

RESOLUTION 14-35

A RESOLUTION OF THE CITY OF MARCO ISLAND, FLORIDA AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION REFUNDING BOND, SERIES 2014 OF THE CITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,900,000 PAYABLE FROM THE FULL FAITH, CREDIT AND UNLIMITED AD VALOREM TAXING POWER OF THE CITY, TO PROVIDE FUNDS TO CURRENTLY REFUND A PORTION OF THE CITY'S GENERAL OBLIGATION BONDS, SERIES 2004; PROVIDING FOR THE LEVY OF NECESSARY AD VALOREM TAXES IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN; MAKING SUCH DETERMINATIONS AS ARE REQUIRED TO AFFORD SUCH BOND "BANK QUALIFIED" STATUS; PROVIDING FOR OTHER COVENANTS WITH RESPECT TO THE BONDHOLDER; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; PROVIDING FOR THE SEVERABILITY OF PARTS HEREOF IF DECLARED INVALID; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA, AS FOLLOWS:

SECTION 1: AUTHORITY FOR THIS BOND RESOLUTION. The City of Marco Island, Florida (the "City"), pursuant to Article VIII, Section 2 of the Constitution and laws of the State of Florida, Chapter 166, Florida Statutes, Sections 132.33-132.47, Florida Statutes, the municipal charter of the City, as amended, and any other applicable provisions of law (all of the foregoing, collectively, the "Act") is authorized, in accordance with the Act, to borrow money, issue bonds, notes or other obligations to refinance the Refunded Bonds (as defined herein).

SECTION 2. DEFINITIONS. As used in this Bond Resolution:

"BOND" means the City of Marco Island, Florida General Obligation Refunding Bond, Series 2014, to be issued pursuant to this Bond Resolution.

"BOND COUNSEL" means Bryant Miller Olive P.A., or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"BOND REFERENDUM" shall have the same meaning as set forth below in Section 3.

"BOND RESOLUTION" means this resolution, as amended and supplemented from time to time.

"BOND YEAR" means each twelve-month period ending on July 1 of each year.

"2004 BONDS" means the City's General Obligation Bonds, Series 2004.

"BUSINESS DAY" means any day except any Saturday or Sunday or day on which the Principal Office of the Original Purchaser is closed.

"CHAIRMAN" means the Chairman of the City, or in his or her absence or inability to act, the Vice Chairman of the City, or such other person as may be duly authorized by the City Council to act on his or her behalf.

"CITY" means City of Marco Island, Florida, a municipal corporation of the State of Florida.

"CITY ATTORNEY" means the City Attorney or assistant City Attorney of the City, or any special counsel appointed by the City Council of the City.

"CITY COUNCIL" means the City Council of the City.

"CITY MANAGER" means the City Manager of the City, or any assistant or deputy City Manager, or such other person as may be duly authorized by the City Council of the City to act on his or her behalf.

"CLERK" means the City Clerk of the City, or any assistant or deputy City Clerk, or such other person as may be duly authorized by the City Council of the City to act on his or her behalf.

"CODE" means the Internal Revenue Code of 1986, as amended.

"DEBT SERVICE FUND" means the "City of Marco Island, Florida General Obligation Refunding Bond, Series 2014, Debt Service Fund" created pursuant to Section 17(A) hereof.

"DEBT SERVICE PAYMENT DATE" means the date on which any component of Debt Service Requirement becomes due.

"DEBT SERVICE REQUIREMENT" for any Bond Year, means the sum of the amount required to be deposited into the Debt Service Fund in such year.

"ESCROW AGENT" means Wells Fargo Bank, N.A..

"ESCROW AGREEMENT" means that certain Escrow Deposit Agreement between the City and the Escrow Agent, in substantially the form attached hereto as Exhibit C.

"FEDERAL SECURITIES" means direct obligations of the United States of America and obligations the principal of and interest on which are fully guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor.

"FINANCE DIRECTOR" means the Finance Director of the City, any assistant or deputy Finance Director, or such other person as may be duly authorized by the City Council of the City to act on his or her behalf.

"HOLDER" or "HOLDER OF BOND" or "BONDHOLDER" or any similar term means any person who shall be the registered owner of the outstanding Bond.

"MATURITY DATE" means July 1, 2020.

"ORIGINAL PURCHASER" means Whitney Bank d/b/a Hancock Bank, the original purchaser of the Bond.

"PERMITTED INVESTMENTS" means investments permitted by applicable law and the written investment policy of the City.

"PRINCIPAL OFFICE" means, with respect to the Original Purchaser, the office located at Hancock Bank, 113 Designer Circle, Dothan, Alabama 36303, Attn: Steven E. Cole, or such other office as the Holder may designate in writing to the City.

"PROJECT" shall have the same meaning as set forth in Section 3.

"REFUNDED BONDS" means the 2004 Bonds maturing on and after July 1, 2016.

"REFUNDED BONDS RESOLUTION" means Resolution No. 04-04 adopted by the City Council of the City on March 1, 2004, as amended and supplemented, and as particularly supplemented by Resolution No. 04-05 adopted by the City Council of the City on March 1, 2004.

"REBATE FUND" means the "City of Marco Island, Florida General Obligation Refunding Bond, Series 2014, Rebate Fund" created pursuant to Section 23 hereof.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Bondholder," "bond," "owner," "holder" and "person" shall include the plural as well as

the singular number, and the word "person" shall include corporations, associations and public bodies as well as natural persons.

SECTION 3. FINDINGS. It is hereby found and determined:

(A) The City has heretofore determined that the acquisition of real property being located in the Town Center Mixed Use District commonly known as the Glon Property to be used for open space and public facilities (the "Project") constituted a capital project authorized by law for which bonds payable from municipal ad valorem taxes could be issued pursuant to Article VII, Section 12 of the Constitution of the State of Florida so long as such bonds were approved by a majority vote of the electors who are owners of freeholds therein not wholly exempt from taxation.

