

RESOLUTION 15-76

A RESOLUTION OF THE CITY OF MARCO ISLAND, FLORIDA AMENDING AND SUPPLEMENTING RESOLUTION NO. 05-40 TO FIX CERTAIN DETAILS IN CONNECTION WITH THE ISSUANCE OF ITS NOT TO EXCEED \$2,000,000 SALES TAX REFUNDING REVENUE BOND, SERIES 2015; 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 Resolution. This Resolution is a "Supplemental Resolution" adopted pursuant to Resolution No. 03-09 adopted by the City Council of the Issuer on January 21, 2003, as amended and restated by Resolution No. 05-40 adopted by the City Council of the Issuer on June 20, 2005 (collectively, the "Master Resolution") and the Act as such term is defined in the Master Resolution.

Section 2. Definitions. Unless otherwise defined in the Master Resolution, the following words and phrases shall have the following meanings when used herein:

"Authorization Denominations" means a minimum denomination of \$100,000.

"Bond" means the Bond authorized in the Master Resolution and hereby.

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

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the applicable rules and regulations promulgated thereunder.

"Escrow Agent" means U.S. Bank National Association.

"Escrow Agreement" means that certain Escrow Deposit Agreement between the Issuer and the Escrow Agent, in substantially the form attached hereto as Exhibit D.

"Maturity Date" means November 1, 2020, unless earlier redeemed or accelerated.

"Original Purchaser" means Whitney Bank d/b/a Hancock Bank, the original Holder of the Bond.

"Person" means natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

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

"Refunded Bonds" means the Issuer's Sales Tax Revenue Bonds, Series 2005.

Section 3. Findings.

(A) Except for in favor of the Refunded Bonds which will no longer be Outstanding as of the issuance of the Bond, the Half-Cent Sales Tax Revenues are not pledged or encumbered in any manner. It is estimated that the Half-Cent Sales Tax Revenues will be sufficient to provide for the payment of the principal of and interest on the Bond and all other payment obligations under the Master Resolution.

(B) The Issuer desires to make such determinations as are required to afford the Bond "bank qualified" status for purposes of Section 265(b)(3) of the Code.

(C) Effective at such time as the Refunded Bonds are no longer Outstanding, the Issuer desires to amend the Master Resolution to provide that subaccounts can be created in the Reserve Account to secure separate Series of Bonds issued under the Master Resolution, that the Reserve Account Requirement applicable to the Reserve Account or any subaccounts created therein may be established by Supplemental Resolution, and that the Issuer may elect that a Series of Bonds shall not be secured by the Reserve Account or any subaccount created thereunder.

(D) The Issuer has received an offer from the Original Purchaser to purchase the Bond.

(E) In consideration of the purchase and acceptance of the Bond authorized to be issued hereunder by those who shall be the Holder thereof from time to time, this Resolution shall constitute a contract between the Issuer and the Holder.

Section 4. Authorization of the Bond. Subject and pursuant to the provisions of this Resolution, an obligation of the Issuer to be known as City of Marco Island, Florida Sales Tax

Refunding Revenue Bond, Series 2015 (the "Bond") is hereby authorized to be issued under and secured by this Resolution, in the principal amount of not to exceed \$2,000,000, for the purpose of providing funds, together with other legally available funds of the Issuer, if any, to 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, and paying the costs of issuing the Bond. 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 Issuer 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 Issuer shall receive from the Original Purchaser a Purchaser's Certificate, the substantially final form of which is attached hereto as Exhibit B and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, the substantially final form of which is attached hereto as Exhibit C.

Section 5. Description of the Bond. The Bond shall be issued as a Term Bond in a denominational unit of \$1,000 with a final maturity of the Maturity Date, to be dated the date of the execution and delivery, which shall be a date agreed upon by the Issuer and the Original Purchaser, and shall have such other terms and provisions, including a fixed interest rate (subject to adjustment as described in the Bond) not exceeding the maximum interest rate permitted by the Act, Amortization Installments and interest payment terms, and a redemption provision as stated in the form of the Bond attached hereto as Exhibit A, provided, however, the Bond shall not be issued unless the initial fixed interest rate is not in excess of 1.31%. Interest on the Bond shall be calculated on the basis of a 360 day year consisting of twelve 30 day months. The Bond is to be in substantially the form set forth on Exhibit A attached hereto, together with such non-material changes as shall be approved by the Chairman, such approval to be conclusively evidenced by the execution thereof by the Chairman. The Bond shall be executed on behalf of the Issuer with the manual signature of the Chairman and a facsimile of the official seal of the Issuer, and attested with the manual signature of the City Clerk. In case any one or more of the officers who shall have signed or sealed the Bond or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bond so signed and sealed has been actually sold and delivered, the Bond may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed the Bond had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond shall hold the proper office of the Issuer, although, at the date of such Bond, such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bond shall be actually sold and delivered.

