

ADD ON

Meeting Date
9/28/15



AGENDA	
Section	New Business
Item No.	IV A

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	APPROVAL OF A RESOLUTION, SUPPLEMENTING RESOLUTION 2000-2010, AUTHORIZING THE ISSUANCE OF THE CONSTITUTIONAL FUEL TAX REFUNDING REVENUE BOND, SERIES 2015.
DEPT/OFFICE:	COUNTY MANAGERS OFFICE/COUNTY ATTORNEY'S OFFICE stockton.whitten@brevardcounty.us scott.knox@brevardcounty.us ; shannon.wilson@brevardcounty.us

Requested Action:
 It is requested that the Board approve a Resolution authorizing the issuance of not exceeding \$14,000,000 aggregate principal amount of a Constitutional Fuel Tax Refunding Revenue Bond - Series 2015 that will be issued to refund all of the County's outstanding Constitutional Fuel Tax Revenue Refunding Bonds, Series 2005 for debt service savings; authorizing County officials and staff to take necessary action to effect the described refunding and bond issuance.

Summary Explanation & Background:
 Due to the low interest rate environment, there currently exists an opportunity to refund the Constitutional Fuel Tax Revenue Refunding Bonds, Series 2005 to achieve a significant net present value debt service saving which would reduce the annual debt payments on the bonds. The refundable bonds are outstanding in the par amount of \$13,855,000 with interest rates ranging from 4.00% to 4.125% and have a final maturity of August 1, 2020. The bonds are secured by the constitutional fuel tax received by the County.

At its' March 31, 2015 meeting, the County Commission authorized County staff and the financing team to undertake an RFP process to identify the lending institution that could provide the lowest cost option for refunding the 2005 Bonds. The County received 5 responses to the RFP with Bank of America, N.A. providing the lowest indicative interest rate (1.38%). In order to lock in the fixed rate, the County entered into an interest rate lock agreement (to lock in a fixed interest rate on the County's issuance of Constitutional Fuel Tax Refunding Revenue Bond, Series 2015) with Specialized Lending, LLC, a wholly owned subsidiary of Bank of America, N.A. which the Board authorized on September 15, 2015.

The Resolution authorizing the issuance of the Series 2015 Bond to evidence a loan from Specialized Lending, LLC is attached and requires the Board's approval. Having executed the interest rate lock agreement, if the Board decides not to close the transaction, the County could be subject to a breakage penalty. The amount of such breakage penalty will vary depending on interest rate movements between execution of the rate lock agreement and date of breakage event. For example if interest rates decrease 10 basis points (0.10%), the estimated breakage fee would be \$135,000.

Fiscal Impact:
 The refunding is expected to generate \$900,000 of net present value debt service savings or 6.50% of the refunded bonds par amount. This equates to approximately \$190,000 annually through 2020. This level of savings is well in excess of the minimum target set in the Board's Budget & Financial Policy for refundings which is savings in excess of 3.0% of the refunded bonds par amount.

Clerk to the Board instruction: Upon execution, return executed copies to the attention of Scott Knox/Shannon Wilson – County Attorneys Office

Exhibits Attached: (1) Authorizing Resolution; (2) Exhibit "A" – Proposal of Purchaser (Bank of America); (3) Escrow Deposit Agreements

Contract /Agreement (If attached):		Reviewed by County Attorney	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager Stockton Whitten		Assistant County Manager Venetta Valdengo				Department Director / Extension Scott Knox (321) 633-2090		
		Assistant County Manager Frank Abbate						



Tammy Etheridge, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972

September 29, 2015

MEMORANDUM

TO: Scott Knox, County Attorney

RE: Item IV.A., Resolution Supplementing Resolution 2000-010, Authorizing the Issuance of the Constitutional Fuel Tax Refunding Revenue Bond, Series 2015

