonds (the "Loan"). The Borrower agrees to repay all amounts required under the Loan in the amounts and at the times necessary to pay the principal and purchase price of, premium, if any, and interest on the Bonds by making the payments required pursuant to Section 206, Subsection 304(b), Subsection 306(e), Subsection 603(c) and Section 604 hereof and the Bonds and shall make, or cause to be made, all other Required Payments in the manner set forth in the applicable Related Documents.

Section 203. Further Assurance. The Borrower will from time to time deliver, record and file such instruments as the Lender may reasonably require to confirm, perfect or maintain the security created hereby and the transfer, assignment and grant of the rights hereunder.

Section 204. Defeasance. When the Bonds have been paid or prepaid under Section 306 hereof in full and all the rights hereunder and under the Continuing Covenant Agreement have been provided for, (a) the Lender and the Issuer shall cease to be entitled to any benefit or security under this Agreement, except for the rights that by their nature cannot be satisfied prior to or simultaneously with termination of the lien hereof (including the requirement to pay rebate, if any due, to the United States under Code Section 148(f)) and rights that by the terms hereof survive the termination hereof; (b) the security interests created by this Agreement shall terminate; and (c) the Lender will execute and deliver such instruments as may be necessary to discharge the lien and security interests created hereunder. Any moneys or property held by the Lender in respect of this Agreement and not required for payment or prepayment of the Bonds in full shall, after satisfaction of all the rights of the Issuer and the Lender under the Related Documents, be distributed (upon the direction of the Borrower) to the Borrower.

Section 205. Corporate Existence; Maintenance of Assets. The Borrower shall maintain its existence as a corporation described in Section 501(c)(3) of the Code and qualified to do business in the State and shall not, without the written consent of the Lender, dissolve, sell or convey all or substantially all of its assets, or consolidate with or merge into another entity or entities, or permit one or more entities to consolidate with or merge into it, except as may be permitted under the Continuing Covenant Agreement.

Section 206. Indemnification by the Borrower.

(a) The Borrower shall at all times protect, indemnify and hold the Issuer and the Governing Body, and their respective members, directors, officers, employees, attorneys and agents, harmless against any and all liability, losses, damages, costs, expenses, taxes, causes of action, suits, claims, demands and judgments of any nature arising from or in connection with (i) the Project or the financing or refinancing of the Project, including, without limitation, all claims or liability resulting from, arising out of or in connection with the acceptance or administration of the Related Documents or the performance of duties thereunder or any loss or damage to property or any injury to or death of any Person that may be occasioned by any cause whatsoever pertaining to the Project or the use thereof, including without limitation any lease thereof or assignment of any interest in this Agreement, and (ii) any violation or claimed violation of any law, ordinance or regulation relating to the Bonds or the Project, including without limitation any federal, state or local securities or tax laws or regulations, in each case, such indemnification to include the reasonable costs and expenses of defending itself or investigating any claim of liability and other reasonable expenses and attorneys' fees, costs and expenses incurred by the Issuer and the Governing Body, and their respective members, directors, officers, employees, attorneys and agents, in connection therewith, provided that the benefits of this Subsection 206(a) shall not inure to any Person other than the Issuer, the Governing Body and their respective members, directors, officers, employees, attorneys and agents, and provided further that such loss, damage, death, injury, claims, demands or causes shall not have resulted from the gross negligence or willful misconduct of, the Issuer, the Governing Body or such members, directors, officers, employees, attorneys and agents.

(b) The indemnification provisions of this Section 206 shall survive the termination of this Agreement and the defeasance or payment of the Bonds.

Section 207. Representations and Warranties of the Borrower. The Borrower represents, covenants and warrants that:

(a) The Borrower (i) is a not-for-profit corporation organized and existing under the laws of the State, (ii) has organizational and other legal power and authority to enter into and to perform the agreements and covenants on its part contained in the Related Documents to which it is a party, (iii) has duly authorized the execution, delivery and performance of the Related Documents to which it is a party and has duly approved the Related Documents and (iv) is duly authorized and qualified to do business and is in good standing under the laws of the State.

(b) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby and thereby, nor the fulfillment of or compliance with the terms and conditions hereof or thereof conflicts with or results in a material breach of the terms, conditions, or provisions of any agreement or instrument to which the Borrower is now a party or by which the Borrower is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Borrower under the terms of any such instrument or agreement which would have a material adverse impact on the Borrower, of the operations or property thereof.

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known by the Borrower to be pending or, to the best of the Borrower's knowledge, threatened in writing against or affecting the Borrower, nor to the best knowledge of the Borrower is there any basis therefor, wherein an unfavorable decision, ruling, or finding would materially adversely affect the transactions contemplated by this Agreement or which would adversely affect, in any way, the validity or enforceability of the Bonds, this Agreement, or any agreement or instrument to which the Borrower is a party, used or contemplated for use in the consummation of the transactions contemplated hereby.

(d) The Project is of the type authorized and permitted by the Act and permitted to be refinanced by the Act with the proceeds of the Bonds, and the Borrower will operate the Project as a "project" within the meaning of the Act until the Bonds have been paid in full.

(e) The refinancing of the Project as provided under this Agreement and commitments therefor made by the Issuer have induced the Borrower to maintain, expand or locate its operations in the jurisdiction of the Issuer.

(f) The Project is of the type authorized and permitted by the Act and the Project is substantially the same in all material respects to that described in the notice of public hearing published in *The Palm Beach Post* on May 6, 2022.

(g) The Project will be operated by the Borrower in such manner as to conform with all applicable zoning, planning, building, environmental and other regulations of the Governmental Authorities having jurisdiction over the Project.

(h) The Borrower will cause all of the proceeds of the Bonds to be applied solely to refund the Prior Bonds and to defray the costs of issuing the Bonds, and no portion of the Project shall be used in any "unrelated trade or business" of the Borrower within the meaning of Section 513(a) of the Code.

(i) The Borrower has taken no action, and has not omitted to take any action, which action or omission would in any way affect or impair the excludability of interest on the Bonds from gross income of the owners thereof for federal income tax purposes.

(j) The Borrower presently in good faith estimates the costs of the Project to equal or exceed the original principal amount of the Bonds.

(k) The Project is and will at all times continue to be located wholly within Palm Beach County, Florida.

All of the above representations and warranties shall survive the execution of this Agreement.

Section 208. Tax Status. The Borrower represents and warrants as follows:

(a) The Borrower is organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part

of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation (except as otherwise provided in Section 501(h) of the Code), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office, all within the meaning of Section 501(c)(3) of the Code.

(b) The Borrower has not taken any action, and knows of no action that any other Person has taken, which would cause the Borrower to lose its status as an organization described in Section 501(c)(3) of the Code or which would cause interest on the Bonds to be includible in gross income for federal income tax purposes.

(c) The Borrower has not diverted a substantial part of the corpus of its assets or income for a purpose or purposes other than such purpose or purposes for which it is organized and operated as described in subsection (b) above.

(d) No director, trustee, member, officer or incorporator of the Borrower or any organization or corporation controlled by or controlling the Borrower or any other person or persons having a personal or private interest in the activities of the Borrower has acquired or received, directly or indirectly, an income or assets of the Borrower in the form of salary, rent, loans, or otherwise, since the date of incorporation of the Borrower, other than amounts included in the total amounts reported, or included in the total amounts to be reported, as the case may be, on Internal Revenue Service Form 990 for the appropriate fiscal year of the Borrower.