The Issuer hereby appoints the City Clerk to serve as Paying Agent and Registrar on the Bond.

Section 6. Registration and Exchange of Bond; Persons Treated as Holder. The Bond is initially registered to the Original Purchaser. So long as the Bond shall remain unpaid, the Registrar will keep books for the registration and transfer of the Bond. The Bond shall be transferable only upon such registration books and only in Authorized Denominations.

The Person in whose name a Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal and interest on the Bond shall be made only to or upon the written order of the Holder. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 7. Payment of Principal and Interest; Limited Obligation; Execution and Delivery of Escrow Agreement. The Issuer promises that it will promptly pay the principal of and interest on the Bond at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and thereof. The Bond shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable in the manner and to the extent provided in the Master Resolution and hereby. No holder of any Bond issued hereunder shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond, or be entitled to payment of such Bond from any funds of the Issuer except from the Pledged Funds as described herein. The Bond shall be an "Additional Bond" within the meaning of the Master Resolution and shall be entitled to all the benefits, pledges and agreements set forth therein in accordance with Section 1.03 of the Master Resolution.

Simultaneously with the delivery of the Bond to the Original Purchaser, the Issuer 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 in substantially the form attached hereto as Exhibit D is hereby approved, and the execution and delivery of the Escrow Agreement by the Chairman is hereby authorized, to be attested by its Clerk, and the corporate seal of the Issuer or a facsimile thereof shall be affixed thereto or reproduced thereon. At the time of execution of the Escrow Agreement, the Issuer shall furnish to Bond Counsel and the Escrow Agent appropriate documentation to demonstrate that the sums being deposited will be sufficient for such purposes.

U.S. Bank National Association is hereby appointed Escrow Agent pursuant to the Escrow Agreement.

On the date of the issuance of the Bond, the Issuer 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 the Master Resolution and the Escrow Agreement.

Subject to the execution and delivery of the Bond for the purpose of refunding the Refunded Bonds, the Issuer hereby irrevocably calls the Refunded Bonds for early redemption on December 10, 2015, or such other date as determined by the Chairman and set forth in the Escrow Agreement. Not less than thirty (30) days prior to such redemption date, the Issuer hereby directs Wells Fargo Bank, N.A., in its capacity as Paying Agent for the Refunded Bonds (the "2005 Paying Agent"), to mail a notice of the redemption of the Refunded Bonds to each holder thereof in accordance with the requirements of Section 3.03 of the Master 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 Issuer hereby directs the 2005 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 8. Additional Bonds Test; Other Covenants.

(A) To the extent that there are no Bonds Outstanding other than the Bond, the limitations in Section 5.02 of the Resolution shall not apply. However, while the Bond remains Outstanding, (i) no Additional Bonds may be issued unless the amount of Half-Cent Sales Tax Revenues received by the Issuer during the most recent Fiscal Year for which audited financial statements are available equaled at least 1.20 times the Maximum Annual Debt Service of all Bonds then Outstanding including such proposed Additional Bonds, and (ii) no obligations payable from Pledged Funds on a subordinate basis may be issued unless the amount of Half-Cent Sales Tax Revenues received by the Issuer during the most recent Fiscal Year for which audited financial statements are available equaled at least 1.00 times the Maximum Annual Debt Service of all Bonds then Outstanding including for this purpose such subordinated indebtedness and any other outstanding subordinated indebtedness.

(B) The Issuer shall, within a reasonable amount of time after the close of each Fiscal Year, cause the financial statements of the Issuer to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accountants, and shall require such accountants to complete their report on the annual financial statements in accordance with applicable law. The annual financial statements shall be prepared in conformity with generally accepted accounting principles. A copy of the audited financial statements for each Fiscal Year shall be furnished to the Holder or Holders of the Bond within 210 days of the close of the applicable Fiscal Year. Further, if requested by the Holder of the Bond, the Issuer shall provide a copy of its adopted budget and any other financial information reasonably requested. Such financial statements, budget and other financial information shall be provided at no cost to the Holder.

(C) The Issuer shall immediately notify the Holder of the Bond of the occurrence of an Event of Default that it becomes aware of.

(D) The Issuer shall not grant acceleration as a remedy in the event of a default on any indebtedness secured by Half-Cent Sales Tax Revenues.

(E) The Issuer shall not grant any other Holder of Bonds any approval or consent rights as a condition precedent to the exercise by the Holder of the Bond of its remedies in the Event of a Default under the Resolution, and the Holder may exercise its rights and remedies subject to Article VI of the Master Resolution.