The Board of County Commissioners, in special session on September 28, 2015, adopted Resolution No. 15-186, supplementing Resolution No. 2000-010, authorizing the issuance of not exceeding \$14,000,000 aggregate principal amount of a Constitutional Fuel Tax Refunding Revenue Bond – Series 2015, that will be issued to refund all of the County's outstanding Constitutional Fuel Tax Revenue Refunding Bonds, Series 2005, for debt service savings; and authorized County officials and staff to take the necessary action to effect the described refunding and bond issuance. Enclosed is a certified copy of the Resolution.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Etheridge, Deputy Clerk

Encl. (1)

cc: County Manager
Finance

RESOLUTION NO. 15-186

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA SUPPLEMENTING RESOLUTION NO. 2000-010, WHICH RESOLUTION NO. 2000-010, AMONG OTHER THINGS, AUTHORIZES THE ISSUANCE OF CONSTITUTIONAL FUEL TAX REVENUE BONDS FROM TIME TO TIME; AUTHORIZING THE CURRENT REFUNDING OF ALL OF THE OUTSTANDING BREVARD COUNTY, FLORIDA CONSTITUTIONAL FUEL TAX REVENUE REFUNDING BONDS, SERIES 2005 IN ORDER TO ACHIEVE DEBT SERVICE SAVINGS; AUTHORIZING THE ISSUANCE OF A NOT EXCEEDING \$14,000,000 AGGREGATE PRINCIPAL AMOUNT OF A BREVARD COUNTY, FLORIDA CONSTITUTIONAL FUEL TAX REFUNDING REVENUE BOND, SERIES 2015 IN ORDER TO EFFECT SUCH REFUNDING; AUTHORIZING A NEGOTIATED SALE OF SAID BOND PURSUANT TO THE PROPOSAL OF SPECIALIZED LENDING, LLC; DELEGATING CERTAIN AUTHORITY TO THE CHAIRMAN IN CONNECTION WITH THE APPROVAL OF THE TERMS AND DETAILS OF SAID BOND; APPOINTING THE COUNTY AS PAYING AGENT AND REGISTRAR FOR SAID BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND APPOINTMENT OF AN ESCROW AGENT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA:

SECTION 1. FINDINGS. It is hereby found and determined that:

(A) On January 11, 2000, the Board of County Commissioners (the "Board") of Brevard County, Florida (the "Issuer") duly adopted Resolution No. 2000-010, as supplemented (collectively, the "Resolution"), for the purposes described therein.

(B) The Issuer previously issued its Brevard County, Florida Constitutional Fuel Tax Revenue Refunding Bonds, Series 2005 (the "Series 2005 Bonds") pursuant to the Resolution for the purpose of refunding certain Outstanding Bonds (as such terms are

defined in the Resolution); other than the Series 2005 Bonds, there remain no other Bonds Outstanding under the Resolution.

(C) The Resolution provides for the issuance of Additional Bonds for the purpose of refunding all of the Outstanding Series 2005 Bonds (the "Refunded Bonds"), upon meeting certain requirements set forth in the Resolution.

(D) The Issuer deems it to be in its best interest to issue its Brevard County, Florida Constitutional Fuel Tax Refunding Revenue Bond, Series 2015 (the "Series 2015 Bond") for the principal purpose of current refunding the Refunded Bonds in order to achieve net present value debt service savings for the Issuer.

(E) For the refunding of the Refunded Bonds, the Issuer shall, as provided herein, deposit part of the proceeds derived from the sale of the Series 2015 Bond, together with other legally available moneys of the Issuer, in a special escrow deposit trust fund (the "Escrow Fund"), which shall be sufficient to pay the Refunded Bonds as the same mature or are redeemed prior to maturity, all as provided herein and in the hereinafter described Escrow Deposit Agreement; subsequent to the defeasance of the Refunded Bonds, the Refunded Bonds shall no longer be payable from or be secured by any portion of the Pledged Funds (as defined in the Resolution).