(B) On October 20, 2003, the City Council of the City adopted Resolution No. 03-59 which called an election to be held on December 9, 2003 (the "Bond Referendum") to authorize the proposed issuance of general obligation bonds in an amount not to exceed \$10,000,000 to finance the cost of acquisition of the Project, payable from ad valorem taxes on all taxable property within the City.

(C) The Bond Referendum was duly held and conducted in all respects according to law, and a majority of electors casting a ballot voted in favor of the issuance of such bonds for such purpose to be secured in such manner.

(D) Pursuant to the authority granted by law and the election referred to above and the Refunded Bonds Resolution, the City issued \$9,860,000 City of Marco Island, Florida, General Obligation Bonds on March 30, 2004 in order to finance the cost of the acquisition of the Project.

(E) Article VII, Section 12 of the Constitution of the State of Florida provides that municipalities may issue bonds payable from ad valorem taxation without approval by a vote of the electors to refund outstanding bonds and interest and redemption premiums thereon if such refunding bonds are issued at a lower net average interest cost rate than that which is calculated respecting the refunded bonds.

(F) Sections 132.33-132.47, Florida Statutes set forth certain requirements which must be met prior to the issuance of the Bond hereinafter authorized.

(G) The City deems it a paramount public purpose and deems it necessary, beneficial and in its best interest to provide for the current refunding of the Refunded Bonds. The refunding program herein described will be advantageous to the City by effecting an overall reduction in debt service applicable to bonded indebtedness issued to finance the cost of acquiring the Project.

(H) The City now desires to issue the Bond in an amount not to exceed Three Million Nine Hundred Thousand Dollars (\$3,900,000) pursuant to the terms of this Bond Resolution.

(I) The Bond shall be payable from the full faith, credit and unlimited ad valorem taxing power of the City.

(J) The City has determined, based on the advice of Public Financial Management, Inc., its Financial Advisor (the "Financial Advisor"), to issue the Bond as a private placement.

(K) The City requested proposals from lending institutions to provide the necessary refinancing. The City received four proposals. In particular, the City has received an offer from the Original Purchaser to purchase the Bond which, based on the advice of the Financial Advisor, the City determined to be the best proposal received, and the City desires to accept such offer.

(L) Ad valorem taxes levied by the City in accordance with this Bond Resolution should be sufficient to pay all principal of and interest and redemption premium, if any, on the Bond to be issued hereunder, as the same become due, and to make all required deposits or payments required by this Bond Resolution.

(M) The estimated sum required for such refunding will be derived from a portion of the proceeds from the sale of the Bond, together with certain other funds legally available to the City, if any.

(N) A portion of the proceeds from the Bond, and other legally available funds of the City, if any, shall be deposited pursuant to the Escrow Agreement in an amount sufficient to make timely payment of all presently outstanding principal, interest and redemption premiums, if any, with respect to the Refunded Bonds as the same are redeemed prior to maturity as hereinafter provided.

(O) The costs associated with such refunding program shall be deemed to include legal expenses, fiscal expenses, expenses for estimates of costs and of revenues, accounting expenses, accrued interest and such other expenses as may be necessary or incidental for the refinancing herein authorized.

(P) Other than the pledge of ad valorem taxes of the City for the payment of the principal and interest on the 2004 Bonds which are not being refunded, the ad valorem taxes of the City will not be pledged as of the date of the issuance of the Bond.

SECTION 4. AUTHORIZATION OF BOND AND REFUNDING. Subject and pursuant to the provisions hereof, there is hereby authorized to be issued and sold the City of Marco Island, Florida General Obligation Refunding Bond, Series 2014, in the principal amount not to exceed \$3,900,000, the actual amount to be determined in the Bond itself, to currently refund the

Refunded Bonds. Such refunding is hereby authorized. Prior to the issuance of the Bond, the Finance Director shall execute a certificate, which sets forth the following (which certificate shall hereby be incorporated into this Bond Resolution):

- (a) The principal amount of the Bond to be issued hereunder;
- (b) A determination that such principal amount of Bond does not exceed the limitation imposed by Section 132.35, Florida Statutes; and
- (c) The financial plan for the proposed refunding, showing the sources and amounts of all moneys required to accomplish such refunding, containing an estimate of the present value of the total debt service savings anticipated, computed in accordance with Section 132.35(2), Florida Statutes, and containing a statement that the Bond will bear a lower net average interest cost rate than the Refunded Bonds.

SECTION 5. BOND RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Bond authorized to be issued hereunder by those who shall hold the same from time to time, this Bond Resolution shall be deemed to be and shall constitute a contract between the City and such Holder. The covenants and agreements herein set forth to be performed by the City shall be for the equal benefit, protection and security of the legal Holder of such Bond.

SECTION 6. DESCRIPTION OF BOND. The Bond shall be issued in the denomination equal to the principal amount thereof. The Bond shall have a fixed interest rate equal to 1.24% (subject to adjustment as described below and subject to the limitations set forth below, the "Interest Rate"), calculated on the basis of a 360 day year with twelve 30-day months. The Interest Rate on the Bond may be adjusted as hereinafter provided; provided, however, that such Interest Rate as adjusted shall in no event (a) exceed the maximum interest rate permitted by the Act or (b) equal or exceed a rate that would (i) cause the net average interest cost rate (as defined in Section 132.34, Florida Statutes) on the Bond to equal or exceed the net average interest cost rate on the Refunded Bonds, or (ii) result in no aggregate present value debt service savings (as defined in Section 132.34, Florida Statutes).