(F) The Issuer shall reimburse the Holder (or its agent, receiver or trustee) for all reasonable legal and collection costs to enforce remedies or to collect debt service payments or other amounts due the Holder.

Section 9. Master Resolution Amendments. By purchasing the Bond, the Holder thereof shall be deemed to have consented to the amendments to the Master Resolution set forth below. Such amendments shall immediately take effect without any further action at such time as the Refunded Bonds are no longer Outstanding.

A. The definitions of "Pledged Funds" and "Reserve Account Requirement" set forth in Section 1.01 of the Master Resolution are hereby amended and restated in their entirety to read as follows, with deleted text indicated by strikethrough and added text indicated by double underline:

"Pledged Funds" shall mean (1) the Half-Cent Sales Tax Revenues, and (2) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder, with the exception of the Reserve Account or any subaccounts created therein except to the extent expressly pledged to secure a particular Series of Bonds, the Rebate Fund and the Unrestricted Revenue Account; provided, however, that proceeds deposited in the Construction Fund in connection with the issuance of a particular Series of Bonds shall only secure such Series.

"Reserve Account Requirement" shall mean (a) with respect to the Reserve Account (but not any subaccounts therein), as of any date of calculation, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds with respect to Bonds secured by the Reserve Account, (2) 125% of the average annual debt service for all Outstanding Bonds with respect to Bonds secured by the Reserve Account, or (3) the maximum amount allowed under the Code with respect to Bonds secured by the Reserve Account in order to maintain the exclusion of interest on the Outstanding such Bonds (other than Taxable Bonds), and (b) with respect to any subaccount created in the Reserve Account, the amount that the Issuer shall establish by Supplemental Resolution for each such subaccount which secures a Series of Bonds pursuant to Section 4.05(A)(4) of this Resolution.

B. The fourth paragraph of Section 2.01 of the Master Resolution is hereby amended and restated in its entirety to read as follows, with deleted text indicated by strikethrough and added text indicated by double underline:

Unless otherwise provided in a Supplemental Resolution, the ~~The~~ Bonds shall be issued in denominations of \$5,000 or integral multiples thereof, in such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; shall provide that the proceeds thereof be used in such manner; may be Capital Appreciation Bonds, Serial Bonds, Term Bonds or Variable Rate Bonds (provided, however, that the issuance of Variable Rate Bonds which are Additional Bonds is subject to the provisions of Section 5.02(D) hereof); all as determined by Supplemental Resolution of the Issuer.

C. The first paragraph of Section 4.04 of the Master Resolution is hereby amended and restated in its entirety to read as follows, with deleted text indicated by strikethrough and added text indicated by double underline:

SECTION 4.04. Funds and Accounts. The Issuer covenants and agrees to establish with a bank or trust company in the State of Florida, which is eligible under the laws of such State to receive funds of the Issuer, separate funds to be known as the "City of Marco Island, Florida Sales Tax Revenue Bonds Revenue Fund" (the "Revenue Fund") and the "City of Marco Island, Florida Sales Tax Revenue Bonds Debt Service Fund" (the "Debt Service Fund"). The Issuer shall maintain in the Revenue Fund two accounts: the "Restricted Revenue Account" and the "Unrestricted Revenue Account." The Issuer shall maintain in the Debt Service Fund four accounts: the "Interest Account," the "Principal Account," the "Bond Amortization Account," and the "Reserve Account." The Issuer may establish separate subaccounts in the Reserve Account pursuant to Section 4.05(A)(4) of this Resolution. Moneys in the aforementioned funds and accounts, other than the Unrestricted Revenue Account, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders and for the further security of the Holders.

D. Section 4.05(A)(4) of the Master Resolution is hereby amended and restated in its entirety to read as follows, with deleted text indicated by strikethrough and added text indicated by double underline:

(4) Reserve Account. Next, the Issuer shall deposit into or credit to the Reserve Account (or any subaccounts established therein) a sum sufficient to maintain therein an amount equal to the applicable Reserve Account Requirement. Moneys in the Reserve Account (or any subaccounts established therein) shall be used only for the purpose of the payment of maturing principal of or interest or Amortization Installments and the Bonds secured thereby when the other moneys in the Debt Service

Fund are insufficient therefor, and for no other purpose. However, whenever the moneys on deposit in the Reserve Account (or any subaccounts established therein) exceed the applicable Reserve Account Requirement, such excess shall be withdrawn and deposited into the Interest Account.

Upon the issuance of any Additional Bonds under the terms, limitations and conditions as herein provided, the Issuer shall, on the date of delivery of such Additional Bonds, increase the sum required to be accumulated and maintained on deposit in the Reserve Account (or any subaccounts established therein) to be at least equal to the applicable Reserve Account Requirement on ~~all Outstanding~~ the applicable Series of Bonds including the Additional Bonds then issued, if applicable. Such required sum may be paid in full or in part from the proceeds of such Additional Bonds.