(e) No substantial part of the activities of the Borrower consists of providing “commercial-type insurance,” within the meaning of Section 501(m) of the Code.

(f) The Borrower is not a “private foundation” as defined in Section 509 of the Code.

(g) Except as provided in the Tax Certificate, no portion of the proceeds of the Bonds will be used by the Borrower in any “unrelated trade or business” as such term is defined in Section 513(a) of the Code.

(h) The Borrower shall not (i) perform any act or enter into any agreement that shall cause any revocation or adverse modification of its federal income tax status represented in paragraph (a) above or (ii) carry on or permit to be carried on in the facilities of the Borrower or permit such facilities to be used in or for any trade or business the conduct of which is not substantially related to the exercise or performance by the Borrower of the purposes or functions constituting the basis for its exemption under Section 501(c)(3) of the Code if such use of such facilities would result in the loss of the Borrower’s exempt status under Section 501(c)(3) of the Code.

(i) The Borrower currently operates and shall continue to operate the Project on a nonsectarian basis.

(j) The representatives and officers of the Borrower who are responsible for the Borrower’s participation in the financing described in the Related Documents are aware of the meaning of the terms (i) “commercial-type insurance” as used in Section 501(m) of the Code, (ii)

“private foundation” as used in Section 509 of the Code, and (iii) “unrelated trade or business” as used in Section 513(a) of the Code.

Partly in furtherance of the foregoing, the Borrower is entering into the Tax Certificate with respect to matters of federal tax law pertaining to the Bonds issued under this Agreement, and by this reference the provisions of the Tax Certificate are incorporated herein as if fully set forth herein.

ARTICLE III. THE BORROWING

Section 301. The Bonds.

(a) Issue, Authentication and Form of Bonds. Upon execution and delivery of this Agreement, the Issuer will issue, and upon direction of the Issuer, the Lender will authenticate and deliver, the Bonds in substantially the form attached hereto as Exhibit B. The Bonds shall be issuable as fully registered Bonds without coupons, in denominations equal to the Outstanding principal amount of the Bonds from time to time and numbered R-1 and upwards. The Bonds shall be payable and mature as provided therein and in this Agreement.

The Bonds shall be issued initially as a single fully registered Bond in the aggregate principal amount of \$[_____]. The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk and shall have impressed or imprinted thereon the seal (or a facsimile thereof), if any, of the Issuer. In case any officer whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such manual or facsimile signatures shall nevertheless be valid and sufficient for all purposes. All authorized facsimile signatures shall have the same force and effect as if manually signed.

THE BONDS SHALL BE LIMITED OBLIGATIONS OF THE ISSUER. THE BONDS AND THE INTEREST THEREON, THE PURCHASE PRICE THEREOF AND REDEMPTION PREMIUM, IF ANY, THEREON SHALL NOT BE DEEMED TO CONSTITUTE OR CREATE AN INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE ISSUER OR THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY. THE BONDS AND THE PURCHASE PRICE THEREOF AND INTEREST THEREON ARE PAYABLE SOLELY FROM THE REVENUES AND FUNDS PLEDGED UNDER THIS AGREEMENT, ALL AS DESCRIBED IN AND SUBJECT TO LIMITATIONS SET FORTH IN THIS AGREEMENT.

(b) Interest on the Bonds. Interest shall be payable on each Interest Payment Date and shall be calculated at the Interest Rate on the basis of a 360-day year for the actual number of days elapsed. Interest otherwise payable on a date that is not a Business Day shall be payable on the next succeeding Business Day. No interest shall accrue prior to the original date of delivery of the Bonds, which date is the Closing Date.

(c) Interest Rate. The Interest Rate on the Bonds shall be determined as follows:

(i) The Bonds shall bear interest at the Fixed Rate for each Fixed Rate Period.

(ii) Notwithstanding the foregoing, from and after the occurrence of an Event of Default, until such time as such Event of Default has been remedied or otherwise waived by the Lender, the Bonds shall bear interest at the Default Rate.

(d) Exchange and Replacement of Bonds. The Bonds may be transferred or exchanged as provided in the Bond form attached hereto as Exhibit B, and any exchanged Bond shall be issued in fully registered form substantially as set forth therein with appropriate modifications as reasonably determined by the Lender, including modifications necessary to state the principal amount, the amount of installments and the date of final payment. Any replacement Bond shall be issued pursuant to applicable law as a result of the destruction, loss, wrongful taking or mutilation of any Bond. The costs of a replacement Bond shall be paid or reimbursed by the registered owner of the replacement Bond, who shall indemnify the Issuer and the Borrower in such manner as they may require against all liability and expense in connection therewith.

(e) Notwithstanding the foregoing, the Bonds may be transferred in whole, but not in part, to (i) an affiliate of the Lender, (ii) a trust or custodial arrangement established by the Lender or one of its affiliates, the owners of the beneficial interests in which are limited to qualified institutional buyers, as defined in Rule 144A promulgated under the 1933 Act or (iii) to a Person that is a qualified institutional buyer that has executed and delivered to the Issuer and the Borrower a letter in the form of Exhibit D.

(f) The Bonds shall not be (i) assigned a specific rating by any securities rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of official statement, private placement memorandum or other offering document, (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service or (v) placed or offered by a broker-dealer in the capacity of an underwriter or a placement agent.

Section 302. Application of Bond Proceeds. The Issuer will make the Loan to the Borrower on the Closing Date in an amount equal to the original aggregate principal amount of the Bonds, to be used by the Borrower to refinance the Project by paying all of the outstanding principal amount of the Prior Bonds on the Closing Date, to be disbursed as set forth in Exhibit C attached hereto and made a part hereof. The Borrower agrees to make, on the Closing Date, the payments to the payees and in the amounts to be made by the Borrower as set forth in Exhibit C.

Section 303. Application of Moneys. If available moneys are not sufficient on any day to pay all principal of and interest on the Bonds then due or overdue, such moneys shall, after payment of all other amounts owing to the Issuer and the Lender under this Agreement and the Continuing Covenant Agreement, be applied first to the payment of interest, including interest on overdue principal, in the order in which the same became due and second to the payment of principal without regard to the order in which the same became due.

Section 304. Payments by the Borrower.

(a) Debt Service. The Borrower will pay to the Lender on or before each date on which any payment of principal or purchase price of, or premium (if any) or interest on the Bonds shall become due, whether at maturity, by acceleration or otherwise, an amount in funds immediately available equal to the payment then coming due. Notwithstanding the previous sentence, in the event of an acceleration, payment of the entire balance of principal or purchase price of and premium (if any) and interest on the Bonds shall be required immediately. The Borrower may make payments to the Lender earlier than required by this subsection, but such payments shall not affect the accrual of interest except to the extent that the Bonds are prepaid. If at any time there are insufficient funds to pay principal or purchase price of and premium (if any) and interest on the Bonds when due, the Borrower shall supply the deficiency.

(b) Additional Payments. In addition to the payments required under Subsection 304(a), the Borrower will pay all other Required Payments, as and when due, including without limitation payments to the Issuer and the Lender when due all amounts owing to them respectively under this Agreement and the Continuing Covenant Agreement and in the case of the Issuer, the Issuer's fees and all other amounts which the Issuer is entitled to receive hereunder as reimbursement or indemnity.

(c) Payments Assigned. The Borrower consents to the assignment of certain rights of the Issuer under this Agreement to the Lender and agrees to pay, or cause to be paid, to the Lender all amounts payable pursuant to this Agreement, except for any amounts payable directly to the Issuer pursuant to the provisions hereof.