Subject to the foregoing limitation, in the event of a Determination of Taxability, the Interest Rate shall be subject to a full gross-up modification, as determined by the Holder and its counsel (the "Taxable Rate"), effective retroactively to the date on which such Determination of Taxability was made. In addition, upon a Determination of Taxability, the City agrees to pay to the Holder subject to such Determination of Taxability the Additional Amount upon demand. "Additional Amount" means (i) the difference between (a) interest on the Bond for the period commencing on the date on which the interest on the Bond ceased to be excludable from gross income for federal income tax purposes and ending on the earlier of the date the Bond ceased to be outstanding or such adjustment is no longer applicable to the Bond (the "Taxable Period") at a rate per annum equal to the Taxable Rate, and (b) the aggregate amount of interest

paid on the Bond for the Taxable Period under the provisions of the Bond without considering the Determination of Taxability, plus (ii) any penalties and interest paid or payable by such Holder to the Internal Revenue Service by reason of such Determination of Taxability. As used herein, "Determination of Taxability" means a final decree or judgment of any federal court or a final action of the Internal Revenue Service or of the United States Treasury Department determining that any interest payable on the Bond is includable in the gross income of the Holder. No such decree or action shall be considered final for the purposes of this paragraph unless the City has been given written notice thereof and, if it is so desired by the City and is legally permissible, the City has been afforded the opportunity to contest the same, at its own expense, either directly or in the name of the Holder and until the conclusion of any appellate review, if sought.

In addition, subject to the same foregoing limitation, while any Event of any Default is not cured, the Bond shall bear interest at a default rate equal to 5%.

Interest on the Bond shall be paid semi-annually on each January 1 and July 1 until maturity, commencing on January 1, 2015 until the Maturity Date or earlier prepayment. Principal on the Bond shall amortize on July 1 of the years and in the amounts to be set forth in Bond, commencing on July 1, 2015; provided, however, the final maturity of the Bond shall be the Maturity Date.

Because of the characteristics of the Bond, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Bond, it is in the best interest of the City to accept the offer of the Original Purchaser to purchase the Bond at a private negotiated sale. Prior to the issuance of the Bond, the City shall receive a Purchaser's Certificate from the Original Purchaser in the form attached hereto as Exhibit A, and the Disclosure Letter from the Original Purchaser containing the information required by Section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit B.

The Bond shall bear interest from the Debt Service Payment Date next preceding the date on which it is issued, unless issued on a Debt Service Payment Date, in which case it shall bear interest from such Debt Service Payment Date, or, unless issued prior to the first Debt Service Payment Date, in which case it shall bear interest from its date; provided, however, that if at the time of payment, interest is in default, such Bond shall bear interest from the date to which interest shall have been paid.

The principal of and the interest on the Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of the Bond shall be payable only to the registered Holder or his legal representative, and payment of the principal of and interest on the Bond shall be made by the City on each Debt Service Payment Date to the person appearing on the registration books of the City hereinafter provided for as the registered Holder thereof, by wire transfer or check mailed to such registered Holder at his address as it appears on such

registration books on the 15th day of the calendar month (whether or not a Business Day) preceding the interest payment date. Payment of the final installment of principal of the Bond shall be made upon the presentation and surrender of such Bond as the same shall become due and payable.

SECTION 7. EXECUTION. The Bond shall be signed by the Chairman, shall be attested by the Clerk. The official seal of the City shall be imprinted on the Bond.

SECTION 8. SIGNATURES; REGISTRATION. In the event that any officer whose signature shall appear on the Bond shall cease to be such officer before the delivery of such Bond, said signature shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until such delivery. The Bond may be signed by such person who, at the actual time of the execution of such Bond, shall be the proper officer to sign such Bond although, at the date of said Bond, such person may not have been such an officer.

The Bond, upon surrender thereof to the City, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the City, may, at the option of the Bondholder, be exchanged for an aggregate principal amount of the Bond equal to the designated amount of the Bond so surrendered.

SECTION 9. NEGOTIABILITY, REGISTRATION AND TRANSFER OF THE BOND. The City shall keep books for the registration of transfers of the Bond as provided in this Bond Resolution. The transfer of any Bond may be registered only upon such books and only upon surrender thereof to the City together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the City. Upon any such registration of transfer, the City shall execute, and deliver in exchange for such Bond, a new Bond registered in the name of the transferee, and in an aggregate principal amount equal to the principal amount of such Bond so surrendered.

In all cases in which the Bond shall be exchanged, the City shall execute and deliver, at the earliest practicable time, a new Bond in accordance with the provisions of this Bond Resolution. The Bond surrendered in any such exchange or registration of transfer shall forthwith be canceled by the City. The City may make a charge for every such exchange or registration of transfer of the Bond sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to the Bondholder for the privilege of exchanging or registering the transfer of the Bond under the provisions of this Bond Resolution. The City shall not be required to make any such exchange or registration of transfer of the Bond during fifteen (15) days immediately preceding any Debt Service Payment Date or, in the case of any proposed prepayment of the Bond then, for the Bond called for prepayment, during the fifteen (15) days preceding the date of the mailing of notice of such prepayment and continuing until such prepayment date.

The person in whose name the Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or prepayment price of any such Bond, and the interest on such Bond, shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond including the premium, if any, and interest thereon to the extent of the sum or sums so paid.

The Bond may be transferred in whole but not in part. Notwithstanding anything herein to the contrary, the Holder may enter into participation agreements with respect to the Bond.

SECTION 10. BOND MUTILATED, DESTROYED, STOLEN OR LOST. In case the Bond shall become mutilated, or be destroyed, stolen or lost, the City may, in its discretion, cause to be executed, a new Bond of like date and tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the City proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur. The Bond so surrendered shall be canceled by the City. If the Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the same, upon being indemnified as aforesaid, and if such Bond is lost, stolen or destroyed, without surrender thereof.

