

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS**

## AGENDA ITEM SUMMARY

**Meeting Date: April 18, 2023**

☒ Consent      ☐ Regular  
☐ Ordinance      ☐ Public Hearing

**Department:** Housing & Economic Development

## **I. EXECUTIVE BRIEF**

**Motion and title: Staff recommends motion to:**

**A) approve** a request for an Amendment to the 2014 Industrial Development Revenue Bond, R-2014-1078, and an Amendment to Financing Agreement dated September 2, 2014 pursuant to which such Bond was issued to refinance a project on behalf of Saint Andrew's School of Boca Raton, Inc.; and

**B) adopt** a Resolution of the Board of County Commissioners of Palm Beach County, Florida authorizing certain amendments to the Industrial Development Revenue Bond (Saint Andrew's School of Boca Raton, Inc. Project) Series 2014 (the "2014 Bond"), previously issued in an aggregate principal amount not exceeding \$28,730,000, for the purpose of making a loan to refinance a project on behalf of Saint Andrew's School of Boca Raton, Inc.; confirming that such revenue 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 the documents necessary to complete such amendments.

**Summary:** The 2014 Bond was issued on September 2, 2014 to refinance a project consisting of the construction, installation and equipping of educational facilities for Saint Andrews School in Boca Raton, Florida. The proposed amendments will (a) modify the terms of the 2014 Bond to, among other things, convert the interest calculation from a London Interbank Offer Rate (LIBOR) based index to a Term Secure Overnight Financial Rate (SOFR) based index for the 2014 Bond; and (b) make corresponding amendments to the Financing Agreement and make certain other necessary amendments to the terms and conditions of the Financing Agreement. **Neither the taxing power nor the faith and credit of the County nor any County funds, shall be pledged to pay the principal, premium, if any, or interest on the 2014 Bonds.** District 4 (DB)

**Background and Justification:** As required under the Internal Revenue Code, the County conducted the required TEFRA Public Hearing in connection with the issuance of the 2014 Bond on July 22, 2014. A public hearing is not required to complete the proposed amendments.

**Attachment:**

## 1. Resolution

**Recommended By:**

Department Director

3/16/2023  
Date

**Approved By:**

*Donna M. Hill*  
Assistant County Administrator

Date 3/29/2023

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
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 X  
Does this Item include the use of Federal Funds? Yes \_\_\_\_\_ No X

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 II  
Finance and Administrative Services, DHED

III. REVIEW COMMENTS

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

  
OFMB  3/20/23  3/20  3/20

  
Contract Development and Control 3/28/23  
 3/21/23

B. Legal Sufficiency:

 3/27/23  
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 INDUSTRIAL DEVELOPMENT REVENUE BOND (SAINT ANDREW'S SCHOOL OF BOCA RATON, INC. PROJECT), SERIES 2014, PREVIOUSLY ISSUED TO REFINANCE THE COSTS OF A PROJECT ON BEHALF OF SAINT ANDREW'S SCHOOL OF BOCA RATON, INC.; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO THE FINANCING AGREEMENT WITH SAINT ANDREW'S SCHOOL OF BOCA RATON, 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 educational facilities; and

WHEREAS, the Board of County Commissioners (the "Governing Body") of the Issuer previously authorized the issuance of its Industrial Development Revenue Bond (Saint Andrew's School of Boca Raton, Inc. Project) Series 2014 under the Act, in the original principal amount of \$28,730,000 (the "Bond") and agreed to loan the proceeds from the Bond to Saint Andrew's School of Boca Raton, Inc. (the "Borrower") for the purpose of refinancing bonds previously issued by the Issuer to finance the cost of (i) the construction, installation and equipping of educational facilities at the Borrower's campus located at 3900 Jog Road, Boca Raton, Florida, and (ii) the payment of the costs of issuance of the Bond; and

WHEREAS, the Issuer loaned the proceeds of the Bond to the Borrower pursuant to the terms of a Financing Agreement dated September 2, 2014 (the "Financing Agreement"), among the Issuer, the Borrower, Saint Andrew's School Endowment Fund, Inc. and Bridge Capital Leasing, Inc. (nka Bridge Funding Group, Inc.) Bank, as purchaser of the Bond (the "Purchaser"); and