Notwithstanding the foregoing provisions, in lieu of the required cash deposits into the Reserve Account (or any subaccounts established therein), subject to the written consent of the Insurer or Insurers, the Issuer may, at any time, cause to be deposited into the Reserve Account (or any subaccounts established therein) a surety bond, irrevocable letter of credit, guaranty or an insurance policy for the benefit of the applicable Bondholders in an amount equal to the difference between the Reserve Account Requirement and the sums then on deposit in the Reserve Account (or any subaccounts established therein), if any. Such surety bond, irrevocable letter of credit, guaranty or insurance policy shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any Interest Date on which a deficiency exists which cannot be cured by funds in any other fund or account held pursuant to this Resolution and available for such purpose. Repayment of draws made from a surety bond, irrevocable letter of credit, guaranty or an insurance policy provided pursuant to this paragraph, shall be made in accordance with a Supplemental Resolution.

Whenever the amount in the Reserve Account (or any subaccounts established therein), together with the other amounts in the Debt Service Fund, are sufficient to fully pay ~~all Outstanding~~ Bonds secured thereby in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account (or any subaccounts established therein) may be transferred to the other accounts of the Debt Service Fund for the payment of the Bonds secured thereby.

Notwithstanding anything herein to the contrary, the Issuer may elect to issue one or more Series of Bonds that are not secured by the Reserve Account (or a subaccount therein) or may establish a separate subaccount in the Reserve Account for any Series of Bonds and provide a pledge of such subaccount to the payment of such Series of Bonds apart from the pledge provided herein. To the extent a Series of Bonds is not secured by the Reserve Account (or a subaccount therein) or is secured separately by a subaccount in the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys or credit instruments in the Reserve Account or any other subaccount

therein. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Reserve Account Requirement relating to such separate subaccount of the Reserve Account at such level as the Issuer deems appropriate. Moneys shall be deposited in the Reserve Account and the separate subaccounts therein on a pro rata basis to replenish any withdrawals therefrom.

E. The first paragraph of Section 4.06 of the Master Resolution is hereby amended and restated in its entirety to read as follows, with deleted text indicated by strikethrough and added text indicated by double underline:

SECTION 4.06. Investments. The Construction Fund, the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State and the investment policy of the Issuer. Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund may be invested and reinvested in Permitted Investments maturing no later than the date on which the moneys therein will be needed. Any and all income received by the Issuer from the investment of moneys in each account of the Construction Fund, the Interest Account, the Principal Account, the Bond Amortization Account, the Reserve Account (~~or any subaccounts established therein~~) (but only to the extent that the amount therein is less than the applicable Reserve Account Requirement) and the Restricted Revenue Account shall be retained in such respective Fund or Account unless otherwise required by applicable law. To the extent that the amount in the Reserve Account (~~or any subaccounts established therein~~) is equal to or greater than the applicable Reserve Account Requirement, any and all income received by the Issuer from the investment of moneys therein shall be transferred, upon receipt, and deposited into the Interest Account.

Section 10. No Reserve Funding. The Bond shall not be secured by the Reserve Account or any subaccount created thereunder.

Section 11. Tax Covenant. The Issuer covenants to the Holder of the Bond provided for in this Resolution that the Issuer will not make any use of the proceeds of the Bond at any time during the term of the Bond which, if such use had been reasonably expected on the date the Bond was issued, would have caused such Bond to be an "arbitrage bond" within the meaning of the Code. The Issuer will comply with the requirements of the Code and any valid and applicable rules and regulations promulgated thereunder necessary to ensure the exclusion of interest on the Bond from the gross income of the Holder thereof for purposes of federal income taxation.

Section 12. Bank Qualified.

The Issuer designates the portion, if any, of the Bond that exceeds the current principal amount of the Refunded Bonds as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code. The Issuer and any issuer of "tax-exempt" debt that issues "on behalf of" the Issuer do not reasonably expect during the calendar year 2015 to issue more than \$10,000,000 of "tax-exempt" obligations including the portion of the Bond designated as described in this Section 12, 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).

The portion of the Bond that is not being designated as a "qualified tax-exempt obligation" under the preceding paragraph is deemed designated as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Code.

Section 13. Captions. The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 14. Repeal of Inconsistent Instruments. All resolutions or parts thereof, in conflict herewith are hereby repealed to the extent of such conflict.