Section 305. Unconditional Obligation. The obligations of the Borrower hereunder, including the obligation of the Borrower to make all payments under Section 304, shall be unconditional and shall be binding and enforceable in all circumstances whatsoever as provided in the Act and shall not be subject to setoff, recoupment or counterclaim and shall be a general obligation of the Borrower to which the full faith and credit of the Borrower is pledged. The Borrower shall be obligated to make the payments under Section 304 whether or not the Project has come into existence or become functional and whether or not the Project has ceased to exist or to be functional to any extent and from any cause whatsoever. The Borrower shall be obligated to make such payments regardless of whether the Borrower is in possession or is entitled to be in possession of the Project or any part thereof.

Section 306. Prepayment and Mandatory Purchase of the Bonds.

(a) Optional Prepayment. The Bonds are redeemable in whole or in part, at the option of the Borrower, on any Business Day at a redemption price equal to the principal amount thereof to be redeemed, plus accrued and unpaid interest to the date of redemption.

(b) Notice of Prepayment. Whenever the Bonds are to be prepaid in whole or in part, the Borrower shall give the Lender and the Issuer notice thereof at least two (2) days before the prepayment date specifying the date and amount of prepayment and the amount of accrued interest, if any. Any notice of prepayment may be conditioned upon the availability of sufficient funds on the date of prepayment.

(c) Partial Prepayment. If less than all of the principal of the Bonds is to be prepaid on any date, such prepayment shall be applied to reduce principal payment installments (i) in inverse order of their scheduled maturities or (ii) in such other manner agreed upon by the Borrower and the Lender upon receipt by the Issuer and the Lender of an opinion of Bond Counsel to the effect that such application will not adversely affect the excludability from gross income of interest on the Bonds for federal income tax purposes. Prior to any subsequent transfer or exchange of the Bonds upon which a prepayment is made, the Lender will make an appropriate notation on the Bonds showing the prepaid installment or installments.

(d) Accrued Interest. Whenever principal of the Bonds is to be prepaid, accrued interest on such principal shall become due on the prepayment date.

(e) Mandatory Purchase Date. The Borrower shall purchase, or cause to be purchased, the Bonds from the Bondholders on the Mandatory Purchase Date at a purchase price equal to 100% of the principal amount of the Bonds Outstanding on the Mandatory Purchase Date, plus accrued and unpaid interest thereon to the Mandatory Purchase Date, plus any amounts due and owing under the Continuing Covenant Agreement.

(f) Extension of Mandatory Purchase Date. The Borrower may, by written request to the Lender, request that the Lender extend the Mandatory Purchase Date then in effect. The Lender, following such request of the Borrower, may provide written notice (each, an “Extension Notice”) to the Borrower and the Issuer of the Lender’s determination, in its sole and absolute discretion, whether to extend the Mandatory Purchase Date theretofore in effect (each, an “Extension”), which notice shall set forth the new Mandatory Purchase Date, if the Lender should agree to extend. The Lender shall have no obligation to grant any such Extension or give any such Extension Notice. If the Lender for any reason whatsoever, or for no reason, does not grant any such Extension or does not provide any such Extension Notice, then the Mandatory Purchase Date theretofore in effect shall continue to be the Mandatory Purchase Date then in effect. Notwithstanding the foregoing, the effectiveness of any such Extension pursuant to this subsection (f) shall be conditioned upon the receipt by the Lender and the Issuer of an opinion of Bond Counsel satisfactory to each of them to the effect that such Extension will not adversely affect the excludability of the interest on the Bonds from the gross income of the holders thereof for federal income tax purposes. In the event such an opinion for any reason, or for no reason, is not delivered to the Lender and the Issuer as provided in the foregoing provisions of this subsection (f), the Mandatory Purchase Date theretofore in effect shall continue to be the Mandatory Purchase Date then in effect, and the Borrower shall be required to purchase the Bonds on the Mandatory Purchase Date then in effect at a purchase price equal to at a purchase price equal to 100% of the principal amount of the Bonds Outstanding on such Mandatory Purchase Date, plus accrued and unpaid interest thereon to such Mandatory Purchase Date, plus any amounts due and owing under the Continuing Covenant Agreement. Upon the satisfaction of all of the conditions set forth in this subsection (f) and all of the conditions, if any, set forth in the applicable Extension Notice, the new Mandatory Purchase Date set forth in such Extension Notice shall become the Mandatory Purchase Date then in effect.

(g) Waiver of Mandatory Purchase on Mandatory Purchase Date. Notwithstanding anything to the contrary in subsection (e) or subsection (f) of this Section or otherwise herein, in the event that the entity constituting the Lender shall continue to be the Lender

upon and immediately succeeding the Mandatory Purchase Date, the Bonds shall not be subject to mandatory tender for purchase on the Mandatory Purchase Date.

(h) Purchased Bonds not Discharged. Anything herein to the contrary notwithstanding, the Bonds shall not be released, redeemed, discharged or extinguished upon any purchase thereof on the Mandatory Purchase Date, but shall remain Outstanding hereunder.

Section 307. Tax-Exempt Status of Bonds. The Borrower shall not take or omit to take any action if such action or omission (a) would cause the Bonds to be “arbitrage bonds” under Section 148 of the Code, (b) would cause the Bonds to not meet any of the requirements of Section 149 of the Code, or (c) cause the Bonds to cease to be a “qualified 501(c)(3) bond” under Section 145 of the Code.

Section 308. Rebate. The Borrower shall comply with the arbitrage rebate calculation requirements as set forth in the Tax Certificate.

ARTICLE IV. THE PROJECT

Section 401. Use of the Project.

(a) Compliance with Law. In maintenance, operation and use of the Project, the Borrower covenants that it has complied, and will comply, in all material respects with all applicable building, zoning, land use, historical preservation, environmental protection, sanitary, safety and health care laws, rules and regulations, and all material and applicable grant, reimbursement and insurance requirements, and will not permit a nuisance thereon; but it shall not be a breach of this subsection if the Borrower fails to comply with such laws, rules, regulations and requirements during any period in which the Borrower is diligently and in good faith contesting the validity thereof, provided that the security created or intended to be created hereby is not, in the opinion of the Lender, unreasonably jeopardized thereby.

(b) Payment of Lawful Charges. The Borrower shall make timely payment of all taxes and assessments and other municipal or governmental charges and all claims and demands for work, labor, services, materials or other objects that, if unpaid, might by law become a lien on the Project or any part thereof; but it shall not be a breach of this subsection if the Borrower fails to pay any such item during any period in which the Borrower is diligently and in good faith contesting the validity thereof, provided that the laws applicable to contesting its validity do not require payment thereof and that the security created or intended to be created hereby is not, in the opinion of the Lender, unreasonably jeopardized thereby.

(c) Indemnity Against Claims. The Borrower will pay and discharge and will indemnify and hold harmless the Issuer and its directors, members, officers, employees and agents, from any taxes, assessments, impositions and other charges in respect of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the Issuer will give prompt written notice to the Borrower; *provided, however*, that the failure to provide such notice will not relieve the Borrower of the Borrower’s obligations and liability under this Subsection 806(c) and will not give rise to any claim against or liability of the Issuer. The Borrower shall have the sole right and duty

to assume, and shall assume, the defense thereof, with counsel acceptable to the Person on behalf of whom the Borrower undertakes a defense, with full power to litigate, compromise or settle the same in its sole discretion.