WHEREAS, the Bond does 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 Bond is payable solely from the revenues and proceeds derived by the Issuer from certain of the payments received under the Financing Agreement; and

WHEREAS, the Borrower and the Purchaser have agreed to (a) modify the terms of the 2014 Bond to, among other things, replace the LIBOR Index with a new variable rate

index based upon the Secured Overnight Financing Rate (“SOFR”); and (b) make corresponding amendments to the Financing Agreement and make certain other necessary amendments to the terms and conditions of the Financing 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 Addendum to the 2014 Bond and a First Amendment to the Financing 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 2014 Bond and the Financing Agreement.

SECTION 3. Authorization of First Addendum to Bond. The First Addendum to 2014 Bond, 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 First Addendum to 2014 Bond and the Clerk to attest thereto under the official seal of the Issuer, and to deliver the First Addendum to 2014 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 First Amendment to Financing Agreement. The First Amendment to Financing Agreement, in substantially the form attached hereto as Exhibit B 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 Financing Agreement and the Clerk to attest thereto under the official seal of the Issuer, and to deliver the First Amendment to Financing 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. Provided, that the “Applicable Spread Adjustment” set forth in the First Amendment to Financing Agreement, shall not exceed fifteen (15) basis points.

SECTION 5. No Personal Liability. No covenant, stipulation, obligation or agreement herein contained or contained in the Financing Agreement, the 2014 Bond, 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 2014 Bond 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 Financing 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 2014 Bond, the Financing 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 Financing 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 2014 Bond 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 2014 Bond 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 2014 Bond.

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 First Addendum to Bond

EXHIBIT A

FIRST ADDENDUM TO BOND

PALM BEACH COUNTY, FLORIDA  
INDUSTRIAL DEVELOPMENT REVENUE BOND  
(SAINT ANDREW’S SCHOOL OF BOCA RATON, INC. PROJECT) SERIES 2014

September 2, 2014

ORIGINAL PRINCIPAL AMOUNT - \$28,730,000

The Industrial Development Revenue Bond (Saint Andrew’s School of Boca Raton, Inc. Project) Series 2014, dated September 2, 2014 (the “Bond”) issued by Palm Beach County Authority (the “Issuer”) for the benefit of Saint Andrew’s School of Boca Raton, Inc. (the “Borrower”) and held by Bridge Funding Group, Inc. (fka Bridge Capital Leasing, Inc. (the “Holder”) is modified in the following respects, effective April \_\_, 2023:

1. References in the Bond to the “Financing Agreement” shall refer to the Financing Agreement among the Issuer, the Borrower, Saint Andrew’s School Endowment Fund, Inc. and the Holder dated September 2, 2014, as amended by a First Amendment to Financing Agreement (LIBOR to Term SOFR Modification) dated April \_\_, 2023 (the “First Amendment”).
2. The interest rate on the Bond shall be determined based on the Secured Overnight Financing Rate (“SOFR”), as provided in the First Amendment.
3. Upon the occurrence of a Determination of Taxability (as defined in the Bond), the Interest Rate on the Bond shall be increased to a rate that is the product of the Interest Rate on the Bond times the inverse of one minus the maximum corporate tax rate on the date of occurrence of the Determination of Taxability (the “Adjusted Interest Rate”).

This Addendum to Bond is dated, and shall be effective from, April \_\_, 2023.

**ATTEST:**

**ISSUER:**

Joseph Abruzzo, Clerk & Comptroller

PALM BEACH COUNTY, FLORIDA

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

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



Consented to as of the effective day and year first above written.