SECTION 11. PREPAYMENT PROVISIONS. The Bond may be prepaid in whole on any date with 10 days advance written notice to the Holder thereof without prepayment penalty. The Bond may be redeemed in part on any principal payment date with 10 days advance written notice to the Holder thereof without prepayment penalty, provided that the City pays all accrued interest accrued to the date of prepayment and provided further that the principal amount of the Bond that remains outstanding following any prepayment is a multiple of \$1,000. Principal payments shall be applied to the latest principal installments, in inverse order of maturity.

SECTION 12. FORM OF BOND. The Bond shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted in this Bond Resolution or in any supplemental resolution of the City Council adopted prior to the issuance thereof:

[Remainder of page intentionally left blank]

[Form of Bond]

Due: July 1, 2020
Dated: August 8, 2014

\$3,875,000

UNITED STATES OF AMERICA
STATE OF FLORIDA
CITY OF MARCO ISLAND
GENERAL OBLIGATION REFUNDING BOND, SERIES 2014

KNOW ALL MEN BY THESE PRESENTS that the City of Marco Island, Florida (the "City"), a municipal corporation created and existing pursuant to the Constitution and the laws of the State of Florida, for value received, promises to pay from the sources hereinafter provided, to the order of WHITNEY BANK D/B/A HANCOCK BANK, or registered assigns (hereinafter, the "Holder"), the principal sum of \$3,875,000 in amortization requirements hereinafter described, together with interest on the principal balance outstanding at the rate per annum of 1.24% (as the same may be adjusted as described herein and subject to the limitations set forth below) calculated on the basis of a 360 day year with twelve 30-day months. The interest rate on this Bond may be adjusted as hereinafter provided; provided however, that the interest rate on this Bond, as adjusted, shall in no event (a) exceed the maximum interest rate permitted by the Act or (b) equal or exceed a rate that would (i) cause the net average interest cost rate (as defined in Section 132.34, Florida Statutes) on this Bond to equal or exceed the net average interest cost rate on the Refunded Bonds or (ii) result in no aggregate present value debt service savings (as defined in Section 132.34, Florida Statutes).

Principal of and interest on this Bond are payable in lawful money of the United States of America at such place as the Holder may designate to the City in writing.

Subject to the foregoing limitation, in the event of a Determination of Taxability, the interest rate shall be subject to a full gross-up modification, as determined by the Holder and its counsel (the "Taxable Rate"), effective retroactively to the date on which such Determination of Taxability was made. In addition, upon a Determination of Taxability, the City agrees to pay to the Holder subject to such Determination of Taxability the Additional Amount upon demand. "Additional Amount" means (i) the difference between (a) interest on this Bond for the period commencing on the date on which the interest on this Bond ceased to be excludable from gross income for federal income tax purposes and ending on the earlier of the date this Bond ceased to be outstanding or such adjustment is no longer applicable to this Bond (the "Taxable Period") at a rate per annum equal to the Taxable Rate, and (b) the aggregate amount of interest paid on this Bond for the Taxable Period under the provisions of this Bond without considering the Determination of Taxability, plus (ii) any penalties and interest paid or payable by such Holder to the Internal Revenue Service by reason of such Determination of Taxability. As used herein, "Determination of Taxability" means a final decree or judgment of any federal court or a final action of the Internal Revenue Service or of the United States Treasury Department determining

that any interest payable on this Bond is includable in the gross income of the Holder. No such decree or action shall be considered final for the purposes of this paragraph unless the City has been given written notice thereof and, if it is so desired by the City and is legally permissible, the City has been afforded the opportunity to contest the same, at its own expense, either directly or in the name of the Holder and until the conclusion of any appellate review, if sought.

In addition, subject to the same foregoing limitation, while any Event of any Default is not cured, this Bond shall bear interest at a default rate equal to 5%.

Interest shall be payable semi-annually to the Holder on each January 1 and July 1, commencing on January 1, 2015.

Principal on this Bond shall amortize on July 1 of the following years:

<u>Year</u>	<u>Principal Amortization</u>
2015	\$50,000
2016	745,000
2017	755,000
2018	765,000
2019	775,000
2020	785,000

As described above, the final installment of the entire unpaid principal balance, together with all accrued and unpaid interest hereon, is due and payable on July 1, 2020.

If any date for the payment of principal and interest hereon shall fall on a day which is not a Business Day (as defined in the Bond Resolution) the payment due on such date shall be due on the next succeeding day which is a Business Day, but the City shall not receive credit for the payment until it is actually received by the Holder.

All payments by the City pursuant to this Bond shall apply first to accrued interest, then to other charges due the Holder, and the balance thereof shall apply to principal.

The Bond is issued pursuant to the Constitution and laws of the State of Florida, Chapter 166, Florida Statutes, Sections 132.33-132.47, Florida Statutes, the municipal charter of the City, and other applicable provisions of law, the Bond Referendum (as defined in the Bond Resolution), and a resolution adopted by the City Council of the City on August 4, 2014, as amended and supplemented from time to time (the "Bond Resolution"), and are subject to all the terms and conditions of the Bond Resolution.

The Bond is payable from ad valorem taxes on all the taxable property which existed within the City at the time of the Bond Referendum, as provided in the Bond Resolution and hereon. The Bond Resolution requires that in each year while this Bonds is outstanding, there

shall be levied and collected an ad valorem tax, without limitation as to rate or amount, on all taxable property which existed within the City at the time of the Bond Referendum (excluding homestead exemptions and other exemptions as heretofore or hereafter provided by applicable law), in an amount which will be sufficient to pay the principal of and interest on the Bond as it becomes due.