Section 402. Repair. The Borrower agrees that it will maintain and repair the Project and keep the same in good and serviceable condition and in at least as good condition and repair (reasonable wear and tear and casualty loss excepted) as it was on the Closing Date. In the event of damage to or destruction of all or any part of the Project from any casualty, the Borrower shall repair, replace, restore or reconstruct the Project to the extent necessary to restore substantially its value and in a manner suitable for its continued use for the purpose for which it was provided, unless such repair or replacement is not feasible, in which case insurance proceeds shall be used to pay down the Loan, unless the provisions of the Continuing Covenant Agreement or the Mortgage otherwise provide for the application of such proceeds.

Section 403. Insurance. The Borrower shall maintain the insurance on the Project as set forth in the Related Documents.

Section 404. Access to the Project and Inspection. The Issuer and its agents and employees, shall have the right, at all reasonable times during normal business hours of the Borrower upon the furnishing of reasonable notice to the Borrower under the circumstances, to enter upon and examine and inspect the Project and to examine and copy the books and records of the Borrower insofar as such books and records relate to the Project or the Related Documents.

Section 405. Financial Statements. The Borrower shall, upon request, deliver to the Issuer, as soon as practicable after the end of each fiscal year of the Borrower, when and if such audited financial statements become available, the audited financial statements of the Borrower for such fiscal year.

ARTICLE V. DEFAULT AND REMEDIES

Section 501. Events of Default. “Event of Default” in this Agreement means any one of the following events:

(a) Debt Service. Any principal or purchase price of or premium, if any, or interest on the Bonds or any other amounts owing by the Borrower under the Related Documents shall not be paid when due, or the Borrower shall fail to make any payment or prepayment required under Subsection 304(a), in each case when the same becomes due and payable, whether at maturity, by acceleration, pursuant to any prepayment requirement or otherwise.

(b) Certain Obligations. The Borrower shall fail to perform any of its other obligations under this Agreement and such failure is not remedied within one hundred eighty (180) days after written notice, specifying such failure and requesting that it be remedied, is given by the Lender or the Issuer to the Borrower, unless such failure is not susceptible to cure within such period with reasonable diligence, in which case such period shall be extended to such extent as shall be necessary for the Borrower to cure such failure.

(c) Continuing Covenant Agreement. An “Event of Default” or “default” under and as defined in the Continuing Covenant Agreement or any other Related Document (after the lapse of any applicable grace or cure period) shall occur and be continuing, or any material provision of the Continuing Covenant Agreement or any other Related Document shall be held to be illegal, invalid or unenforceable by a court of competent jurisdiction.

Section 502. Waiver. Any default or Event of Default and the consequences thereof, including any acceleration, may be waived by the Lender with notice to the Issuer and the Borrower, provided that no waiver shall affect the right of the Issuer to enforce any of its rights hereunder.

Section 503. Remedies for Events of Default. If an Event of Default exists, the Lender may exercise any or all of the following remedies:

(a) Acceleration. The Lender may, by written direction to the Borrower and the Issuer, declare immediately due and payable the then Outstanding principal amount of the Loan and the Bonds and the payments to be made by the Borrower therefor, and accrued interest on the foregoing to be accelerated, and such amounts shall thereupon become due and payable without any further action or notice.

(b) Court Proceedings. The Lender may enforce the provisions of this Agreement by legal proceedings for the specific performance of any obligation contained herein or for the enforcement of any other appropriate legal or equitable remedy, and may recover damages caused by any breach by the Borrower of the provisions hereof, including court costs, reasonable attorney’s fees and other costs and expenses incurred in enforcing the obligations of the Borrower hereunder.

(c) Remedies under Related Documents. The Lender may exercise any and all rights and remedies under the Related Documents.

(d) Other Rights and Remedies. The Lender may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights with respect to this Agreement and the Borrower shall pay or reimburse to the Lender and/or the Issuer all costs of such action or actions including, without limitation, reasonable attorneys’ fees.

Section 504. Application of Money Collected. Any money collected by the Lender pursuant to this Article or under any of the Security Documents, together with any other funds pledged as security hereunder, less all fees and expenses of the Lender and the Issuer in connection therewith (including the expenses of insurance, ordinary or extraordinary repairs or alterations deemed advisable by the Lender, and taxes or other charges on the Borrower’s property that the Lender may deem it advisable to pay, together with reserves for the foregoing to the extent deemed necessary by the Lender) shall be applied in the following order: (a) upon receipt of written direction from the Borrower, to payment of any rebate that would be required to be paid to the United States under Section 308 if the Bonds were no longer Outstanding, (b) then as provided in Section 303 and (c) then to the Borrower without interest except as may otherwise be required by applicable law.

Section 505. Performance of the Borrower's Obligations. If the Borrower shall fail to pay or perform any obligation under this Agreement (including the insurance, maintenance or repair of the Borrower's property and the payment of taxes or other governmental charges), the Lender or the Issuer may (but shall not be obligated to) pay or perform such obligation in its own name or in the Borrower's name and each is hereby irrevocably appointed the Borrower's attorney-in-fact for such purpose. The reasonable cost of any such action by the Lender or the Issuer shall be paid or reimbursed by the Borrower with interest at the Default Rate.

Section 506. Remedies Cumulative. The rights and remedies under this Agreement shall be cumulative and shall not exclude any other rights and remedies allowed by law or under the other Related Documents, provided there is no duplication of recovery. The failure to insist upon a strict performance of any obligation of the Borrower or to exercise any remedy for any violation thereof shall not be taken as a waiver for the future of the right to insist upon strict performance by the Borrower or of the right to exercise any remedy for the violation.

Section 507. Default Rate. Upon and during the continuance of an Event of Default, all amounts outstanding hereunder shall bear interest at the Default Rate, whether or not the Bonds have been accelerated.

ARTICLE VI. THE ISSUER

Section 601. Corporate Organization, Authorization and Power. The Issuer represents and warrants as follows:

(a) The Issuer is a political subdivision duly organized and existing under and pursuant to the Constitution and laws of the State, including the Act, and is authorized by the Act to execute and to enter into this Agreement and the other Bond Documents to which it is a party and to undertake the transactions contemplated herein and therein and to carry out its obligations hereunder and thereunder.

(b) The Issuer has all requisite power, authority and legal right to execute and deliver the Related Documents to which it is a party and all other instruments and documents to be executed and delivered by the Issuer pursuant thereto, to perform and observe the provisions thereof and to carry out the transactions contemplated by the Related Documents. All corporate action on the part of the Issuer which is required for the execution, delivery, performance and observance by the Issuer of the Related Documents has been duly authorized and effectively taken, and such execution, delivery, performance and observation by the Issuer do not contravene applicable law or any contractual restriction binding on or affecting the Issuer.

(c) The Issuer has duly approved the issuance of the Bonds and the Loan of the proceeds thereof to the Borrower for the refinancing of the Project; no other authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required as a condition to the performance by the Issuer of its obligations under any Related Documents.

(d) This Agreement is, and each other Related Document to which the Issuer is a party when delivered will be, legal, valid and binding special obligations of the Issuer enforceable

against the Issuer in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

(e) There is no default of the Issuer in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of the Related Documents or the ability of the Issuer to perform its obligations hereunder or thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) With respect to the Bonds, there are no other obligations of the Issuer that have been, are being or will be (i) sold at substantially the same time, (ii) sold pursuant to the same plan of financing and (iii) reasonably expected to be paid from substantially the same source of funds.