BRIDGE FUNDING GROUP, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Exhibit B  
Form of First Amendment to Financing Agreement

## EXHIBIT B

### FIRST AMENDMENT TO FINANCING AGREEMENT (LIBOR TO TERM SOFR MODIFICATION)

This First Amendment to Financing Agreement (LIBOR to Term SOFR Modification) (this “**Modification**”) is effective as of \_\_\_\_\_, 2023 (“**Modification Effective Date**”), by and among SAINT ANDREW’S SCHOOL OF BOCA RATON, INC. (“**Borrower**”), BRIDGE FUNDING GROUP, INC. (fka Bridge Capital Leasing, Inc.) (“**Lender**”) and PALM BEACH COUNTY, FLORIDA (the “**Issuer**”). The Borrower and the Lender may be referred to herein from time to time, each individually, as a “**Party**” or, collectively, as the “**Parties**”. Each capitalized term used but not defined herein shall have the meaning ascribed thereto in the Existing Loan Documents (as defined below).

#### RECITALS

**A.** The Borrower, the Lender and the Issuer are each a party to the Financing Agreement dated September 2, 2014 (the “**Existing Financing Agreement**”), pursuant to which the Issuer issued and the Lender purchased the Issuer’s Industrial Development Revenue Bond (Saint Andrew’s School of Boca Raton, Inc. Project) Series 2014 revenue bonds of the Issuer in the original principal amount of \$28,730,000 (the “**Existing Bond**”) (the “**Existing Loan**”).

**B.** The Existing Bond is owned by the Lender and was issued by the Issuer in favor of the Lender along with all other documents executed by the Borrower and the Issuer pursuant to or in connection with the Existing Loan, including, without limitation, as applicable, any guaranty, collateral and/or security agreements or equivalent or related documentation evidencing, securing or confirming the Existing Loan and any related obligations of the Borrower (collectively with the Existing Financing Agreement and the Existing Bond, the “**Existing Loan Documents**”); *provided, however*, that, notwithstanding the foregoing, solely for purposes of this Modification, the Existing Loan Documents do not include any interest rate swap agreements entered into in connection with any Existing Loan.

**C.** The Parties have mutually agreed to modify, amend and supplement the terms of the Existing Loan Documents as of the Modification Effective Date as hereinafter set forth.

*[continues]*

## AGREEMENT

**NOW, THEREFORE**, in consideration of the premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Recitals.** The above recitations are true and correct and are incorporated herein as though set forth in detail.

2. **References.** All references in any Existing Loan Document to any other Existing Loan Document shall hereinafter be deemed to mean such referenced Existing Loan Document as modified, amended and/or supplemented by this Modification, together with any future modifications, extensions, renewals, and amendments thereto. All references to the term “Loan Documents” or a substantially similar term in the Existing Loan Documents shall be deemed to also include this Modification.

3. **Term SOFR to Replace LIBOR as Base Interest Rate.** Notwithstanding any reference in the Existing Loan Documents to “LIBOR,” “LIBOR Base Rate,” “LIBOR Rate,” “London Interbank Offered Rate” or London Business Day,” or a term of substantially similar import, or any provision of any of the Existing Loan Documents to the contrary, as of the Modification Effective Date the rate of interest payable on any outstanding principal amount under any of the Existing Loan Documents shall no longer be calculated based upon the London Interbank Offered Rate (“LIBOR”) in any of its iterations and shall instead be calculated based on Term SOFR (as defined below). For the avoidance of doubt, given the pending cessation of the issuance and reporting of LIBOR, as well as the related requirements and guidance of the Office of the Comptroller of the Currency, the U.S. Federal Reserve and other bank and financial regulatory agencies, the intent of each of the Parties is to replace LIBOR in any of its iterations with Term SOFR as the base rate for the calculation of interest payable on any outstanding principal amounts under any of the Existing Loan Documents. As used in this Section “Term SOFR to Replace LIBOR as Base Interest Rate”, “**Term SOFR**” means, for any interest calculation period, the sum of sixty-five percent (65%) of (A) the Applicable Spread Adjustment (as defined below) *plus* (B) the forward-looking term rate for a period comparable to such interest calculation period based on the Secured Overnight Financing Rate (“SOFR”) that is published by an authorized benchmark administrator and is displayed on a screen or other information service, each as identified or selected by the Lender or BankUnited, N.A. (“**BankUnited**”) on behalf of Lender in its reasonable discretion as of a date and time prior to the commencement of such interest calculation period determined by the Lender in its reasonable discretion in a manner substantially consistent with market practice. For purposes of this Agreement, the term “**Applicable Spread Adjustment**” shall mean 0.11448% (11.448 basis points), based on a LIBOR term rate of one-month’s duration.

