

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

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

# ADDITIONAL FTE POSITIONS (Cumulative)					
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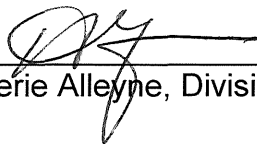
Is Item Included In Current Budget? Yes No
 Does this Item include the use of Federal Funds? Yes No

Budget Account No.: N/A

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


No fiscal impact


C. Departmental Fiscal Review:


 Valerie Alleyne, Division Director

III. REVIEW COMMENTS

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

 1/13/2023
 OFMB 4A 1/13
 MB 1/13
 ESW 1/13

 1/23/23
 Contract Development and Control
 MA 1/20/23

B. Legal Sufficiency:

 1/23/23
 Assistant County Attorney

C. Other Department Review:

 Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

RESOLUTION NO. R-2023-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AUTHORIZING CERTAIN AMENDMENTS TO THE REVENUE BOND (CARON OF FLORIDA, INC. PROJECT), SERIES B OF 2021, PREVIOUSLY ISSUED TO FINANCE THE COSTS OF A PROJECT ON BEHALF OF CARON OF FLORIDA, INC.; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND AMENDMENT TO THE LOAN AND SECURITY AGREEMENT WITH CARON OF FLORIDA, INC. PURSUANT TO WHICH SUCH BOND WAS ISSUED; 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, Palm Beach County, Florida (the “Issuer”) is a political subdivision of the State of Florida and is empowered by the provisions of the Florida Constitution and Chapter 159, Part II, Florida Statutes (the “Act”), to issue obligations for the purpose of financing and refinancing healthcare facilities; and

WHEREAS, the Board of County Commissioners (the “Governing Body”) of the Issuer previously authorized the issuance of its Revenue Bonds (Caron of Florida, Inc. Project) Series A, B and C of 2021 under the Act, in the original principal amount of \$47,885,000 (the “Bonds”) and agreed to loan the proceeds from the Bonds to Caron of Florida, Inc. (the “Borrower”) for the purpose of financing the cost of (i) the construction, installation and equipping of a new medical and detox facility to be located at 4675 W. Linton Boulevard, Delray Beach, Florida; (ii) the acquisition and renovation of Fairways on the Green, a residential housing facility used for extended care treatment services to individuals suffering from chemical dependency, sexual trauma and gambling addiction located at 2045 Lowson Boulevard, Delray Beach, Florida; and (iii) the payment of the costs of issuance of the Bonds; and

WHEREAS, the Issuer loaned the proceeds of the Bonds to the Borrower pursuant to the terms of a Loan and Security Agreement dated January 12, 2021 (the “Original Loan Agreement”), as amended and supplemented by a First Amendment to Loan and Security Agreement dated May 18, 2022 (the “First Amendment”; the Original Loan Agreement, as amended and supplemented by the First Amendment is referred to herein as the “Loan Agreement”), each among the Issuer, the Borrower and Customers Bank, as purchaser of the Bonds (the “Purchaser”); and

WHEREAS, the Bonds do not 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 are payable solely from the revenues and proceeds derived by the Issuer from certain of the payments received under the Loan Agreement; and

WHEREAS, the Borrower and the Purchaser have agreed to (a) modify the terms of the Series B of 2021 Bond to, among other things, replace the LIBOR Index with a new variable rate index based upon the Secured Overnight Financing Rate; and (b) make corresponding amendments to the Loan Agreement and make certain other necessary amendments to the terms and conditions of the Loan Agreement (collectively, the “Proposed Amendments”); and

WHEREAS, to effect the Proposed Amendments, the Borrower has requested the Issuer to authorize the execution and delivery of a First Amendment to the Series B of 2021 Bond and a Second Amendment to the Loan Agreement; and

WHEREAS, the Proposed Amendments will, in the judgment of the Issuer, serve the intended public purpose and in all respects conform to the provisions and requirements of the Act;

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

SECTION 1. Authority for this Resolution. This resolution, herein called the “Resolution,” is adopted pursuant to the Act.