(F) On September 15, 2015, the Board (i) determined that the proposal of Specialized Lending, LLC, a wholly-owned subsidiary of Bank of America, N.A. (the "Purchaser"), to purchase the Series 2015 Bond (the "Proposal") was the most cost effective conforming proposal the Issuer received in response to the Bank Loan Request for Proposals that was previously issued, and (ii) authorized the execution and delivery of a rate lock agreement (the "Rate Lock Agreement") with the Purchaser in order to establish a fixed interest rate for the Series 2015 Bond through the anticipated date of issuance of the Series 2015 Bond, and on September 16, 2015 the Board executed the Rate Lock Agreement and delivered the same to the Purchaser.

(G) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2015 Bond and the complexity of the transactions relating to such Series 2015 Bond, it is in the best interest of the Issuer to sell the Series 2015 Bond by a negotiated sale to the Purchaser pursuant to the Proposal and the provisions hereof and of the Resolution, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price, terms and interest rate for the Series 2015 Bond.

(H) The Issuer hereby certifies that it is current in all deposits into the various funds and accounts established by the Resolution and all payments theretofore required to have been deposited or made by the Issuer under the provisions of the Resolution have been deposited or made and the Issuer has complied with the covenants and agreements of the Resolution and is not currently in default under the Resolution.

(I) The Resolution provides that the Series 2015 Bond shall mature on such dates and in such amounts, shall bear such rates of interest, shall be payable in such places and shall be subject to such redemption provisions as shall be determined by Supplemental Resolution (as defined in the Resolution) adopted by the Issuer; and it is now appropriate that the Issuer determine certain of such provisions, terms and details and establish the mechanisms for determining the remaining provisions, terms and details.

(J) The Series 2015 Bond shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of any constitutional or statutory provision but shall be a special obligation of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds, in the manner and to the extent provided in the Resolution.

(K) The covenants, pledges and conditions in the Resolution shall be applicable to the Series 2015 Bond herein authorized as if originally issued thereunder and said Series 2015 Bond shall be on a parity with and rank equally as to the lien on and source and security for payment from the Pledged Funds and in all other respects with any subsequently issued Additional bonds (as defined in the Resolution), and shall constitute a "Bond" within the meaning of the Resolution.

SECTION 2. DEFINITIONS. When used in this Supplemental Resolution, the terms defined in the Resolution shall have the meanings therein stated, except as such definitions shall be hereinafter amended and defined.

SECTION 3. AUTHORITY FOR THIS SUPPLEMENTAL RESOLUTION. This Supplemental Resolution is adopted pursuant to the provisions of the Act.

SECTION 4. AUTHORIZATION OF THE CURRENT REFUNDING OF THE REFUNDED BONDS; CONFIRMATION OF PROPOSAL. (A) The Issuer hereby authorizes the current refunding of the Refunded Bonds for the purpose of achieving net present value debt service savings.

(B) The Issuer hereby confirms its prior acceptance of the Proposal of the Purchaser, a copy of which is attached hereto as Exhibit A.

SECTION 5. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2015 BOND. The Issuer hereby authorizes the issuance of a Series of Bonds in the principal amount of not exceeding \$14,000,000 to be known as the "Brevard County, Florida Constitutional Fuel Tax Refunding Revenue Bond, Series 2015" (or such other designation as the Chairman may determine), for the principal purpose of refunding, on an current basis, the Refunded Bonds. The specific principal amount of the Series 2015 Bond to be issued pursuant to the Resolution shall be determined by the Chairman, upon

the advice of the Issuer's financial advisor, Public Financial Management, Inc. (the "Financial Advisor"), provided such principal amount does not exceed \$14,000,000.