4. **No Change to Existing Margin.** Each Party understands and agrees that no provision of this Modification shall be interpreted or construed as reducing or limiting the Existing Margin (as defined below) and that the applicable rate of interest payable on any outstanding principal amount under the Existing Loan Documents shall be an amount equal to the lesser of

(A) the sum of the Existing Margin *plus* Term SOFR and (B) the maximum rate of interest permitted by applicable law. As used herein, “Existing Margin” means the applicable spread or margin that, under the Existing Loan Documents as in effect prior to this Modification, is added to LIBOR in order to determine the total rate of interest payable on any outstanding principal amount under the Existing Loan Documents. In no event shall more than one spread or margin be included in the calculation of the interest rate payable.

5. **Definition of Business Day.** For purposes of calculating Term SOFR, the definition of “Business Day,” “London Business Day,” “Banking Day,” “LIBOR Business Day” or any term of substantially similar import used in any Existing Loan Document is hereby amended and restated to be the following: any U.S. Government Securities Business Day (as defined below). As used herein, “U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

6. **Benchmark Replacement Setting.**

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any Interest Rate Management Agreement shall be deemed not to be a “Loan Document” for purposes of this Section titled “Benchmark Replacement Setting”), if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then, (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, or in connection with an Early Opt-in Election, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. ET time on the tenth (10<sup>th</sup>) Business Day after the date notice of such Benchmark Replacement is provided to the Borrower without any amendment to this Agreement or any other Loan Document, or further action or consent of the Borrower.

(b) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of the Borrower.

(c) Notices; Standards for Decisions and Determinations. The Lender will promptly notify the Borrower of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Lender pursuant to this Section titled "Benchmark Replacement Setting," including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from the Borrower.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or USD LIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Lender may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Lender may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the loan shall bear interest at ABR. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

(f) Certain Defined Terms. As used in this Section titled "Benchmark Replacement Setting":

**"Alternate Base Rate" or "ABR"** means, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day; and (b) the Federal Funds Effective Rate in effect on such day plus 0.50%. Any change in the Alternate Base Rate due to a change in the

Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

***“Available Tenor”*** means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (d) of this Section titled “Benchmark Replacement Setting.”

***“Benchmark”*** means, initially, USD LIBOR; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to USD LIBOR or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of this Section titled “Benchmark Replacement Setting.”

***“Benchmark Replacement”*** means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Lender for the applicable Benchmark Replacement Date:

(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Lender as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated or bilateral credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion. If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

***“Benchmark Replacement Adjustment”*** means, with respect to any replacement of the then- current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of “Benchmark Replacement,” the first alternative set forth in the order below that can be determined by the Lender:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(ii) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated or bilateral credit facilities;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Lender in its reasonable discretion.

***“Benchmark Replacement Conforming Changes”*** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Lender in a manner



substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

***“Benchmark Replacement Date”*** means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein; or

(3) in the case of an Early Opt-in Election, the sixth (6<sup>th</sup>) Business Day after the date notice of such Early Opt-in Election is provided to the Borrower.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

***“Benchmark Transition Event”*** means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for

such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

**“Benchmark Unavailability Period”** means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with this Section titled “Benchmark Replacement Setting” and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with this Section titled “Benchmark Replacement Setting.”

**“Corresponding Tenor”** with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

**“Daily Simple SOFR”** means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Lender in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for business loans; provided, that if the Lender decides that any such convention is not administratively feasible for the Lender, then the Lender may establish another convention in its reasonable discretion.

**“Early Opt-in Election”** means, if the then-current Benchmark is USD LIBOR, the occurrence of:

(1) a determination by the Lender that at least five currently outstanding U.S. dollar- denominated syndicated or bilateral credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate, and

(2) the election by the Lender to trigger a fallback from USD LIBOR and the provision by the Lender of written notice of such election to the Borrower.