SECTION 2. Authorization of Proposed Amendments. The Issuer hereby approves the Proposed Amendments to the Series B of 2021 Bond and the Loan Agreement.

SECTION 3. Authorization of First Amendment to Bond. The First Amendment to Series B of 2021 Bond, in substantially the form attached as Exhibit A to the Second Amendment to Loan Agreement described below with such changes, modifications and additions as may be approved by the Mayor (upon consultation with the County Attorney and bond counsel for the Issuer), such approval to be presumed by the execution thereof by the Mayor, is hereby approved by the Issuer, and the Issuer authorizes and directs the Mayor to execute the First Amendment to Series B of 2021 Bond and the Clerk to attest thereto under the official seal of the Issuer, and to deliver the First Amendment to Series B of 2021 Bond to the Purchaser, all of the provisions of which, when executed and delivered by the Issuer as authorized herein shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

SECTION 4. Authorization of Execution and Delivery of the Second Amendment to Loan Agreement. The Second Amendment to Loan Agreement, in substantially the form attached hereto as Exhibit A with such changes, modifications and additions as may be approved by the Mayor (upon consultation with the County Attorney and bond counsel for the Issuer), such approval to be presumed by the execution thereof by the Mayor, is hereby approved by the Issuer, and the Issuer authorizes and directs the Mayor to execute the Second Amendment to Loan Agreement and the Clerk to attest thereto under the official seal of the Issuer, and to deliver the Second Amendment to Loan Agreement to the Borrower, all of the provisions of which, when executed and delivered by the Issuer as authorized herein shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

SECTION 5. No Personal Liability. No covenant, stipulation, obligation or agreement herein contained or contained in the Loan Agreement, the Bonds, or any instrument contemplated thereby shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, member, agent or employee of the Issuer in his or her individual capacity, and no member of the Governing Body of the Issuer executing the Bonds or other documents herein mentioned shall be liable personally thereon or be subject to any personal accountability by reason of the issuance or execution thereof.

SECTION 6. No Third Party Beneficiaries. Except as herein or in the documents herein mentioned otherwise expressly provided, nothing in this Resolution or in such documents, express or implied, is intended or shall be construed to confer upon any Person other than the Issuer, the Borrower and the Purchaser any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof or of such documents; this Resolution and such documents being intended to be and being for the sole and exclusive benefit of such parties.

SECTION 7. Prerequisites Performed. All acts, conditions and things relating to the passage of this Resolution and required by the Constitution or laws of the State of Florida to happen, exist and be performed precedent to and in the passage hereof have happened, exist and have been performed as so required.

SECTION 8. General Authority. The Clerk and the members of the Governing Body of the Issuer are hereby authorized to do all acts and things required of them by this Resolution or the Loan Agreement, or desirable or consistent with the requirements hereof or thereof, for the full punctual and complete performance of all terms, covenants and agreements contained in the Bonds, the Loan Agreement and this Resolution.

SECTION 9. General Authorizations. The Mayor, and any other member of the Governing Body of the Issuer, the Clerk, the County Attorney, and any other appropriate employee of the Issuer, are hereby each authorized to execute, publish, file and record such other documents, instruments, notices, and records and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution, and to comply with and perform the obligations of the Issuer under the Loan Agreement.

SECTION 10. Limited Obligation. The Bonds shall not be deemed to constitute a debt, liability, or obligation of the Issuer or the State of Florida, or of any political subdivision thereof, or a pledge of the faith and credit of the Issuer or of the State of Florida or of any political subdivision thereof, but shall be payable solely from the loan payments received from or on behalf of the Borrower. Any and all payments of any nature relating to the Bonds shall not be payable from any funds of the Issuer.

SECTION 11. Severability. If any one or more of the covenants, agreements, or provisions contained herein or in the Bonds shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions hereof and thereof and shall in no way affect the validity of any of the other provisions of this Resolution or of the Bonds.