(g) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending, or, to the best knowledge of the Issuer, threatened against or affecting the Issuer wherein an unfavorable decision, ruling or finding would adversely affect (i) the transactions contemplated by, or the validity or enforceability of, the Bonds and the Related Documents to which it is a party or (ii) the tax-exempt status of interest on the Bonds.

(h) In connection with the authorization, issuance and sale of the Bonds, the Issuer has complied with all provisions of the Constitution and laws of the State, including the Act.

(i) The Issuer has not assigned or pledged and will not assign or pledge its interest in this Agreement for any purpose other than to secure the Bonds under this Agreement. The Bonds constitute the only bonds or other obligations of the Issuer in any manner payable from the revenues to be derived from this Agreement, and except for the Bonds, no bonds or other obligations have been or will be issued on the basis of this Agreement.

(j) The Issuer is not in default under any of the provisions of the laws of the State, where any such default would affect the issuance, validity or enforceability of the Bonds or the transactions contemplated by the Related Documents to which it is a party.

(k) No representation is made herein as to compliance with the securities or "blue sky" laws of any jurisdiction.

(l) The Issuer shall not be required to consent to service of process in any jurisdiction or be required to submit to the general jurisdiction of any state or other entity.

(m) The Issuer covenants that it will not pledge the amounts derived from this Agreement other than as contemplated hereby.

Section 602. Limited Obligations. Notwithstanding any other provision set forth in this Agreement or in the Bonds or in any other agreement or document executed in connection with or relating to the Bonds:

(a) The liability of the Issuer under this Agreement and under the Bonds and under any other agreement or document executed in connection with or relating to the Bonds shall be non-recourse to the Issuer, limited solely to the funds pledged as security for the Bonds in accordance with this Agreement, and any other funds or property given as security for the Bonds by the Borrower or others; and the lien of any judgment shall be restricted thereto; and the Issuer shall have no other liability, legal, moral or otherwise, to the Lender or any other owner of the Bonds, the Borrower or any other person, in connection with the Project, the Bonds, this Agreement or any other agreement or document executed in connection with or relating to the Bonds. In no event shall the Issuer be required to pay any claim under this Agreement or under the Bonds or under any other agreement or document executed in connection with or related to the Bonds from any of its own funds.

(b) The Issuer shall not be required to do any act whatsoever or exercise any diligence whatsoever to mitigate any damages of the Borrower, the Lender, the other owners of the Bonds or any other person, if any default or event of default shall occur under this Agreement or any other agreement or document executed in connection with or relating to the Bonds.

Section 603. Rights and Duties of the Issuer.

(a) Remedies of the Issuer. Notwithstanding any contrary provision in this Agreement, the Issuer shall have the right to take any action not prohibited by law or make any decision not prohibited by law with respect to proceedings for indemnity against the liability of the Issuer, the Governing Body and their respective members, commissioners, directors, officers, agents, attorneys and employees and for collection or reimbursement of moneys due to it under this Agreement for its own account. The Issuer may enforce its rights under this Agreement by legal proceedings for the specific performance of any obligation contained herein or for the enforcement of any other legal or equitable remedy, and may recover damages caused by any breach by the Borrower of its obligations to the Issuer under this Agreement, including court costs, reasonable attorney's fees and other costs and expenses incurred in enforcing such obligations.

(b) Limitations on Actions; No Mitigation. Without limiting the generality of Subsection 603(c), the Issuer shall not be required to monitor the financial condition of the Borrower and shall not have any responsibility or other obligation with respect to reports, notices, certificates or other documents filed with it hereunder. The Issuer shall not be required to do any act whatsoever or exercise any diligence whatsoever (other than to perform its limited obligations hereunder and under the other Related Documents) to mitigate any damages of the Borrower or any other person if any Event of Default shall occur hereunder or under any of the other Related Documents.

(c) Responsibility. The Issuer and its members, commissioners, directors, officers, agents, attorneys and employees shall be entitled to the advice of counsel (who may be counsel for any party) and shall not be liable for any action taken or omitted to be taken in good faith in reliance on such advice. They may rely conclusively on any communication or other document furnished to it under this Agreement and reasonably believed by it to be genuine. No such person shall be liable for any action (i) taken by it in good faith and reasonably believed by it to be within the discretion or powers conferred upon it, (ii) in good faith omitted to be taken by it because reasonably believed to be beyond the discretion or powers conferred upon it, (iii) taken

by it pursuant to any direction or instruction by which it is governed under this Agreement or (iv) omitted to be taken by it by reason of the lack of direction or instruction required for such action, nor shall it be responsible for the consequences of any error of judgment reasonably made by it. The Issuer shall in no event be liable for the application or misapplication of funds, or for other acts or defaults by any person except its own members, commissioners, directors, officers and employees. It shall not be required to take any remedial action (other than the giving of notice) unless reasonable indemnity is provided for any expense or liability to be incurred thereby. It shall be entitled to reimbursement from the Borrower for expenses reasonably incurred or advances reasonably made, with interest at the Prime Rate (or, if none, the nearest equivalent), in the exercise of its rights or the performance of its obligations hereunder, to the extent that it acts without previously obtaining indemnity. No permissive right or power to act shall be construed as a requirement to act; and no delay in the exercise of any such right or power shall affect the subsequent exercise of that right or power. The Issuer shall not be required to take notice of any breach or default by the Borrower under this Agreement.

Without limiting the generality of the foregoing, the Borrower acknowledges that in the event of an examination, inquiry or related action by the Internal Revenue Service with respect to the Bonds or the excludability of interest thereon from the gross income of the holders thereof for federal income tax purposes, the Issuer may be treated as the responsible party, and the Borrower agrees to respond within the deadlines prescribed by the Internal Revenue Service (including extensions) to such examination, inquiry or related action in cooperation with the Issuer. The Issuer agrees to give the Borrower notice of the commencement of such examination, inquiry or related action. The Borrower agrees to promptly give the Issuer and applicable Bond Counsel copies of all relevant documents received from the Internal Revenue Service and otherwise cooperate with the Issuer and applicable Bond Counsel and keep the Issuer and applicable Bond Counsel apprised of the status with respect to such examination, inquiry or related action. The Issuer agrees to request that Bond Counsel promptly give the Borrower copies of all relevant documents received from the Internal Revenue Service and otherwise cooperate with the Borrower and keep the Borrower apprised of the status with respect to such examination, inquiry or related action. The Borrower further agrees to pay all costs of counsel selected by the Issuer to represent the Issuer in connection with such examination, inquiry or related action. The Borrower shall indemnify and hold harmless the Issuer against any and all costs, losses, claims, penalties, damages or liability of or resulting from such examination, inquiry or related action by the Internal Revenue Service, including any settlement thereof by the Issuer.

(d) Financial Obligations. Nothing contained in this Agreement is intended to impose any pecuniary liability on the Issuer nor shall it in any way obligate the Issuer to pay any debt or meet any financial obligations to any person at any time in relation to the Project except from moneys received under the provisions of this Agreement or from the exercise of the Issuer's rights hereunder (other than moneys received for its own purposes).