Section 15. No Third Party Beneficiaries. Except as may be expressly described herein, nothing in this Resolution or in the Bond, expressed or implied, is intended or shall be construed to confer upon any person, other than the Issuer and the Holder, any right, remedy or claim, legal or equitable, under and by reason of this Resolution, or any provision thereof, or of the Bond, all provisions thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the persons who shall from time to time be the Holder.

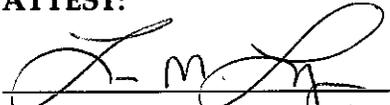
Section 16. Effective Date. This Resolution shall take effect immediately upon its adoption.

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Passed in open and regular session through roll call vote by the City Council of the City of Marco Island, Florida on this 2nd day of November 2015.

(SEAL)

ATTEST:



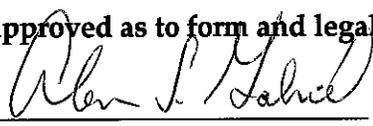
Laura M. Litzan, City Clerk

CITY OF MARCO ISLAND, FLORIDA

BY: 

Bob Brown, Chairman

Approved as to form and legal sufficiency:



Alan L. Gabriel, City Attorney

EXHIBIT A

FORM OF BOND

Dated: November 5, 2015

\$1,980,000

Maturity Date: November 1, 2020

[must be in a denominational unit of \$1,000]

**CITY OF MARCO ISLAND, FLORIDA
SALES TAX REFUNDING REVENUE BOND, SERIES 2015**

KNOW ALL MEN BY THESE PRESENTS that the City of Marco Island, Florida (the "Issuer"), 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 "Owner"), the principal sum of \$1,980,000 in the manner described below, together with interest on the principal balance outstanding at the rate of per annum of 1.31% (subject to adjustment as herein provided) calculated on the basis of a 360 day year consisting of twelve 30 day months; provided, however, that the interest rate on this Bond, as it may be adjusted, shall in no event exceed the maximum interest rate permitted by the Act.

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

Interest shall be payable semi-annually to the Owner on each May 1 and November 1, commencing on May 1, 2016.

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

<u>Year</u>	<u>Amortization Installment</u>
2016	\$385,000
2017	395,000
2018	395,000
2019	400,000
2020	405,000

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 the Maturity Date.

This Bond is being issued for the purpose of refunding the Refunded Bonds and paying transaction costs, under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 166, Part II, Florida Statutes, Chapter 212, Florida Statutes, Chapter 218, Part VI, Florida Statutes, the municipal charter of the Issuer, and other applicable provisions of law (collectively, the "Act"), and Resolution No. 03-09 adopted by the

City Council of the Issuer on January 21, 2003, as amended and restated by Resolution No. 05-40 adopted by the City Council of the Issuer on June 20, 2005, and as particularly amended and supplemented by a resolution adopted by the City Council of the Issuer on November 2, 2015 (collectively, the "Resolution"), and is subject to the terms and conditions of the Resolution.

The Bonds and the interest thereon are payable solely from and secured by a lien upon and a pledge of (1) the proceeds of the local government half-cent sales tax and other moneys received by the Issuer from the local government half-cent sales tax clearing trust fund pursuant to the provisions of the Act, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in certain of the funds and accounts established by the Resolution, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds").

IT IS EXPRESSLY AGREED BY THE OWNER OF THIS BOND THAT THE FULL FAITH AND CREDIT OF THE ISSUER, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON THIS BOND AND THAT SUCH OWNER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE ISSUER, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL, PREMIUM, IF ANY, OR INTEREST. THIS BOND AND THE OBLIGATION EVIDENCED HEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE ISSUER, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM, THE SOURCES DESCRIBED ABOVE.

This Bond may be prepaid in whole on any date with 10 days advance written notice to the Owner without prepayment penalty. This Bond may be prepaid in part on any principal payment date (each November 1st) with 10 days advance written notice to the Owner without prepayment penalty, provided that the City pays all accrued interest which shall have accrued to the date of prepayment and provided further that the principal amount of this Bond that remains Outstanding following any prepayment shall be in multiples of one thousands (\$1,000). Principal payments shall be applied to the latest principal installments, in inverse order of maturity.

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

BY PURCHASING THIS BOND, THE OWNER THEREOF SHALL BE DEEMED TO HAVE CONSENTED TO THE AMENDMENTS TO THE MASTER RESOLUTION SET FORTH IN SECTION 9 OF THE SUPPLEMENTAL RESOLUTION THAT AUTHORIZED THIS BOND. SUCH AMENDMENTS SHALL IMMEDIATELY TAKE EFFECT WITHOUT ANY FURTHER ACTION AT SUCH TIME AS THE REFUNDED BONDS ARE NO LONGER OUTSTANDING.