SECTION 12. Repealer. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of any such conflict, hereby superseded and repealed.

SECTION 13. Effective Date. This Resolution shall take effect immediately upon its 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 Gregg K. Weiss, Mayor _____
- Commissioner Maria Sachs, Vice Mayor _____
- Commissioner Maria G. Marino _____
- Commissioner Michael A. Barnett _____
- Commissioner Marci Woodward _____
- Commissioner Sara Baxter _____
- Commissioner Mack Bernard _____

The Mayor thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2023.

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

Joseph Abruzzo, Clerk and Comptroller

By: _____
Deputy Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

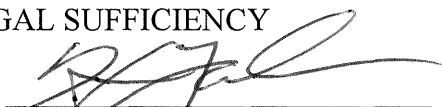
By: 
Assistant County Attorney

Exhibit A
Form of Second Amendment to Loan Agreement

**SECOND AMENDMENT TO
LOAN AND SECURITY AGREEMENT**

BY AND AMONG

PALM BEACH COUNTY, FLORIDA,

CUSTOMERS BANK

AND

CARON OF FLORIDA, INC.

AND JOINED BY

RICHARD J. CARON FOUNDATION

CARON OF GEORGIA, LLC

AS CO-BORROWERS

DATED AS OF _____, 2023

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SECOND AMENDMENT TO LOAN AND SECURITY AGREEMENT

This SECOND AMENDMENT TO LOAN AND SECURITY AGREEMENT (this “Second Amendment”) dated as of _____, 2023, is entered into by and among PALM BEACH COUNTY, FLORIDA (the “Issuer”), a political subdivision of the State of Florida (the “State”), CUSTOMERS BANK (the “Purchaser”), a banking corporation organized and existing under the laws of the Commonwealth of Pennsylvania (the “Commonwealth”), and CARON OF FLORIDA, INC. (the “Caron Florida”), a non-profit corporation duly created and validly existing under the laws of the State, and joined by RICHARD J. CARON FOUNDATION (“RJCF”), a non-profit corporation duly created and validly existing under the laws of the Commonwealth and CARON OF GEORGIA, LLC (“Caron Georgia”), a limited liability company duly created and validly existing under the laws of the Commonwealth, as co-borrowers.

BACKGROUND

A. The Issuer is a political subdivision of the State of Florida and is empowered by the provisions of the Florida Constitution and Chapter 159, Part II, Florida Statutes, Chapter 125, Florida Statutes, Article VIII, Section 1, Constitution of the State of Florida, as amended (the “Act”) to issue obligations for the purpose of financing and refinancing healthcare facilities.

B. The Issuer, at the request of and on behalf of Caron Florida and pursuant to the Act, previously issued and sold to the Purchaser its (i) Revenue Bond (Caron of Florida, Inc. Project), Series A of 2021 (the “Original Series A Bond”) in the original principal amount of Twenty One Million Seven Hundred Thousand Dollars (\$21,700,000); (ii) Revenue Bond (Caron of Florida, Inc. Project), Series B of 2021 (the “Original Series B Bond”) in the original principal amount of Fourteen Million Dollars (\$14,000,000); and (iii) Revenue Bond (Caron of Florida, Inc. Project), Series C of 2021 (the “Original Series C Bond” and together with the Original Series A Bond and the Original Series B Bond, the “Revenue Bonds”) in the original principal amount of Twelve Million One Hundred Eighty-Five Thousand Dollars (\$12,185,000).

C. The Revenue Bonds were issued on behalf of Caron Florida to finance a project consisting of (a) the construction, installation and equipping of a new medical and detox facility to be located at 4675 W. Linton Boulevard, Delray Beach, Florida; (b) the acquisition and renovation of Fairways on the Green, multi-tenant housing utilized for the community living component of Caron Florida’s substance use and mental health treatment programs located at 2045 Lawson Boulevard, Delray Beach, Florida; and (c) the payment of certain of the costs and expenses incurred in connection with the financing of the Project, including costs of issuance of the Revenue Bonds.