(e) No Representation or Warranty by Issuer as to Project. THE ISSUER DOES NOT MAKE ANY WARRANTY OR REPRESENTATION (EITHER EXPRESS OR IMPLIED) THAT THE PROCEEDS OF THE BONDS OR ANY OTHER MONEYS AVAILABLE FOR THE REFINANCING OF THE PROJECT UNDER THE PROVISIONS OF THIS AGREEMENT WILL BE SUFFICIENT TO PAY ALL OF THE COSTS OF THE REFINANCING OF THE PROJECT OR THAT THE PROJECT IS OR WILL BE SUITABLE

FOR THE PURPOSES OF THE BORROWER. If, after exhausting the proceeds of the Bonds for any reason, the Borrower pays any portion of the costs of the Project, the Borrower shall not be entitled to any reimbursement therefor from the Issuer, nor shall it be entitled to any diminution of the amounts payable hereunder. The Issuer has not made any independent investigation as to the feasibility of the Project, or the creditworthiness of the Borrower. Any bond purchaser or any other party with any interest in this transaction, shall make its own independent investigation as to the creditworthiness of the Borrower and the feasibility of the Project, independent of any representation or warranty of the Issuer.

(f) No Personal Liability. No recourse shall be had for the enforcement of any obligation, promise or agreement of the Issuer contained herein or in the Bonds or the other Related Documents to which the Issuer is a party or for any claim based hereon or thereon or otherwise in respect hereof or thereof against any director, member, officer, agent, attorney or employee, as such, in his or her individual capacity, past, present or future, of the Issuer or of any successor entity, either directly or through the Issuer or any successor entity whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. No personal liability whatsoever shall attach to, or be incurred by, any director, member, officer, agent, attorney or employee as such, past, present or future, of the Issuer or of any successor entity, either directly or through the Issuer or any successor entity, under or by reason of any of the obligations, promises or agreements entered into in the Bonds or between the Issuer and any other Person, whether herein contained or to be implied herefrom as being supplemental hereto; and all personal liability of that character against every such director, member, officer, agent, attorney and employee is, by the execution of this Indenture and as a condition of, and as part of the consideration for, the execution of this Agreement, expressly waived and released.

(g) Issuer, Governing Body, Members, Commissioners, Directors, Officers, Agents and Employees of Issuer and Governing Body Not Liable. To the extent permitted by law, no recourse shall be had for the enforcement of any obligation, promise or agreement of the Issuer contained herein or in the other Related Documents to which the Issuer is a party or for any claim based hereon or thereon or otherwise in respect hereof or thereof against the Issuer, the Governing Body, any member, commissioner, director, officer, agent, attorney or employee, as such, in his/her individual capacity, past, present or future, of the Issuer, the Governing Body, or of any successor entity, either directly or through the Issuer, the Governing Body or any successor entity, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. No personal liability whatsoever shall attach to, or be incurred by, any member, commissioner, director, officer, agent, attorney or employee, as such, in his/her individual capacity, past, present or future, of the Issuer, of the Governing Body, or of any successor entity, either directly or through the Issuer, the Governing Body or any successor entity, under or by reason of any of the obligations, promises or agreements entered into between the Issuer and the Borrower, whether herein contained or to be implied herefrom as being supplemental hereto; and all personal liability of that character against every such member, commissioner, director, officer, agent, attorney or employee is, by the execution of this Agreement and as a condition of, and as part of the consideration for, the execution of this Agreement, expressly waived and released.

Notwithstanding any other provision of this Agreement, the Issuer may defer such action pending such investigation or inquiry or receipt of such evidence, if any, as it may require in support thereof and shall not be liable to the Borrower or any other Person for any failure of the Issuer to take action under this Agreement unless the Issuer (i) is requested in writing by an appropriate person to take such action, (ii) is assured of payment of, or reimbursement for, any reasonable expenses in such action, and (iii) is afforded, under the existing circumstances, a reasonable period to take such action. In acting under this Agreement, or in refraining from acting under this Agreement, the Issuer may conclusively rely on the advice of its counsel.

(h) No Liability of Issuer; No Charge Against Issuer's Credit. Any obligation of the Issuer created by, arising out of, or entered into in contemplation of this Agreement, including the Bonds, shall not impose a debt or pecuniary liability upon the Issuer, the State or any political subdivision thereof or constitute a charge upon the general credit or taxing powers of any of the foregoing. Any such obligation shall be payable solely out of the revenues and funds pledged under this Agreement, including revenues and any other moneys derived hereunder. The principal and the purchase price of, premium, if any, and interest on the Bonds shall be payable solely from the revenues and funds pledged under this Agreement.

Section 604. Expenses and Fees of the Issuer.

(a) The Borrower shall prepay or reimburse the Issuer within thirty (30) days after notice for all administrative fees and expenses (including reasonable attorney's fees) charged or incurred by the Issuer in connection with the issuance of the Bonds and all expenses reasonably incurred or advances reasonably made in the exercise of the Issuer's rights or the performance of its obligations hereunder and under the other Related Documents. Any fees, expenses, reimbursements or other charges which the Issuer may be entitled to receive from the Borrower hereunder, if not paid when due, shall bear interest at the Default Rate.

(b) The Borrower shall pay to the Issuer (i) the Issuer's fees and expenses, including the fees of its counsel, related to the Project or the Bonds and (ii) the cost of any audit of all or any portion of the funds of the Issuer related to the Project or the Bonds, as determined by the Issuer.

(c) Without limiting the generality of the foregoing provisions of this Section, upon the occurrence of an Event of Default, if the Issuer employs attorneys or incurs other costs or expenses for the collection of amounts payable hereunder or for the enforcement of the performance or observance of any covenants or agreements on the part of the Borrower herein contained, whether or not suit is commenced, the Borrower agrees that it will on demand therefor pay to the Issuer the reasonable fees, costs and expenses of such attorneys and such other reasonable costs and expenses so incurred by the Issuer.

**ARTICLE VII.
THE LENDER**

Section 701. Action by Lender. If at any time there is more than one Lender, any request, authorization, direction, notice, consent, waiver or other action provided by this Agreement to be given or taken by the Lender shall, except as otherwise expressly provided, require the concurrence

of the registered owners of the Bonds representing more than fifty percent of the Outstanding principal amount of the Bonds and may be contained in and evidenced by one or more writings of substantially the same tenor signed by such Lender or its authorized representatives.

Section 702. Proceedings by Lender. The Lender may by any available legal proceedings enforce and protect its rights hereunder and under the laws of the State.

**ARTICLE VIII.
MISCELLANEOUS**

Section 801. Amendment. This Agreement may be amended by the parties only with the written consent of the Lender or by the registered owners of the Bonds representing more than fifty percent of the Outstanding principal amount of the Bonds in the event that the Bonds are not exclusively owned by a single Lender.

Section 802. Successors and Assigns. The rights and obligations of the parties to this Agreement shall inure to and be binding upon their respective successors and assigns.

Section 803. Notices. Except as otherwise provided herein, all notices, approvals, consents, requests, and other communications hereunder shall be in writing and shall be deemed to have been given when the writing is delivered if given or delivered by hand, overnight delivery service or facsimile transmitter (with confirmed receipt) to the address or facsimile number set forth below and shall be deemed to have been given on the date deposited in the mail, if mailed, by first-class, registered or certified mail, postage prepaid, addressed as set forth below. Where required herein, notice shall be given by telephone, and promptly confirmed in writing, and shall be deemed given when given by telephone to the telephone numbers set forth below. The Issuer, the Borrower and the Lender may, by written notice given hereunder, designate any different addresses, phone numbers and facsimile numbers to which subsequent notices, certificates, approvals, consents, requests or other communications shall be sent.