**“Floor”** means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to USD LIBOR.

**“Interest Period”** means the period between Interest Rate Change Dates.

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

**“Reference Time”** with respect to any setting of the then-current Benchmark means (1) if such Benchmark is USD LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not USD LIBOR, the time determined by the Lender in its reasonable discretion.

**“Relevant Governmental Body”** means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

**“SOFR”** means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website on the immediately succeeding Business Day.

**“SOFR Administrator”** means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

**“SOFR Administrator’s Website”** means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

**“Term SOFR”** means, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for

which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day.

**“Term SOFR Administrator”** means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Lender in its reasonable discretion).

**“Term SOFR Reference Rate”** means the forward-looking term rate based on SOFR.

**“Unadjusted Benchmark Replacement”** means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

**“USD LIBOR”** means the London interbank offered rate for U.S. dollars.

7. **Estoppel.** To induce the Lender and the Issuer to enter into this Modification, the Borrower hereby acknowledges and agrees that, after giving effect to this Modification, as of the Modification Effective Date, there exists no event of default and no right of offset, defense, counterclaim or objection in favor of the Borrower as against the Lender with respect to any of the obligations of the Borrower under any of the Existing Loan Documents.

8. **Other Amendments to Existing Financing Agreement and Existing Bond.**

(a) Section 5.02 (j)(5) of the Financing Agreement is hereby deleted and is of no further force and effect.

9. **Representations and Warranties.**

(a) The Borrower acknowledges, represents, warrants and confirms to the Lender and the Issuer that (i) all representations, warranties and indemnifications contained in the Existing Loan Documents are hereby ratified, confirmed and approved in all respects, (ii) the Existing Loan Documents and all other documents executed by the Borrower in connection therewith are valid and binding obligations of the Borrower, enforceable in accordance with their respective terms; (iii) there are no defenses, setoffs, counterclaims, cross-actions or equities in favor of the Borrower to or against the enforcement of the Existing Loan Documents; (iv) no oral representations, statements, or inducements have been made by the Lender with respect to the Existing Loans, this Modification or any of the Existing Loan Documents; and (v) the Lender and the Issuer are under no obligation to further amend or modify the Existing Financing Agreement or any other Existing Loan Document. Without limiting the generality of the preceding sentence, the Borrower hereby represents, warrants and covenants to Lender and Issuer that no default or event of default now exists.

(b) Borrower acknowledges, represents, warrants and confirms to Lender and Issuer that its execution of this Modification shall not be deemed to: (i) relieve the Borrower of

any of its obligations under the Existing Loan Documents; (ii) constitute a waiver by Lender or Issuer of any obligation under the Existing Loan Documents; (iii) constitute a cure of any default or event of default currently existing under the Existing Loan Documents (whether known or unknown); (iv) create any obligation on the part of Lender or Issuer to agree to, or to negotiate or consider an agreement constituting, any waiver of any obligation or default; (v) constitute an amendment, modification, extension, or waiver of any term or condition of any Existing Loan Document except as expressly set forth herein; (vi) constitute an offer to extend further credit; or (vii) directly or indirectly impair or otherwise affect any the rights, interests or remedies of Lender or Issuer with respect to the Existing Bond or the Existing Loan Documents.

(c) Without limiting the foregoing, the Borrower confirms that its indemnification obligations under Section 7.05 of the Existing Financing Agreement shall apply to this Modification and all documentation entered into in connection therewith or related thereto.

**10. Governing Law.** This Modification shall be governed by and construed in accordance with the laws of the state as set forth in the Existing Financing Agreement.

**11. No Novation.** This Modification is not intended to constitute a novation, or in any way adversely affect the lien and security interest, of the Existing Loan Documents. The Borrower reaffirms, ratifies and revalidates the full force and effectiveness of the Existing Loan Documents.

**12. Further Assurances.** The Borrower agrees to execute and deliver to the Lender and the Issuer such other documents as may, from time to time, be reasonably requested by the Lender in order to execute or enforce the terms and conditions of this Modification or of any of the Existing Loan Documents.