D. The Revenue Bonds were issued under and pursuant to the provisions of a Loan and Security Agreement dated as of January 12, 2021 (the “Original Loan Agreement”), as amended and supplemented by a First Amendment to Loan and Security Agreement dated May 18, 2022 (the “First Amendment”) among the Issuer, the Purchaser and Caron Florida and joined by RJCF and Caron Georgia, as co-borrowers.

E. The parties hereto desire to enter into this Second Amendment to, among other things, modify the terms of the Original Series B Bond to replace the LIBOR Rate with a new variable rate index based upon the Secured Overnight Financing Rate.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, and intending to be legally bound, the parties agree as follows:

ARTICLE I

DEFINITIONS

Any capitalized terms used in this Second Amendment or the Background provisions hereof which are not so defined, but which are defined in the Original Loan Agreement, shall have the meanings given to those terms in the Original Loan Agreement. The following defined terms set forth in Article I of the Original Loan Agreement are hereby modified, amended, and restated to read in their entirety as follows:

“Agreement” means the Original Loan Agreement, as amended and supplemented by the First Amendment and as further amended and supplemented by this Second Amendment, including any Exhibits attached to the Original Loan Agreement, to the First Amendment and to this Second Amendment, which are incorporated herein by this reference, as amended or supplemented from time to time in accordance with the terms of the Original Loan Agreement.

“Effective Date” means _____, 2023.

“Series B of 2021 Bond” means the Issuer’s Revenue Bond (Caron of Florida, Inc. Project), Series B of 2021 in the original principal amount of Fourteen Million Dollars (\$14,000,000), as amended and supplemented by the First Amendment to Revenue Bond dated the date hereof, and as further amended or supplemented from time to time.

“2023 Resolution” means the Resolution of the Issuer adopted on _____, 2023, authorizing the execution and delivery of this Second Amendment.

ARTICLE II

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.1 Representations, Warranties and Covenants of the Issuer. The Issuer hereby confirms that all of the representations and warranties set forth in the Loan Documents to which it is a party are true and correct as if made on the date hereof. The Issuer further represents and warrants that:

(a) The Issuer is a political subdivision of the State of Florida and is authorized pursuant to the Act to enter into the transactions contemplated by this Second Amendment and to carry out its obligations hereunder and thereunder.

(b) The Issuer has complied with applicable provisions of the Act and has full power and authority pursuant to the Act to consummate all transactions contemplated by this

Second Amendment and the 2023 Resolution and any and all other agreements relating thereto to which it is a party.

(c) By the 2023 Resolution duly adopted and still in full force and effect, the Issuer has duly authorized the execution, delivery and performance of this Second Amendment and the taking of any and all actions as may be required on the part of the Issuer to carry out, give effect to and consummate the transactions contemplated by this Second Amendment.

(d) The execution and delivery of this Second Amendment, and the Issuer's compliance with the provisions hereof and thereof, do not and will not conflict with or constitute on the part of the Issuer a violation of, breach of or default under any constitutional provision, statute, indenture, mortgage, deed of trust, resolution, notes or other agreement or instrument to which the Issuer is a party or by which the Issuer is bound, or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities and property.

Section 2.2 Representations, Warranties and Covenants of the Purchaser. The Purchaser represents, warrants and covenants that it has full power and authority to execute and deliver this Second Amendment and to perform all acts required to be performed by it pursuant to this Second Amendment.