To the Issuer: Palm Beach County, Florida
301 North Olive Avenue, Suite 601
West Palm Beach, Florida 33401
Attention: County Attorney
Telephone: (561) 355-2225
Facsimile: (561) 355-4398

With a copy to: McGuireWoods LLP
500 E. Pratt Street, Suite 1000
Baltimore, Maryland 21202
Attention: Clinton W. Randolph
Telephone: (410) 659-4423
Facsimile: (410) 659-4559

To the Borrower: Oxbridge Academy Foundation, Inc.
3151 North Military Trail
West Palm Beach, Florida 33409
Attention: Rebecca De Jesús, Chief Business Officer
Telephone: (561) 972-9808
Facsimile: (561) 972-9656

With a copy to: McGuireWoods LLP
500 E. Pratt Street, Suite 1000
Baltimore, Maryland 21202
Attention: Clinton W. Randolph
Telephone: (410) 659-4423
Facsimile: (410) 659-4559

To the Lender: ConnectOne Bank
545 Morris Avenue
Summit, New Jersey 07901
Attention: Mark Cardone, First Senior Vice President
Telephone: (908) 206-2860
Facsimile: []

With a copy to: Lindabury, McCormick, Estabrook & Cooper, P.C.
53 Cardinal Drive
P.O. Box 2369
Westfield, New Jersey 07091-2369
Attention: Robert S. Burney
Telephone: (908) 233-6800, Ext. 2356
Facsimile: []

Section 804. Approvals. Whenever the approval, concurrence or consent of any party is required hereby, such approval, concurrence or consent may be given after the fact and shall not be unreasonably withheld.

Section 805. Agreement Not for the Benefit of Other Parties. This Agreement is not intended for the benefit of and shall not be construed to create rights in parties other than the Issuer, the Borrower and the Lender.

Section 806. Severability. In case any provision of this Agreement or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 807. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original; but such counterparts together shall constitute one and the same instrument.

Section 808. Captions. The captions and table of contents of this Agreement are for convenience only and shall not affect the construction hereof.

Section 809. Governing Law. This instrument shall be governed by the laws of the State.

Section 810. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (a) to be “written” or “in writing,” (b) to have been signed and (c) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 811. If Performance Date Not a Business Day. In any case where the date of maturity of interest on or redemption premium, if any, or principal of the Bonds or the date fixed for redemption or purchase of any Bonds shall not be a Business Day, then payment of such purchase price, interest, redemption premium or principal, unless otherwise provided herein, need not be made on such date but shall be made on the immediately succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and, in the case of such payment, no interest shall accrue for the period from and after such date.

[Signatures Appear on the Following Pages]

IN WITNESS WHEREOF, the Issuer, the Lender and the Borrower have caused this Agreement to be executed in their respective legal names and their respective corporate seals to be hereunto affixed, and the signatures of duly authorized persons to be attested, all as of the date first above written.

PALM BEACH COUNTY, FLORIDA

By: _____
Robert S. Weinroth
Mayor

(SEAL)

ATTEST:

Joseph Abruzzo, Clerk & Comptroller

By: _____

**APPROVED AS TO FORM
AND LEGAL SUFFICIENCY**

Assistant County Attorney

[Signatures Continued on Following Page]

[Signatures Continued from Prior Page]

OXBRIDGE ACADEMY FOUNDATION, INC.

By: _____ [SEAL]

Name: _____

Title: _____

ATTEST:

By: _____

Name: _____

Title: _____

[Signatures Continued on Following Page]

[Signatures Continued from Prior Page]

CONNECTONE BANK, as Lender

By: _____(SEAL)

Name: _____

Title: _____

EXHIBIT A

THE PROJECT

The Project consists of the financing of a portion of the costs of constructing and installing certain capital improvements, including the replacement of roofs and other campus improvements on the campus of the Borrower, at 3151 North Military Trail, West Palm Beach, Florida 33409.

EXHIBIT B

FORM OF BOND

THE ISSUER SHALL NOT BE OBLIGATED TO PAY THIS BOND, OR THE PURCHASE PRICE HEREOF OR ANY PREMIUM, IF ANY, OR INTEREST HEREON EXCEPT FROM THE REVENUES AND PROCEEDS PLEDGED THEREFOR UNDER THE AGREEMENT, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE ISSUER OR OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR PURCHASE PRICE OF, OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

No. R-__

United States of America

State of Florida

\$_[_____]

**PALM BEACH COUNTY, FLORIDA
REVENUE REFUNDING BONDS
(OXBRIDGE ACADEMY FOUNDATION, INC. PROJECT)
SERIES 2022**

Date of Issue: June [___], 2022

Maturity Date: June 1, 2052

THIS BOND MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH SECTION 301 OF THE AGREEMENT AND AS PROVIDED HEREIN.

Palm Beach County, Florida, a political subdivision duly organized and existing under the Constitution and laws of the State of Florida (the “Issuer”), for value received, promises to pay to [_____], a [_____], or registered assigns (the “Holder”), in lawful money of the United States of America, the principal sum of [_____] (\$[_____]) under the terms hereof, in [monthly] installments as set forth on Exhibit A attached to this Bond, commencing [August] 1, 2022 and payable on the first day of each month thereafter ending June 1, 2052, when the unpaid principal amount outstanding is due in full, but which principal is subject to prepayment as described below, and to pay interest in arrears on the unpaid balance of principal until paid in full on each Interest Payment Date (as defined in the Agreement (hereinafter defined)).

This Bond is one of a duly authorized issue of revenue bonds of the Issuer in an aggregate principal amount of \$[_____] known as Palm Beach County, Florida Revenue Refunding Bonds (Oxbridge Academy Foundation, Inc. Project), Series 2022 (the “Bonds”), dated as of the Date of Issue referenced above, representing a borrowing of \$[_____] under the Issuer’s Charter and the Constitution and laws of the State of Florida, particularly Chapter 125, Florida Statutes, Part II, Chapter 159, Florida Statutes (together with all future acts supplemental thereto

or amendatory thereof, the “Act”), and under and pursuant to a resolution duly adopted by the Issuer on May 17, 2022, and pursuant to a Loan and Financing Agreement dated as of June 1, 2022 (the “Agreement”) by and between the Issuer, ConnectOne Bank, as the Lender, and Oxbridge Academy Foundation, Inc., a Florida not-for-profit corporation, d/b/a Oxbridge Academy (the “Borrower”). Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Agreement.

Pursuant to the Agreement, the Borrower has agreed to repay such borrowing in the amounts and at the times necessary to enable the Issuer to pay the principal and purchase price of and premium (if any) and interest on this Bond, and the Issuer has pledged such funds to the Holder. Reference is hereby made to the Agreement for a description of the provisions thereof with respect to the rights, limitations of rights, duties, obligations and immunities of the Borrower, the Issuer and the registered owner hereof, including the order of payments in the event of insufficient funds, the disposition of unclaimed moneys held by the Holder and the restrictions on the rights of the registered owner to bring suit. The Agreement may be amended to the extent and in the manner provided therein. Any capitalized terms used herein but not defined herein shall have the meanings given to such capitalized terms in the Agreement.

This Bond shall be a limited obligation of the Issuer, the principal and purchase price of, and redemption premium, if any, and interest on which are payable solely from the revenues and funds pledged under the Agreement, all as described in and subject to limitations set forth in the Agreement. This Bond and the purchase price hereof and the interest and redemption premium, if any, hereon shall not be deemed to constitute or create an indebtedness, liability or obligation of the Issuer, the State of Florida or any political subdivision or agency thereof within the meaning of any state constitutional provision or statutory limitation or a pledge of the faith and credit or the taxing power of the Issuer, the State of Florida or any such political subdivision.