In the event of a Determination of Taxability, the interest rate shall be subject to a full gross-up modification that will provide the Owner with the equivalent after-tax yield, as determined by the Owner 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 Issuer agrees to pay to the Owner 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 Owner 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 Owner as a result of action or inaction of the Issuer. No such decree or action shall be considered final for the purposes of this paragraph unless the Issuer has been given written notice thereof and, if it is so desired by the Issuer and is legally permissible, the Issuer has been afforded the opportunity to contest the same, at its own expense, either directly or in the name of the Owner and until the conclusion of any appellate review, if sought.

In addition, while any Event of Default is not cured, this Bond shall bear interest at a default rate equal to 6%; provided, however, that the interest rate on this Bond, as it may be adjusted, shall in no event exceed the maximum interest rate permitted by the Act.

This Bond may be exchanged or transferred by the Owner hereof but only upon the registration books maintained by the Registrar and in the manner provided in the Resolution; provided, however, this Bond may not be transferred in a denomination less than \$100,000 under any circumstances.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bond does not violate any constitutional or statutory limitations or provisions.

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

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the City of Marco Island, Florida has issued this Bond and has caused the same to be executed by the manual signature of the Chairman and attested by the manual signature of its City Clerk, and its official seal or a facsimile thereof to be affixed or reproduced hereon, all as of the 5th day of November, 2015.

(SEAL)

CITY OF MARCO ISLAND, FLORIDA

By: _____
Chairman of the City Council

ATTESTED:

By: _____
Laura M. Litzan, City Clerk

APPROVED AS TO FORM:

By: _____
Alan L. Gabriel, City Attorney

CERTIFICATE OF AUTHENTICATION

This Bond is of the issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION:

November 5, 2015

CITY OF MARCO ISLAND, FLORIDA
Registrar

By: _____
City Auditor and Clerk

ASSIGNMENT

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

[Insert Name, Address, Social Security or Other Identifying Number of Assignee]

the within Bond and does hereby irrevocably constitute and appoint _____ as attorneys to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name of the Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT -- _____
(Cust.)

Custodian for _____

under Uniform Transfer to Minors Act of _____
(State)

Additional abbreviations may also be used though not in the list above.

EXHIBIT B

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 \$1,980,000 City of Marco Island, Florida, Sales Tax Refunding Revenue Bond, Series 2015 dated November 5, 2015 (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 Weiss Serota Helfman Cole & Bierman, P.L., 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 Resolution No. 03-09 adopted by the City Council of the Issuer on January 21, 2003, as amended and restated by Resolution No. 05-40 adopted by the City Council of the Issuer on June 20, 2005, and as particularly amended and supplemented by a resolution adopted by the City Council of the Issuer on November 2, 2015 (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 and its representatives.

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 5th of November, 2015.

WHITNEY BANK D/B/A HANCOCK BANK

By: _____

Name: Steven E. Cole

Title: Senior Vice President

EXHIBIT C

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 \$1,980,000 City of Marco Island, Florida, Sales Tax Refunding Revenue Bond, Series 2015 dated November 5, 2015 (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
\$3,000

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 all of the outstanding City's Sales Tax Revenue Bonds, Series 2005.

The Bond and the interest thereon are payable solely from and secured by a lien upon and a pledge of the Pledged Funds as described in Resolution No. 03-09 adopted by the City Council of the Issuer on January 21, 2003, as amended and restated by Resolution No. 05-40 adopted by the City Council of the Issuer on June 20, 2005, and as particularly amended and supplemented by a resolution adopted by the City Council of the Issuer on November 2, 2015

(collectively, the "Resolution"). Issuance of the Bond is estimated to result in a maximum of approximately \$415,894.50 of Pledged Funds 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 5th day of November, 2015.

WHITNEY BANK D/B/A HANCOCK BANK

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

EXHIBIT D

FORM OF ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT, dated as of November 5 2015, is by and between the CITY OF MARCO ISLAND, FLORIDA (the "Issuer"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States of America, as Escrow Agent, and its successors and assigns (the "Escrow Agent");

WITNESSETH:

WHEREAS, the Issuer previously issued its Sales Tax Revenue Bonds, Series 2005 (the "2005 Bonds"); and

WHEREAS, the Issuer now desires to refund the 2005 Bonds (the "Refunded Bonds"); and

WHEREAS, the execution of this Escrow Deposit Agreement and full performance of the provisions hereof shall defease and discharge the Issuer's obligations relating to the Refunded Bonds;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Issuer and the Escrow Agent agree as follows:

SECTION 1. Definitions. As used herein, the following terms mean:

- (a) "Agreement" means this Escrow Deposit Agreement.
- (b) "Bond" means the \$_____ City of Marco Island, Florida Sales Tax Refunding Revenue Bond, Series 2015, issued under the Bond Resolution.
- (c) "Bond Resolution" means Resolution No. 03-09 adopted by the City Council of the Issuer on January 21, 2003, as amended and restated by Resolution No. 05-40 adopted by the City Council of the Issuer on June 20, 2005, and as particularly amended and supplemented by a resolution adopted by the City Council of the Issuer on November 2, 2015.
- (d) "Escrow Account" means the account hereby created and entitled Escrow Account established and held by the Escrow Agent pursuant to this Agreement in which uninvested cash will be held for payment of the principal, interest, and redemption premium, if any, on the Refunded Bonds.
- (e) "Issuer" means the City of Marco Island, Florida, and its successors and assigns.