Section 2.3 Representations, Warranties and Covenants of the Borrower. The Borrower hereby confirms that (i) all of the representations and warranties set forth in the Loan Documents to which it is a party are true and correct as if made on the date hereof, (ii) the Borrower is in compliance with all of the covenants set forth in the Loan Documents to which it is a party as of the date hereof, and (iii) there exists, as of the date hereof, no Event of Default under the Loan Documents. The Borrower further represents and warrants to Purchaser as follows:

(a) Organization, Powers, etc. Caron Florida is a non-profit corporation, duly organized, validly existing and in good standing under the laws of the State. RJCF is a non-profit corporation, duly organized, validly existing and in good standing under the laws of the Commonwealth. Caron Georgia is a limited liability company, duly organized, validly existing and in good standing under the laws of the Commonwealth. Caron Florida has received from the Internal Revenue Service a determination letter recognizing its qualifications as an organization described in Section 501(c)(3) of the Code exempt from tax under Code Section 501(a), except for unrelated business income subject to taxation under Section 511 of the Code. Each Borrower has all requisite power and authority to enter into, execute and deliver this Second Amendment, and to consummate the transactions contemplated of it hereunder and thereunder. Each Borrower has by proper corporate action duly authorized the execution, delivery and performance of this Second Amendment.

(b) No Untrue Statements. Neither this Second Amendment nor any other document, certificate or statement furnished to the Purchaser or its counsel, the Issuer or its counsel or Bond Counsel by the Borrower or any other party on behalf of the Borrower contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not materially misleading or materially incomplete. It is

specifically understood by the Borrower that all such statements, representations and warranties have been relied upon by the Purchaser and the Issuer as continuing representations up to the date hereof as an inducement to execute and deliver this Second Amendment.

(c) Enforceability. This Second Amendment has been duly and validly executed and delivered by the Borrower and constitutes the legal, valid and binding obligation of the Borrower and is enforceable against the Borrower in accordance with its terms, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally or (ii) general principles of equity applied by a court of law or equity.

(d) Compliance with Code. The Borrower has not taken and will not take any action, and does not know of any action that any other person, firm or corporation has taken or intends to take, which would cause the interest payable on the Revenue Bonds to become includable in gross income of the holders thereof for federal income tax purposes, and the Borrower shall at all times do and perform or cause to be done and performed, all acts and things reasonably necessary or desirable in order to assure that such interest does not become includable in gross income of the holders thereof for federal income tax purposes.

(e) Financial Condition. The financial statements submitted to the Purchaser are complete and accurate and fairly present the financial condition and the results of operations and cash flows of Borrower on the dates thereof and for the periods then ended.

(f) No Misrepresentations or Omissions. Neither this Second Amendment nor any other document, certificate or statement furnished to the Purchaser by or on behalf of the Borrower contains any untrue statements of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein not misleading.

ARTICLE III

AMENDMENTS TO ORIGINAL LOAN AGREEMENT; CONDITIONS PRECEDENT

Section 3.1 Amendment to Original Series B Bond. Commencing on the Effective Date, the Interest Rate Provisions and the Prepayment Provisions of the Original Series B Bond shall be amended by the terms and provisions of the First Amendment to Series B of 2021 Bond in the form set forth in Exhibit A hereto.

Section 3.2 Interest Rate Adjustments. Commencing on the Effective Date, Section 3.7 of the Original Loan Agreement shall be deleted in its entirety. The provisions regarding the Taxable Rate and Default Rate applicable to each series of Revenue Bonds shall be set forth in the respective form of Revenue Bond.

Section 3.3 Conditions Precedent. As a condition precedent to the Purchaser's executing this Second Amendment, the Purchaser shall have received the following documents, certificates, evidence and opinions, in form and substance satisfactory to it:

- (a) A certified copy of the 2023 Resolution;