For the prompt payment of the principal of and interest on this Bond as the same shall become due, the full faith, credit and taxing power of the City are hereby irrevocably pledged. All taxes levied pursuant to the Bond Resolution, and all ad valorem taxes collected thereby are thereby and hereby irrevocably pledged and shall immediately be deposited into the Debt Service Fund (as defined in the Bond Resolution) and held in trust for the payment of the principal of and interest on this Bond as they become due and shall be expended for no other purpose. Until disbursed, the funds shall be secured as may from time to time be provided by law.

It is hereby certified and recited that all acts, conditions and things required to happen, exist and be performed precedent to and in connection with the issuance of this Bond, have happened, exist and have been performed in due time, form and manner as required by the Constitution and the laws of the State of Florida applicable thereto; that the total indebtedness of the City, including the issue of the Bond, does not exceed any constitutional or statutory limitation; and that provision has been made for the levy and collection of a direct annual tax without limitation as to rate or amount upon all taxable property, sufficient to pay, together with other moneys available, if any, the principal of and interest on this Bond as the same shall become due, which tax shall be levied, assessed and collected at the same time, and in the same manner as other ad valorem taxes are levied, assessed and collected within the City.

This Bond may be prepaid in whole on any date with 10 days advance written notice to the Holder without prepayment penalty. This Bond may be redeemed in part on any principal payment date with 10 days advance written notice to the Holder without prepayment penalty, provided that the City pays all accrued interest accrued to the date of prepayment and provided further that the principal amount of this Bond that remains outstanding following any prepayment is a multiple of \$1,000. Principal payments shall be applied to the latest principal installments, in inverse order of maturity.

This transfer of this Bond is registrable by the registered owner hereof or his duly authorized attorney or legal representative, but only in the manner and subject to the conditions provided in the Bond Resolution and upon surrender and cancellation of this Bond.

The City shall not be required to exchange or register any transfer of this Bond after this Bond has been selected for prepayment.

IN WITNESS WHEREOF, said City of Marco Island, Florida, by resolution duly adopted by its City Council, has caused this Bond to bear the signature of its Chairman, and to be attested by the signature of its City Clerk, and the official seal of the City to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the 8th day of August, 2014.

(SEAL)

CITY OF MARCO ISLAND, FLORIDA

By: _____

Kenneth E. Honecker
Chairman of the City Council

ATTESTED:

By: _____

Laura M. Litzan, City Clerk

SECTION 13. FINANCIAL INFORMATION. The City shall provide the Bondholder with such financial information regarding the City as the Bondholder may reasonably request. Upon request, the City shall provide the Bondholder (at no cost) with its most recent adopted operating budget within 30 days of such request. Not later than 210 days after the close of each fiscal year, the City shall provide the Bondholder (as no cost) with its Comprehensive Annual Financial Report including annual financial statements for each fiscal year of the City, prepared in accordance with applicable law and generally accepted accounting principles and audited by an independent certified public accountant. All accounting terms not specifically defined or specified herein shall have the meanings attributed to such terms under generally accepted accounting principals as in effect from time to time consistently applied.

SECTION 14. APPLICATION OF BOND PROCEEDS AND EXECUTION OF ESCROW AGREEMENT. The proceeds of the Bond shall be applied by the City simultaneously with the delivery of the Bond to the Original Purchaser thereof, as follows:

(A) Any capitalized interest shall be deposited in the Debt Service Fund and shall be used only for the purpose of paying interest becoming due on the Bond.

(B) The City shall pay all costs and expenses in connection with the preparation, issuance and sale of the Bond.

(C) A sum specified in the Escrow Agreement which, together with other legally available funds of the City, if any, shall be sufficient to pay, as of any date of calculation, the principal of, premium, if any, and interest on the Refunded Bonds as the same shall be redeemed, shall be deposited pursuant to the provisions of the Escrow Agreement.

Such funds shall be kept separate and apart from all other funds of the City and such moneys on deposit shall be withdrawn, used and applied by the City solely for the purposes set forth herein and in the Escrow Agreement. All such proceeds shall be and constitute trust funds for such purposes, and there is hereby created a lien in favor of the holders of the Refunded Bonds upon such money deposited under the Escrow Agreement until so applied.

Simultaneously with the delivery of the Bond to the Original Purchaser, the City shall enter into the Escrow Agreement with the Escrow Agent which shall provide for the deposit of sums to be held uninvested so as to produce sufficient funds to make all the payments described in the Escrow Agreement. The execution of the Escrow Agreement attached hereto as Exhibit C is hereby approved, and the execution of the Escrow Agreement by the Chairman is hereby authorized, to be attested by its Clerk, and the corporate seal of the City or a facsimile thereof shall be affixed thereto or reproduced thereon. At the time of execution of the Escrow Agreement, the City shall furnish to Bond Counsel appropriate documentation to demonstrate that the sums being deposited will be sufficient for such purposes.

Wells Fargo Bank, N.A. is hereby appointed Escrow Agent pursuant to the Escrow Agreement.

On the date of the issuance of the Bond, the City may transfer certain of the monies on hand in the various funds and accounts established in connection with the issuance of the Refunded Bonds into the various funds and accounts established pursuant to this Bond Resolution and the Escrow Agreement.