(f) "Refunded Bonds" has the meaning ascribed above.

(g) "Total Debt Service for the Refunded Bonds" means the sum of the principal of, redemption premium, if any, and interest remaining unpaid with respect to the Refunded Bonds in accordance with Schedule A attached hereto assuming the Refunded Bonds are called for early redemption on December 10, 2015.

SECTION 2. Deposit of Funds. The Issuer hereby deposits \$_____ with the Escrow Agent for deposit into the Escrow Account, in immediately available funds derived from proceeds of the Bond (\$_____) and other legally available moneys of the Issuer (\$_____), which funds the Escrow Agent acknowledges receipt of, to be held uninvested in irrevocable escrow by the Escrow Agent separate and apart from other funds of the Escrow Agent and applied solely as provided in this Agreement. The Issuer represents that the uninvested cash deposited to the Escrow Account (i) is at least equal to the Total Debt Service for the Refunded Bonds as of the date of such deposit, and (ii) is sufficient to pay principal and interest on the Refunded Bonds as they become due and payable in accordance with Schedule A attached hereto.

SECTION 3. Use of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees to hold the uninvested funds in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Refunded Bonds.

SECTION 4. Payment of Bond and Expenses.

(a) **Refunded Bonds.** On the dates and in the amounts set forth on Schedule A, the Escrow Agent shall transfer to Wells Fargo Bank N.A., the Paying Agent for the Refunded Bonds (the "Paying Agent"), in immediately available funds solely from amounts available in the Escrow Account, a sum sufficient to pay the principal of and interest on the Refunded Bonds, as shown on Schedule A.

(b) **Expenses.** The Issuer shall pay the fees and expenses of the Escrow Agent as set forth on Schedule B attached hereto.

(c) **Surplus.** After making the payments from the Escrow Account described in Subsections 4(a) and (b) above, the Escrow Agent shall retain in the Escrow Account any remaining cash in the Escrow Account in excess of the Total Debt Service for the Refunded Bonds until the termination of this Agreement pursuant to the terms of Section 13 hereof, and shall then pay any remaining funds to the Issuer.

(d) **Priority of Payments.** The holders of the Refunded Bonds shall have an express first priority security interest in the funds in the Escrow Account until such funds are used and applied as provided in this Agreement.

SECTION 5. No Investment. The Escrow Agent shall have no power or duty to invest any funds held under this Agreement.

SECTION 6. Redemption or Acceleration of Maturity. The Issuer will not accelerate the maturity of, or exercise any option to redeem before maturity, any Refunded Bonds, except as set forth on Schedule A attached hereto.

SECTION 7. Indemnity. To the extent permitted by law and without waiving sovereign immunity, the Issuer hereby assumes liability for, and hereby agrees to indemnify, protect, save and keep harmless, the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against at any time, the Escrow Agent (whether or not also indemnified against the same by the Issuer or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account established hereunder, the acceptance of the funds deposited therein, transfer or other application of funds by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

SECTION 8. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds deposited therein, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent or non-willful act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be responsible for its negligent or willful failure to comply with its duties required hereunder, and its negligent or willful acts, omissions or errors hereunder. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the Issuer, at the Issuer's expense, and in reliance upon the opinion of such counsel, shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. The Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Total Debt Service for the Refunded Bonds. Furthermore, the Escrow Agent shall not be liable for the accuracy of the

calculation as to the sufficiency of moneys to pay the Total Debt Service for the Refunded Bonds. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

SECTION 9. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer, any rating agency then providing a rating on either the Refunded Bonds or the Bond, and the Paying Agent for the Refunded Bonds not less than sixty (60) days before such resignation shall take effect. Such resignation shall not take effect until the appointment of a new Escrow Agent hereunder.

SECTION 10. Removal of Escrow Agent.