- (b) The original executed First Amendment to Series B Revenue Bond;
- (c) A duly executed counterpart of this Second Amendment;
- (d) Payment of fees and disbursements of the Purchaser and counsel to the Purchaser, and all other out-of-pocket expenses of the Purchaser;
- (e) A certificate of the Secretary or an Assistant Secretary of Caron Florida dated the Closing Date including (i) resolutions duly adopted by RJCF, as the sole member of Caron Florida, authorizing the transactions contemplated hereunder; (ii) a copy of the by-laws of Caron Florida; (iii) evidence of the incumbency and signature of the officers executing on its behalf this Second Amendment and any other document to be delivered pursuant thereto, together with evidence of the incumbency of such Secretary or Assistant Secretary; (iv) a copy of Caron Florida's Articles of Incorporation, together with the certification of the Secretary or Assistant Secretary of Caron Florida as of the Closing Date that such Articles of Incorporation are in full force and effect in the form delivered as of the Closing Date; (v) a certificate of subsistence for Caron Florida from the Secretary of State of the State and (vi) a copy of the Internal Revenue Service's determination letter recognizing Caron Florida's qualifications as an organization described in Section 501(c)(3) of the Code exempt from tax under Code Section 501(a);
- (f) A certificate of the Secretary or an Assistant Secretary of RJCF dated the Closing Date including (i) resolutions duly adopted by RJCF authorizing the transactions contemplated hereunder; (ii) a copy of the by-laws of RJCF; (iii) evidence of the incumbency and signature of the officers executing on its behalf this Second Amendment and any other document to be delivered pursuant thereto, together with evidence of the incumbency of such Secretary or Assistant Secretary; (iv) a copy of RJCF's Articles of Incorporation, together with the certification of the Secretary or Assistant Secretary of RJCF as of the Closing Date that such Articles of Incorporation are in full force and effect in the form delivered as of the Closing Date; (v) a certificate of subsistence for RJCF from the Secretary of State of the Commonwealth and (vi) a copy of the Internal Revenue Service's determination letter recognizing RJCF's qualifications as an organization described in Section 501(c)(3) of the Code exempt from tax under Code Section 501(a);
- (g) A certificate of the Secretary or an Assistant Secretary of Caron Georgia dated the Closing Date including (i) resolutions duly adopted by RJCF, as the sole member of Caron Georgia, authorizing the transactions contemplated hereunder; (ii) a copy of the Operating Agreement of Caron Georgia; (iii) evidence of the incumbency and signature of the officers executing on its behalf this Second Amendment and any other document to be delivered pursuant thereto, together with evidence of the incumbency of such Secretary or Assistant Secretary; (iv) a copy of Caron Georgia's Certificate of Organization, together with the certification of the Secretary or Assistant Secretary of Caron Georgia as of the Closing Date that such Certificate of Organization is in full force and effect in the form delivered as of the Closing Date; and (v) a certificate of subsistence for Caron Georgia from the Secretary of State of the Commonwealth; and

(h) Such other instruments and documents as the Purchaser shall reasonably require to comply with the provisions hereof and the requirements of regulatory authorities to which the Purchaser is subject, all of which shall be satisfactory in form, content and substance to the Purchaser.

ARTICLE IV

MISCELLANEOUS

Section 4.1 Confirmation of Original Loan Agreement. Except as supplemented or amended by this Second Amendment, the Original Loan Agreement, as previously amended and supplemented by the First Amendment, is in all respects ratified and confirmed and the said Original Loan Agreement, the First Amendment and this Second Amendment shall be read, taken and construed as one and the same instrument. All of the rights, remedies, terms, conditions, covenants and agreements of the Original Loan Agreement, as supplemented and amended by the First Amendment and by this Second Amendment, shall apply and remain in full force and effect with respect to this Second Amendment, the Revenue Bonds and to any additional property assigned and pledged hereunder. In the event of any conflict between the provisions of the Original Loan Agreement or the First Amendment and this Second Amendment, the provisions of this Second Amendment shall prevail.

Section 4.2 Ratification. The Borrower hereby ratifies and confirms, as of the date hereof, the provisions of the Loan Documents, as amended hereby or pursuant hereto. All liens, security interests, rights and remedies granted by the Loan Documents in the collateral described in the Loan Documents are hereby ratified, confirmed, preserved, renewed and extended by Borrower in all respects.

Section 4.3 Governing Law. This Second Amendment shall be construed in accordance with and governed by the laws of the State and all rights and remedies shall be governed by such laws.