**13. Successors and Assigns.** This Modification is binding upon and shall inure to the benefit of each Party and its respective heirs, successors and permitted assigns; *provided* that the Borrower's rights and obligations under this Modification and the Existing Loan Documents are not assignable. The Lender may assign any of its rights or interests in this Modification and the Existing Loan Documents at any time without the consent of or notice to Borrower.

**14. Conflict.** In the event of any conflict between the terms of any Existing Loan Document and the terms of this Modification, the terms of this Modification shall control.

**15. Taxes & Fees.** The Borrower shall be responsible for payment of (or, to the extent paid by the Lender or the Issuer, shall reimburse the Lender and the Issuer) any and all required filing, registration, recording fees, taxes (including but not limited to any Federal, State, county and municipal stamp taxes, excise, intangible and other taxes), other charges, and all costs and expenses in connection with the Existing Loan (collectively, "**Taxes & Fees**"), including, without limitation, any such Taxes & Fees arising as a result of this Modification or any subsequent extension, renewal, modification or amendment of the Existing Bond or any Existing Loan Document.

**16. Reimbursement of Costs and Expenses.** The Borrower further agrees to pay (or, to the extent paid by the Lender or the Issuer, shall reimburse the Lender and the Issuer for) all fees, costs, and expenses of the Lender or the Issuer (including, without limitation attorneys' fees and any servicing fees) expended or incurred by the Lender or the Issuer in connection with the negotiation, preparation, administration, and enforcement of this Modification, the Existing Loan Documents, and the Bonds. Without in any way limiting the foregoing, the Borrower hereby reaffirms its agreement under the Existing Loan Documents to pay or reimburse the Lender and the Issuer for certain attorney's fees, costs and expenses incurred by the Lender and the Issuer, as provided for in the applicable provisions of the Existing Loan Documents.

**17. WAIVER OF JURY TRIAL.** EACH PARTY HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS MODIFICATION, THE EXISTING LOAN), THE EXISTING LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. FURTHER, EACH PARTY HEREBY CERTIFIES THAT NO LEGAL COUNSEL OR OTHER REPRESENTATIVE OR AGENT OF THE LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION. FINALLY, EACH PARTY HERETO ACKNOWLEDGES THAT THE PROVISIONS OF THIS PARAGRAPH ARE A MATERIAL INDUCEMENT TO THE EXECUTION OR ACCEPTANCE OF THIS MODIFICATION BY THE LENDER.

**18. Entire Agreement.** This Modification and the Existing Loan Documents embody the entire understanding among the Parties with respect to the Existing Loan and supersedes all prior agreements and understandings (whether written, oral, formal or informal) relating to the subject matter hereof and thereof. No modifications or amendments to this Modification of any kind whatsoever shall be made or claimed by the Borrower, and no notices of any extension, change, waiver, modification or amendment made or claimed by the Borrower, shall have any force or effect whatsoever unless the same shall be endorsed in writing and fully signed by the Lender and the Issuer. Neither this Modification nor any provision hereof shall be construed against any Party due to the fact that this Modification or any section hereof was drafted by a particular Party or its legal counsel.

**19. Counterparts.** This Modification may be executed in any number of counterparts, each of which shall be an original, and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Modification by facsimile or in electronic format (*e.g.*, portable document format ("*pdf*") or tagged image file format ("*tif*") shall be effective as delivery of a manually executed counterpart of this Modification.

**BORROWER:**

**SAINT ANDREW’S SCHOOL OF BOCA RATON, INC.**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**[BORROWER SIGNATURE PAGE TO LIBOR TO TERM SOFR MODIFICATION AGREEMENT]**

BRIDGE FUNDING GROUP, INC.

By: \_\_\_\_\_  
Paula Park, Authorized Officer

[LENDER SIGNATURE PAGE TO LIBOR TO TERM SOFR MODIFICATION AGREEMENT]



**ATTEST:**

Joseph Abruzzo, Clerk & Comptroller

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

**ISSUER:**

PALM BEACH COUNTY, FLORIDA

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

[ISSUER SIGNATURE PAGE TO LIBOR TO TERM SOFR MODIFICATION AGREEMENT]