Subject to the execution and delivery of the Bond for the purpose of refunding the Refunded Bonds, the City hereby irrevocably calls the Refunded Bonds for early redemption on October 9, 2014, or such other date as determined by the Chairman and set forth in the Escrow Agreement. Not less than sixty (60) days prior to such redemption date, the City hereby directs Wells Fargo Bank, N.A., in its capacity as Paying Agent for the Refunded Bonds (the "2004 Paying Agent"), to mail a notice of the redemption of the Refunded Bonds to each holder thereof in accordance with the requirements of Section 11 of the Refunded Bonds Resolution in the form to be prepared by Bond Counsel. Furthermore, upon issuance of the Bond for the purposes of refunding the Refunded Bonds, the City hereby directs the 2004 Paying Agent to mail a notice of defeasance to each holder of the Refunded Bonds in the form to be prepared by Bond Counsel.

SECTION 15. SECURITY FOR BOND. The Bond is a general obligation of the City. The principal of and interest on the Bond shall be secured by a pledge of the full faith, credit and taxing power of the City without limitation.

All taxes levied pursuant to this Bond Resolution, and all ad valorem taxes collected thereby are hereby irrevocably pledged and shall immediately be deposited into the Debt Service Fund and held in trust for the payment of the principal of and interest on the Bond as they become due and shall be expended for no other purpose. Until disbursed, the funds shall be secured as may from time to time be provided by law.

SECTION 16. LEVY OF AD VALOREM TAXES. For so long as the Bond is outstanding, the City Council shall, each year, levy an ad valorem tax, without limitation as to rate or amount, on all taxable property which existed within the City at the time of the Bond Referendum (excluding homestead exemptions and other exemptions as heretofore or hereafter provided by applicable law) at least equal to the Debt Service Requirement for the ensuing Bond Year. Such tax shall be levied and collected at the same time and in the same manner as ad valorem taxes for the operating expenses of the City and shall be in addition to all other taxes authorized to be levied by the City. The City covenants that it will not accept payment of taxes levied for operating expenses of the City unless there shall be paid at the same time the taxes required by this Bond Resolution.

SECTION 17. COVENANTS OF CITY. For so long as any of the principal of and interest on the Bond shall be outstanding and unpaid or until there shall have been set apart in

the Debt Service Fund, a sum sufficient to pay when due, the entire principal of the Bond remaining unpaid, together with interest accrued or to accrue thereon, the City covenants with the Holder of the Bond as follows:

(A) Debt Service Fund. The City covenants and agrees to establish a special fund to be designated "City of Marco Island, Florida General Obligation Refunding Bond, Series 2014, Debt Service Fund."

From the Debt Service Fund shall be paid each installment of interest on and principal of the Bond as it becomes due, including capitalized interest, if any. No further payments shall be required to be made into the Debt Service Fund when the aggregate amount of moneys in the Debt Service Fund is at least equal to the aggregate principal amount of the Bond then outstanding, plus the amount of interest then due or thereafter to become due on such Bond then outstanding. At such time as the Bond is no longer outstanding, any moneys remaining in the Debt Service Fund may be transferred to the general fund of the City, and shall be used for any lawful purpose. Moneys on deposit in the Debt Service Fund may be invested in Permitted Investments.

(B) Special Funds. Each of the funds and accounts herein established and created shall constitute trust funds for the purposes provided herein for such funds and accounts respectively. All such funds shall be continuously secured in the manner by which the deposit of City funds are authorized to be secured by the laws of the State of Florida. Earnings on investments in funds and accounts created under this Bond Resolution shall be retained in the funds and accounts from which such earnings derive.

(C) Books and Records. Books and records of the City shall be kept in which complete and correct entries shall be made, in accordance with generally accepted accounting principles.

At least once a year, on or before March 31 of the year following the close of each fiscal year, the books, records and accounts of the City shall be properly audited by an independent firm of certified public accountants.

SECTION 18. DEFEASANCE. If, at any time, the City shall have paid, or shall have made provision for payment of, the principal and interest with respect to the Bond, then, and in that event, the pledge of and lien on the funds pledged in favor of the Holder of such Bond shall be no longer in effect. For purposes of the preceding sentence, deposit of sufficient cash and/or Federal Securities in irrevocable trust with a banking institution or trust company, for the sole benefit of the Bondholder in respect to which such Federal Securities, the principal and interest received will be sufficient to make timely payment of the principal and interest on the outstanding Bond, shall be considered "provision for payment." Nothing herein shall be deemed to require the City to call the outstanding Bond for prepayment prior to maturity

pursuant to any optional prepayment provisions, if applicable, or to impair the discretion of the City in determining whether to exercise any such option for early prepayment, if applicable.

SECTION 19. DEFAULTS; EVENTS OF DEFAULT AND REMEDIES. Except as provided below, if any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default:"

(A) Failure to punctually pay any interest on the Bond;

(B) Failure to punctually pay the principal of the Bond, at the stated maturity thereof, or upon proceedings for prepayment thereof, if applicable;

(C) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the City contained in this Bond Resolution or in the Bond and the continuance thereof for a period of thirty (30) days after written notice to the City given by the Holder of the Bond then outstanding (provided, however, that with respect to any obligation, covenant, agreement or condition which requires performance by a date certain, if the City performs such obligation, covenant, agreement or condition within thirty (30) days of written notice as provided above, the default shall be deemed to be cured);

(D) Failure by the City promptly to remove any execution, garnishment or attachment of such consequence as will materially impair its ability to carry out its obligations hereunder; or

(E) Any act of bankruptcy or the rearrangement, adjustment or readjustment of the obligations of the City under the provisions of any bankruptcy or moratorium laws or similar laws relating to or affecting creditors' rights.

Upon obtaining knowledge of an Event of Default, the City shall promptly provide written notice of any such Event to the Holder of the Bond.

The Holder of the Bond issued under the provisions hereof or any trustee acting for the Holder of such Bond may, either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under state or federal law, or granted and contained herein, and may enforce and compel the performance of all duties required herein or by any applicable law to be performed by the City or by any officer thereof.