Section 4.4 Captions. The section headings and table of contents, contained herein are for reference purposes only and shall not in any manner affect the meaning or interpretation of this Second Amendment.

Section 4.5 Severability. In the event any provision of this Second Amendment shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, and any provision held invalid or unenforceable in part shall not affect the validity or enforceability of the remaining part of the provision.

Section 4.6 Counterparts. This Second Amendment may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 4.7 Effective Date and Term. This Second Amendment shall become effective upon the Effective Date, shall remain in full force from the date thereof and, subject to the provisions hereof, shall expire on such date as the Revenue Bonds and the interest thereon,

the Master Indenture Obligations and the interest thereon and all other expenses or sums to which the Issuer and the Purchaser are entitled, have been fully paid and retired.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Second Amendment to Loan and Security Agreement and cause it to be dated the date first written above.

ATTEST:

PALM BEACH COUNTY, FLORIDA

Joseph Abruzzo, Clerk & Comptroller

By: _____
Gregg K. Weiss, Mayor
Board of County Commissioners

By: _____
Deputy Clerk

[SEAL]

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

Assistant County Attorney

RICHARD J. CARON FOUNDATION

CARON OF FLORIDA, INC.

By: _____
President/CEO

By: _____
President/CEO

CARON OF GEORGIA, LLC
a Pennsylvania limited liability company

CUSTOMERS BANK

By its sole member:

By: _____
Senior Vice President

RICHARD J. CARON FOUNDATION

By: _____
President/CEO

[Signature page to Second Amendment to Loan and Security Agreement]

EXHIBIT A

FORM OF FIRST AMENDMENT TO SERIES A OF 2021 BOND

FIRST AMENDMENT TO

PALM BEACH COUNTY, FLORIDA
REVENUE BOND (CARON OF FLORIDA, INC. PROJECT),
SERIES B OF 2021

DATED: _____, 2023

This is a First Amendment to that Revenue Bond (Caron of Florida, Inc. Project), Series B of 2021 dated January 12, 2021 (the “Revenue Bond”) made payable by PALM BEACH COUNTY, FLORIDA (the “Issuer”), a political subdivision of the State of Florida empowered by the provisions of the Florida Constitution and Chapter 159, Part II, Florida Statutes, Chapter 125, Florida Statutes, Article VIII, Section 1, Constitution of the State of Florida, as amended (the “Act”), to CUSTOMERS BANK, a Pennsylvania banking association (the “Purchaser”). This First Amendment is affixed to and becomes a part of the Revenue Bond.

BACKGROUND

At the request of Caron of Florida, Inc., Richard J. Caron Foundation and Caron of Georgia, LLC (collectively, the “Borrower”), the Issuer and the Purchaser have agreed to amend the Revenue Bond as hereinafter set forth.

ISSUER AND PURCHASER ACKNOWLEDGE AND AGREE as follows:

1. Amendments. The section of the Revenue Bond titled “Interest Rate Provisions” is hereby amended and restated in its entirety to read as follows:

Interest Rate Provisions

As used in this Revenue Bond, the following terms shall have the meanings set forth below:

“Interest Payment Date” means the first (1st) day of each month, commencing _____, 2023.

“Loan” means all amounts outstanding under this Revenue Bond and/or advanced pursuant to the Agreement.

“Maturity Date” means January 1, 2031, unless accelerated sooner pursuant to the terms hereof.

“Principal Repayment Amount” means the regularly scheduled reductions in the outstanding principal of this Revenue Bond to be made on the dates set forth on Schedule I entitled “Principal Repayment Schedule” attached to the Revenue Bond.

“Reset Date” shall mean the first (1st) day of each month, beginning _____, 2023.

“Taxable Rate” means an adjustable per annum rate of interest equal to the sum of (i) Term SOFR plus (ii) two hundred twenty-five basis points (2.25%). The Taxable Rate is subject to adjustment from time to time based on changes in Term SOFR. Such adjustments shall become effective on the Reset Date.