The Series 2015 Bond shall be dated as of its date of issuance, or such other date as the Chairman may determine, shall be issued in the form of one fully registered Bond in the denomination of its outstanding principal amount and shall be numbered "R-1." The Series 2015 Bond shall bear interest from its dated date at a fixed interest rate of 1.43% per annum (the "Interest Rate"). The Interest Rate is subject to adjustment as provided in Sections 12 and 13 hereof. The Interest Rate shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Series 2015 Bond shall be payable semi-annually, on February 1 and August 1 of each year (the "Interest Payment Dates"), commencing on February 1, 2016. The Series 2015 Bond shall be issued as a single Term Bond with a final maturity of August 1, 2020 and shall be subject to mandatory sinking fund redemption in such Sinking Fund Installments commencing on August 1, 2016 and on each August 1 thereafter through the maturity date of the Series 2015 Bond, determined by the Chairman, upon the advice of the Issuer's Financial Advisor, and approved by the Purchaser prior to the issuance of the Series 2015 Bond. The Series 2015 Bond shall be sold on a negotiated basis to the Purchaser at a purchase price equal to 100% of the aggregate principal amount thereof. The Purchaser shall provide the Issuer with an executed Disclosure Letter and Truth-in-Bonding Statement as required by Section 218.385, Florida Statutes, prior to the issuance of the Series 2015 Bond. The Interest Rate on the Series 2015 Bond shall comply in all respects with Section 215.84, Florida Statutes.

The Series 2015 Bond shall be payable as to principal and interest by bank wire transfer or direct debit of a deposit account of the Issuer or in such other manner as is agreed to between the Issuer and the holder of the Series 2015 Bond in whose name the Series 2015 Bond shall be registered on the registration books maintained by the Issuer as of the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding an Interest Payment Date; provided, that the registered owner of the Series 2015 Bond shall present and surrender the Series 2015 Bond to the Issuer promptly following the final payment of the principal of the Series 2015 Bond or shall provide evidence that such Series 2015 Bond has been cancelled. Principal of and interest on the Series 2015 Bond shall be payable in any coin or currency of the United States of America, which at the time of payment, are legal tender for the payment of public and private debts. The Series 2015 Bond shall be substantially in the form set forth in Section 2.09 of the Resolution, with such changes, amendments, modifications, omissions and additions as may be approved by the Chairman. Execution by the Chairman of the Series 2015 Bond shall be conclusive evidence of approval of any such changes.

SECTION 6. REDEMPTION PROVISIONS. (A) The Series 2015 Bond may be redeemed in whole, or in part, on any date, with five (5) days prior written notice

to the Series 2015 Bondholder by payment in an amount equal to the principal amount to be prepaid plus accrued interest thereon to the date of prepayment plus the Prepayment Fee. For purposes of this Section 6, the Prepayment Fee will be the sum of fees calculated separately for each Prepaid Installment (as defined below), as follows:

(i) The Series 2015 Bondholder will first determine the amount of interest which would have accrued each month at the Taxable Equivalent Rate (as defined below) for the Prepaid Installment had it remained outstanding until the applicable Original Payment Date (as defined below).

(ii) The Series 2015 Bondholder will then subtract from each monthly interest amount determined in (i) above, the amount of interest which would accrue for that Prepaid Installment if it were reinvested from the date of redemption through the Original Payment Date, using the Treasury Rate (as defined below).

(iii) If (i) minus (ii) for the Prepaid Installment is greater than zero, the Series 2015 Bondholder will discount the monthly differences to the date of by the Treasury Rate. The Series 2015 Bondholder will then add together all of the discounted monthly differences for the Prepaid Installment.

The following definitions will apply to the calculation of the Prepayment Fee:

"Original Payment Dates" mean the dates on which the redeemed principal would have been paid if there had been no redemption. If any of the principal would have been paid later than the end of the fixed rate interest period in effect at the time of redemption, then the Original Payment Date for that amount will be the last day of the interest period.

"Prepaid Installment" means the amount of the redeemed principal which would have been paid on a single Original Payment Date.

"Taxable Equivalent Rate" means the interest rate per annum derived from the following formula: Interest Rate on the applicable Series 2015 Bond divided by the difference of (1 minus the Maximum Corporate Income Tax Rate). The "Maximum Corporate Income Tax Rate" is the highest marginal federal income tax rate charged to U.S. corporations in effect at the time of the prepayment calculation. The "Maximum Corporate Income Tax Rate" is currently 35% (or 0.35 in numerical terms).