The foregoing notwithstanding:

(i) No remedy conferred upon or reserved to the Bondholder is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholder hereunder.

(ii) No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient.

(iii) No waiver of any default or Event of Default hereunder by the Bondholder shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

(iv) Acceleration of the payment of principal of and interest on the Bond shall not be a remedy hereunder in the case of an Event of Default.

The City covenants and agrees not to provide acceleration as a remedy in the event of default under any other general obligation bond it issues without agreeing to amend this Bond Resolution to provide acceleration as a remedy in the Event of Default hereunder.

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondholder under this Bond Resolution, the Bondholder shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the City and the funds pending such proceedings, with such powers as the court making such appointment shall confer. In addition, upon the occurrence of an Event of Default, the City shall reimburse the Bondholder (or its agent, e.g. receiver, trustee, etc.) for all reasonable legal and collection costs incurred to exercise its remedies or collect payments due to the Bondholder hereunder.

On the occurrence of an Event of Default, to the extent such rights may then lawfully be waived, neither the City nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Bond Resolution, and the City, for itself and all who may claim through or under it, hereby waives, to the extent it may lawfully do so, the benefit of all such laws and all right of redemption to which it may be entitled.

SECTION 20. MODIFICATION OR AMENDMENT. No material modification or amendment of this Bond Resolution or resolution amendatory hereof or supplemental hereto may be made without the consent in writing of the Holder of the Bond then outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of such Bond or a reduction in the rate of interest thereon, or in the amount of the principal

obligation, or affecting the unconditional promise of the City to levy taxes, in the manner and to the extent herein provided, or to pay the principal of and interest on the Bond, as the same shall become due, from the sources herein provided, or reduce such percentage of Holder of such Bond required above for such modifications or amendments without the consent of the Holder of the Bond.

SECTION 21. SEVERABILITY OF INVALID PROVISION. If any one or more of the covenants, agreements or provisions of this Bond Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Bond Resolution or of the Bond issued hereunder.

SECTION 22. ARBITRAGE. No use will be made of the proceeds of the Bond which will cause the same to be "arbitrage bonds" within the meaning of the Code. The City, at all times while the Bond and the interest thereon are outstanding, will comply with the requirements of Section 103(c) of the Code and applicable rules and regulations of the Internal Revenue Service.

SECTION 23. TAX COVENANT. With respect to any Bond for which the City intends on the date of issuance thereof for the interest thereon to be excluded from gross income for purposes of federal income taxation:

(A) The City shall not use or permit the use of any proceeds of the Bond or any other funds of the City, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the City with respect to the Bond in any manner, and shall not take or permit to be taken any other action or actions, which would cause any such Bond to be a "private activity bond" within the meaning of Section 141 or an "arbitrage bond" within the meaning of Section 148, or "federally guaranteed" within the meaning of Section 149(b), of the Code, or otherwise cause interest on such Bond to become subject to federal income taxation.

(B) The City shall, at all times, do and perform all acts and things permitted by law and this Bond Resolution which are necessary or desirable in order to ensure that interest paid on such Bond will be excluded from gross income for purposes of federal income taxes and shall take no action that would result in such interest not being so excluded.

(C) The City shall pay or cause to be paid to the United States Government any amounts required by Section 148(f) of the Code and the regulations thereunder (the "Regulations"). In order to ensure compliance with the rebate provisions of Section 148(f) of the Code with respect to any Bond for which the City intends on the date of issuance thereof to be excluded from gross income for purposes of federal income taxation, the City hereby creates the

"City of Marco Island, Florida General Obligation Refunding Bond, Series 2014, Rebate Fund" (the "Rebate Fund") to be held by the City. The Rebate Fund need not be maintained so long as the City timely satisfies its obligation to pay any rebatable earnings to the United States Treasury; however, the City may, as an administrative convenience, maintain and deposit funds in the Rebate Fund from time to time. Moneys in the Rebate Fund (including earnings and deposits therein) shall be held for future payment to the United States Government as required by the Regulations and as set forth in instructions of Bond Counsel delivered to the City upon issuance of such Bond. Moneys on deposit in the Rebate Fund may be invested in Permitted Investments.

SECTION 24. BANK QUALIFIED STATUS. The City Council of the City designates the Bond as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code. The City and any issuer of "tax-exempt" debt that issues "on behalf of" the City do not reasonably expect during the calendar year 2014 to issue more than \$10,000,000 of "tax-exempt" obligations including the Bond, exclusive of any private activity bonds as defined in Section 141(a) of the Code (except for qualified 501(c)(3) bonds as defined in Section 145 of the Code).

SECTION 25. NO THIRD PARTY BENEFICIARIES. Except as may be expressly described herein, nothing in this Bond Resolution, or in the Bond, expressed or implied, is intended or shall be construed to confer upon anyone of another entity other than the City and the Holder any right, remedy or claim, legal or equitable, under and by reason of this Bond Resolution or any provision hereof, or of the Bond, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the City and the Holder from time to time.

SECTION 26. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this Bond Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Bond Resolution or of the Bond issued hereunder.

SECTION 27. BUSINESS DAYS. In any case where the due date of interest on or principal of a Bond is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day, provided that credit for payments made shall not be given until the payment is actually received by the Holder.

SECTION 28. APPLICABLE PROVISIONS OF LAW. This Bond Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 29. RULES OF INTERPRETATION. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof,"

"hereinbefore," "hereinafter" and other equivalent words refer to this Bond Resolution and not solely to the particular portion in which any such word is used.

SECTION 30. CAPTIONS. The captions and headings in this Bond Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

SECTION 31. MEMBERS OF THE CITY COUNCIL NOT LIABLE. No covenant, stipulation, obligation or agreement contained in this Bond Resolution shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the City in his or her individual capacity, and neither the members of the City Council nor any person executing the Bond shall be liable personally on the Bond or this Bond Resolution or shall be subject to any personal liability or accountability by reason of the issuance or the execution of the Bond or this Bond Resolution.