“Tax-Exempt Rate” means an adjustable per annum rate of interest equal to eighty-two percent (82%) of the sum of (i) Term SOFR plus (ii) two hundred twenty-five basis points (2.25%). The Tax-Exempt Rate is subject to adjustment from time to time based on changes in Term SOFR. Such adjustments shall become effective on the Reset Date.

“Term SOFR” shall mean the one Month Term SOFR published by CME Group Benchmarks Administration Limited Term SOFR rate webpage (or a successor administrator designated by the relevant authority) on the last business day prior to the Reset Date.

Interest Rate Provisions. Interest on the outstanding principal amount of this Revenue Bond shall accrue at an adjustable rate per annum equal to the Tax-Exempt Rate. Interest shall be calculated on the basis of a 360-day year for the actual number of days elapsed. Monthly payments of interest on this Revenue Bond shall be made on each Interest Payment Date. If any payment is to be made on a day which is not a Business Day, payment shall instead be made on the following Business Day.

Adjustment to Tax-Exempt Rate. From and after any Determination of Taxability, the interest rate on this Revenue Bond shall be established at a rate at all times equal to the Taxable Rate.

Repayment of Principal: Annual payments of the Principal Repayment Amount shall be made on August 1 of each year commencing August 1, 2023 and continuing on August 1 of each year thereafter in the amounts shown on the Principal Repayment Schedule attached to the Revenue Bond.

2. Continuing Effect of Remaining Provisions of Revenue Bond. All other terms and conditions of the Revenue Bond not expressly modified and amended herein shall remain unchanged and in full force and effect. This First Amendment is given as a renewal and extension of Borrower’s obligations under the Revenue Bond and is not given in substitution therefore or extinguishment thereof and is not intended to be a novation.

3. Attachment to Revenue Bond. This First Amendment shall be and remain attached to the Revenue Bond and shall be an integral part thereof.

4. Incorporation of Representations, Covenants, Conditions, Terms and Provisions of the Revenue Bond. The representations, covenants, conditions, terms and provisions of the Revenue Bond not inconsistent with this First Amendment are ratified and confirmed by Purchaser and Borrower and deemed to be incorporated into this First Amendment as though such representations, covenants, conditions, terms and provisions were set forth specifically herein. Borrower now represents warrants and agrees that no representation,

covenant, condition, term or provision of the Revenue Bond or any loan document is untrue or misleading. The continuing validity in all respects of the representations, covenants, conditions, terms and provisions of the Revenue Bond is a condition precedent to Purchaser's obligations and agreements under this First Amendment.

5. Costs and Expenses. Borrower shall reimburse Purchaser for its out-of-pocket expenses, including counsel fees, incurred by Purchaser in connection with the development, preparation, and negotiation of this First Amendment and all documents executed in connection herewith.

6. Governing Law. This First Amendment shall be governed by and construed in accordance with the domestic internal laws (but not the law of conflict of laws) of the State of Florida.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have duly executed this First Amendment to Revenue Bond and cause it to be dated the date first written above.

ATTEST:

PALM BEACH COUNTY, FLORIDA

Joseph Abruzzo, Clerk & Comptroller

By: _____
Gregg K. Weiss, Mayor
Board of County Commissioners

By: _____
Deputy Clerk

[SEAL]

CUSTOMERS BANK

By: _____
Senior Vice President

[Signatures continued on next page]

The undersigned duly authorized officers of Caron of Florida, Inc., Richard J. Caron Foundation and Caron of Georgia, LLC hereby acknowledge and consent to the terms of the foregoing First Amendment to Revenue Bond.

CARON OF FLORIDA, INC.

By: _____
President/CEO

RICHARD J. CARON FOUNDATION

By: _____
President/CEO

CARON OF GEORGIA, LLC
a Pennsylvania limited liability company

By its sole member:

RICHARD J. CARON FOUNDATION

By: _____
President/CEO