Interest shall be calculated on the basis of a 360-day year for the actual number of days elapsed. Interest shall accrue from and including the original date of delivery of this Bond and shall be payable on each Interest Payment Date until the Bonds are paid in full or provided for in the Agreement. No interest shall accrue prior to the Date of Issue.

Upon the occurrence and during the continuation of an Event of Default, (a) the then Outstanding principal amount of this Bond together with accrued interest thereon may be declared due and payable in the manner and with the effect provided in the Agreement, and (b) the Outstanding principal amount of this Bond shall bear interest at the Default Rate.

This Bond is subject to mandatory tender for purchase on the Mandatory Purchase Date, except as otherwise provided in the Agreement.

This Bond is redeemable in whole or in part, at the option of the Borrower at any time, without penalty or premium. Any partial redemption will be applied to reduce the principal installments of this Bond in inverse order of scheduled maturity or as otherwise permitted under the Agreement. Notice of any call for redemption shall be given by the Borrower to the Issuer and the Holder in writing at least two (2) days prior to the redemption date.

The Interest Rate on this Bond shall be determined as provided in the Agreement.

Payments prior to the final payment of this Bond, including partial prepayments of principal, shall be made for the account of the Issuer by check or draft delivered or mailed or initiated by the Borrower (or the Borrower's successors) to the Holder at its address as appearing in the bond register kept by the Holder or in such other manner as the Holder may determine from time to time. Final payment of this Bond shall be made upon presentation and surrender hereof for cancellation at the office of the Holder.

This Bond may be transferred in the bond register kept by the Holder only upon presentation hereof, with the Assignment hereon completed and duly executed by the registered owner or its authorized representative, and no transfer hereof shall be effective as to the Issuer unless shown in such register and noted hereon with a record of payments, including any prepayments. The Issuer may treat the person in whose name this Bond is registered as the absolute owner hereof for all purposes and shall not be affected by any notice to the contrary.

Neither the members of the Issuer nor any person executing this Bond are liable personally hereon or subject to any personal liability or accountability by reason of the issuance hereof.

It cannot be determined from the face of this Bond whether part of the principal of this Bond has been paid.

It is hereby certified that all acts, conditions and things required to happen, exist and be performed under the laws of the State of Florida and under the Agreement precedent to and in the issuance of this Bond have happened, exist and have been performed as so required and that the issuance, authentication and delivery of this Bond have been duly authorized by the Issuer.

This Bond shall not be valid until the Authentication Certificate of Holder hereon shall have been signed by the Holder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Palm Beach County, Florida has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of the Mayor of the Board of County Commissioners of the Issuer and its official seal to be impressed or imprinted hereon and attested by manual or facsimile signature of the Clerk & Comptroller of the Issuer, all as of the Date referenced above.

PALM BEACH COUNTY, FLORIDA

(SEAL)

By: _____
Name:
Title: Mayor

ATTEST:

_____, Clerk & Comptroller

Authentication Certificate of Holder

This Bond is one of the Bonds described in the Agreement. Interest on this Bond accrues only from the date of issue as written on the first page of this Bond.

ConnectOne Bank, as Holder

By: _____
Authorized Officer

Certificate of Registration

<u>Name of Subsequent Registered Owner</u>	<u>Date of Registration</u>	<u>Date to Which Interest Paid</u>	<u>Aggregate Principal Paid (Including Previously Prepaid Principal)</u>	<u>Balance of Principal Due</u>	<u>Signature of Holder</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Notation of Prepayment of Principal

<u>Date of Prepayment</u>	<u>Amount Prepaid</u>	<u>Balance of Principal Due</u>	<u>Date of Final Payment of Principal and Amount Thereof</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Assignment

For value received the undersigned sells, assigns and transfers this Bond to

(Name and Address of Assignee)

Social Security or Other Identifying Number of Assignee

and irrevocably appoints _____ as attorney-in-fact to transfer it on the books kept for registration of the Bond, with full power of substitution.

NOTE: The signature to this Assignment must correspond with the name as written on the face of the Bond without alteration or enlargement or other change and must be guaranteed by a Participant in a Recognized Signature Guaranty Medallion Program.

Dated:

Signature Guaranteed:

Participant in a Recognized
Signature Guaranty Medallion Program

By: _____

Authorized Signature

EXHIBIT A

PRINCIPAL REPAYMENT SCHEDULE

<u>PAYMENT NO.</u>	<u>PAYMENT DATE</u>	<u>PRINCIPAL</u>	<u>BALANCE</u>
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Total		\$	\$0.00
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EXHIBIT C

CLOSING MEMORANDUM

[TO BE INSERTED]

EXHIBIT D

FORM OF PURCHASER LETTER

[PURCHASE DATE]

Palm Beach County, Florida
301 North Olive Avenue, Suite 601
West Palm Beach, Florida 33401
Attention: County Attorney

Oxbridge Academy Foundation, Inc.
3151 North Military Trail
West Palm Beach, Florida 33409
Attention: [_____]

PALM BEACH COUNTY, FLORIDA
REVENUE REFUNDING BONDS
(OXBRIDGE ACADEMY FOUNDATION, INC. PROJECT)
SERIES 2022

Ladies and Gentlemen:

[PURCHASER] (the “Purchaser”) has agreed to purchase the above-referenced bonds (the “Bonds”) in the amount of [AMOUNT] which were issued in the original aggregate principal amount of \$[_____] by Palm Beach County, Florida (the “Issuer”) pursuant to the Financing Agreement dated as of June 1, 2022 (as amended and supplemented from time to time, the “Financing Agreement”), between the Issuer, Oxbridge Academy Foundation, Inc., a Florida not-for-profit corporation, d/b/a Oxbridge Academy (the “Borrower”), and ConnectOne Bank. All capitalized terms used herein, but not defined herein, shall have the respective meanings set forth in the Financing Agreement. The undersigned, an authorized representative of the Purchaser, hereby represents to you that:

1. The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds.

2. The Purchaser has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds.

3. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

4. The Purchaser is (a) an affiliate of the entity heretofore constituting the Lender, (b) a trust or other custodial arrangement established by the Lender or one of its affiliates, the

owners of the beneficial interests in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the “1933 Act”) or (c) a qualified institutional buyer.

5. The Purchaser understands that no official statement, prospectus, offering circular, or other comprehensive offering statement is being provided with respect to the Bonds. The Purchaser has made its own inquiry and analysis with respect to the Issuer, the Borrower, the Project, the Bonds and the security therefor, and other material factors affecting the security for and payment of the Bonds.

6. The Purchaser acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Borrower, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Issuer, the Borrower, the Project, the Bonds and the security therefor, so that as a reasonable investor, it has been able to make its decision to purchase the Bonds.

7. The Purchaser understands that the Bonds (a) are not registered under the 1933 Act and are not registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) are not listed on any stock or other securities exchange and (c) carry no rating from any credit rating agency.

8. The Bonds are being acquired by the Purchaser for investment for its own account and not with a present view toward resale or distribution; *provided, however*, that the Purchaser reserves the right to sell, transfer or redistribute the Bonds, but agrees that any such sale, transfer or distribution by the Purchaser shall be in whole and not in part and to a Person:

(a) that is an affiliate of the Purchaser;

(b) that is a trust or other custodial arrangement established by the Purchaser or one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers; or

(c) that is a qualified institutional buyer who executes an investor letter substantially in the form of this letter.

Notwithstanding the foregoing, the Bonds may not be transferred if the Outstanding principal amount thereof is less than \$250,000 without the prior written consent of the Issuer and the Borrower.

[PURCHASER]

By: _____

Name: _____

Title: _____