(a) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than fifty-one percentum (51%) in aggregate principal amount of the Refunded Bonds then outstanding, such instruments to be filed with the Issuer, and notice in writing given by such holders to the original purchaser or purchasers of the Bond and published by the Issuer once in a newspaper of general circulation in the territorial limits of the Issuer, and in a daily newspaper or financial journal of general circulation in the City of New York, New York, not less than sixty (60) days before such removal is to take effect as stated in said instrument or instruments. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent by any court of competent jurisdiction upon the application of the Issuer or the holders of not less than five percentum (5%) in aggregate principal amount of the Bond then outstanding, or the holders of not less than five percentum (5%) in aggregate principal amount of the Refunded Bonds then outstanding.

(c) The Escrow Agent may not be removed until a successor Escrow Agent has been appointed in the manner set forth herein.

SECTION 11. Successor Escrow Agent.

(a) If, at any time hereafter, the Escrow Agent shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Agent shall thereupon become vacant. If the position of Escrow Agent shall become vacant for any of the foregoing reasons or for any

other reason, the Issuer shall immediately appoint an Escrow Agent to fill such vacancy and, upon such appointment, all assets held hereunder shall be transferred to such successor. The Issuer shall either (i) publish notice of any such appointment made by it once in each week for four (4) successive weeks in a newspaper of general circulation published in the territorial limits of the Issuer and in a daily newspaper or financial journal of general circulation in the City of New York, New York, or (ii) mail a notice of any such appointment made by it to the holders of the Refunded Bonds within thirty (30) days after such appointment.

(b) At any time within one year after such vacancy shall have occurred, the holders of a majority in principal amount of the Bond then outstanding or a majority in principal amount of the Refunded Bonds then outstanding, by an instrument or concurrent instruments in writing, executed by either group of such bondholders and filed with the governing body of the Issuer, may appoint a successor Escrow Agent, which shall supersede any Escrow Agent theretofore appointed by the Issuer. Photographic copies of each such instrument shall be delivered promptly by the Issuer, to the predecessor Escrow Agent and to the Escrow Agent so appointed by the Bondholders. In the case of conflicting appointments made by the Bondholders under this paragraph, the first effective appointment made during the one year period shall govern.

(c) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section, the holder of any Refunded Bonds then outstanding, or any retiring Escrow Agent, may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Agent.

(d) Any corporation or association into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Escrow Agent hereunder and vested with all the trust, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any parties hereto, anything herein to the contrary notwithstanding, provided such successor shall have reported total capital and surplus in excess of \$15,000,000, provided that such successor Escrow Agent assumes in writing all the trust, duties and responsibilities of the Escrow Agent hereunder.

SECTION 12. Payment to Escrow Agent. The Escrow Agent hereby acknowledges that it has agreed to accept compensation under the Agreement pursuant to the terms of Schedule B attached hereto for services to be performed by the Escrow Agent pursuant to this Agreement. The Escrow Agent shall not be compensated from amounts on deposit in the Escrow Account, and the Escrow Agent shall have no lien or claim against funds in the Escrow Account for payment of obligations due it under this Section.

SECTION 13. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Bonds have been paid and discharged in accordance with the proceedings authorizing the Refunded Bonds, except as provided in Section 7.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, notice of such event shall be sent to the municipal bond insurer(s) for the Refunded Bonds, if any, as well as Moody's Investors Service, Inc., Fitch Ratings and Standard & Poor's Ratings Services (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds), and while such covenant or agreements herein contained shall be null and void, they shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded Bonds and the Bond and it shall not be repealed, revoked, altered or amended in whole or in part without the written consent of all holders of Refunded Bonds, the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent, for the benefit of the holders of the Bond and the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall, at its option, be entitled to request, at the Issuer's expense, and rely exclusively upon an opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to the Issuer with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section. Prior written notice of such amendments, together with proposed copies of such amendments, shall be provided to Moody's Investors Service, Inc., Fitch Ratings, and Standard & Poor's Ratings Services (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds).

SECTION 16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 17. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

(SEAL)

CITY OF MARCO ISLAND, FLORIDA

By: _____

Name: _____

Title: Chairman

ATTEST:

By: _____

Name: Laura M. Litzan

Title: City Clerk

[Signature page to Escrow Deposit Agreement between
City of Marco Island, Florida and U.S. Bank National Association]

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent

By: _____
Name: Marie E. Mortenson
Title: Assistant Vice President

[Signature page to Escrow Deposit Agreement between
City of Marco Island, Florida and U.S. Bank National Association]

SCHEDULE A

TOTAL DEBT SERVICE
FOR THE REFUNDED BONDS

<u>Date</u>	<u>Principal Redeemed</u>	<u>Interest</u>	<u>Total Debt Service</u>
12/10/2015	\$ _____	\$ _____	\$ _____

[Add wire instructions]

SCHEDULE B

EXPENSES TO BE PAID TO ESCROW AGENT

Upfront fee of \$250 plus out of pocket expenses