SECTION 32. AUTHORIZATIONS. The Chairman and any member of the City Council, the City Manager, the City Attorney, the Clerk, the Finance Director and such other officials and employees of the City as may be designated by the City are each designated as agents of the City in connection with the issuance and delivery of the Bond and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with the execution and delivery of the Bond, and which are specifically authorized or are not inconsistent with the terms and provisions of this Bond Resolution.

SECTION 33. OPEN MEETING FINDINGS. It is hereby found and determined that all official acts by the City Council concerning and relating to the adoption of this Bond Resolution and all prior resolutions affecting the City Council's ability to issue the Bond were taken in an open meeting of the City Council and that all deliberations of the City Council or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

SECTION 34. REPEALER. All resolutions or portions thereof in conflict herewith are hereby repealed.

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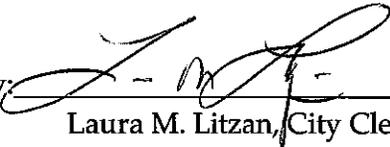
SECTION 35. EFFECTIVE DATE. This Bond Resolution shall take effect immediately upon its adoption.

Passed in open and regular session through roll call vote by the City Council of the City of Marco Island, Florida on this 4th day of August, 2014.

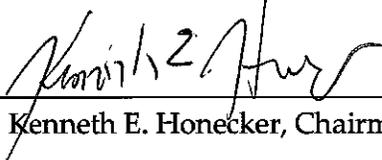
(SEAL)

ATTEST:

CITY OF MARCO ISLAND, FLORIDA

By: 

Laura M. Litzan, City Clerk

By: 

Kenneth E. Honecker, Chairman

APPROVED AS TO FORM:

By: 

Burt L. Saunders, City Attorney

EXHIBIT A

FORM OF PURCHASER'S CERTIFICATE

This is to certify that Whitney Bank d/b/a Hancock Bank (the "Purchaser") has not required the City of Marco Island, Florida (the "City") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the City in connection with the issuance of the \$3,875,000 City of Marco Island, Florida, General Obligation Refunding Bond, Series 2014 dated August 8, 2014 (the "Bond") and no inference should be drawn that the Purchaser, in the acceptance of said Bond, is relying on Bryant Miller Olive P.A., Bond Counsel or GrayRobinson, P.A., City Attorney as to any such matters other than the legal opinions rendered by Bond Counsel and by the City Attorney. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in a resolution adopted by the City Council of the City on August 4, 2014, as may be amended and supplemented from time to time (collectively, the "Resolution").

We are aware that investment in the Bond involves various risks, and that the payment of the Bond is secured solely from the sources described in the Resolution (the "Bond Security").

We have made such independent investigation of the Bond Security as we, in the exercise of sound business judgment, consider to be appropriate under the circumstances. In making our investment decision, we have relied upon the accuracy of information which has been provided to us by the City.

We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Bond and can bear the economic risk of our investment in the Bond.

We acknowledge and understand that the Resolution is not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and is not being registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the City, Bond Counsel nor the City Attorney shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary, and are purchasing the Bond as an investment for our own account and not with a present view to a resale or other distribution to the public. We understand that the Bond may only be transferred in whole and not in part in any circumstances.

We are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as

contemplated by Section 517.061(7), Florida Statutes. We are not purchasing the Bond for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

We are a state chartered bank under the laws of the State of Mississippi.

DATED this 8th of August, 2014.

WHITNEY BANK D/B/A HANCOCK BANK

By: _____

Name: Steven E. Cole

Title: Senior Vice President

EXHIBIT B

FORM OF DISCLOSURE LETTER

The undersigned, as purchaser, proposes to negotiate with the City of Marco Island, Florida (the "City") for the private purchase of its \$3,875,000 City of Marco Island, Florida, General Obligation Refunding Bond, Series 2014 dated August 8, 2014 (the "Bond"). Prior to the award of the Bond, the following information is hereby furnished to the City:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to us (the "Bank") in connection with the issuance of the Bond (such fees and expenses to be paid by the City):

Legal Fees:
Akerman LLP
\$3,500

2. (a) No other fee, bonus or other compensation is estimated to be paid by the Bank in connection with the issuance of the Bond to any person not regularly employed or retained by the Bank (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Bank, as set forth in paragraph (1) above.

(b) No person has entered into an understanding with the Bank, or to the knowledge of the Bank, with the City, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the City and the Bank or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Bond.

3. The amount of the underwriting spread expected to be realized by the Bank is \$0.

4. The management fee to be charged by the Bank is \$0.

5. Truth-in-Bonding Statement:

The Bond is being issued to currently refund a portion of the City's General Obligation Bonds, Series 2004.

The Bond will be payable from the full faith, credit and unlimited ad valorem taxing power of the City as described in a resolution adopted by the City Council of the City on August 4, 2014, as amended and supplemented from time to time (collectively, the "Resolution"). Issuance of the Bond is estimated to result in a maximum of approximately

\$794,734.00 of ad valorem taxes of the City not being available to finance the services of the City in each year during the life of the Bond.

6. The name and address of the Bank is as follows:

Whitney Bank d/b/a Hancock Bank
113 Designer Circle
Dothan, Alabama 36303
Attn: Steven E. Cole

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Statement on behalf of the Bank this 8th day of August, 2014.

WHITNEY BANK D/B/A HANCOCK BANK

By: _____
Name: Steven E. Cole
Title: Senior Vice President

EXHIBIT C

FORM OF ESCROW AGREEMENT