"Treasury Rate" means the yield on the Treasury Constant Maturity Series with a maturity equal to the Original Payment Date of the Prepaid Installment calculated as of the date of prepayment in accordance with accepted financial practice and rounded to the nearest quarter-year, as reported in Federal Reserve Statistical Release H.15, Selected Interest Rates of the Board of Governors of the Federal Reserve System, or any successor publication. If no maturity exactly corresponding to such Original Payment Date appears in Release H.15, the Treasury Rate will be determined by linear interpolation between the

yields reported in Release H.15. If for any reason Release H.15 is no longer published, the Series 2015 Bondholder shall select a comparable publication to determine the Treasury Rate.

(B) Notwithstanding any other provision of the Resolution, the Issuer shall not be required to provide the Series 2015 Bondholder with any notice with respect to the payment of any scheduled Sinking Fund Installment.

(C) Prepayments of principal will be applied to the scheduled installments due on the Series 2015 Bond in the inverse order of their due dates or in such other manner as the Issuer and the Bank may agree.

SECTION 7. APPLICATION OF SERIES 2015 BOND PROCEEDS.

The proceeds derived from the sale of the Series 2015 Bond shall be applied by the Issuer simultaneously with the delivery thereof as follows:

(A) A sufficient amount of Series 2015 Bond proceeds, together with other legally available moneys of the Issuer, shall be deposited irrevocably in trust in the Escrow Fund established under the terms and provisions of the hereinafter defined Escrow Deposit Agreement to pay the principal of, Redemption Price, if applicable, and interest on the Refunded Bonds as the same mature and become due and payable or are redeemed prior to maturity.

(B) A sufficient amount of the Series 2015 Bond proceeds shall be applied to the payment of costs and expenses relating to the issuance of the Series 2015 Bond.

SECTION 8. TRANSFER OF CERTAIN MONEYS. The Refunded Bonds will be refunded from proceeds of the Series 2015 Bond and from other legally available funds of the Issuer. Any excess moneys on deposit in the Debt Service Fund established for the benefit of the Refunded Bonds pursuant to the Resolution and not required to remain on deposit therein shall be transferred to the Escrow Fund established pursuant to the Escrow Deposit Agreement.

SECTION 9. NO RESERVE ACCOUNT. Pursuant to the provisions of Section 4.05(A)(4) of the Resolution, the Issuer hereby establishes a separate subaccount in the Reserve Account for the Series 2015 Bond which shall be designated as the "Series 2015 Reserve Subaccount" of the Reserve Account. The Reserve Account Requirement with respect to the Series 2015 Reserve Subaccount and the Series 2015 Bond shall be zero dollars and zero cents (\$0.00). The Series 2015 Reserve Subaccount shall solely secure the Series 2015 Bond and the Series 2015 Bond shall not be secured by any other portion of the Reserve Account, including the Composite Reserve Subaccount or any other subaccount therein.

SECTION 10. APPOINTMENT OF PAYING AGENT AND REGISTRAR. The Issuer, through the Clerk's office, shall act as the Registrar and Paying Agent for the Series 2015 Bond.

SECTION 11. AUTHORIZATION TO EXECUTE ESCROW DEPOSIT AGREEMENT. The Issuer hereby authorizes and directs the Chairman to execute and the Clerk to attest an escrow deposit agreement (the "Escrow Deposit Agreement") and to deliver the Escrow Deposit Agreement (the "Escrow Agreement") to U.S. Bank National Association, Orlando, Florida, which is hereby appointed as Escrow Agent. The Escrow Deposit Agreement shall be in substantially the form of the Escrow Agreement attached hereto as Exhibit B with such changes, amendments, modifications, omissions and additions, including the date of such Escrow Agreement, as may be approved by said Chairman. Execution by the Chairman of the Escrow Agreement shall be deemed to be conclusive evidence of approval of such changes.

The Chairman is authorized and directed to determine, upon the advice of the Financial Advisor and Bond Counsel, whether to fund the escrow deposit trust fund established under the Escrow Deposit Agreement, with uninvested cash or Refunding Securities (as defined in the Resolution) and the provisions of the Escrow Deposit Agreement may be modified accordingly.

SECTION 12. DETERMINATION OF TAXABILITY. (A) In the event of a Determination of Taxability (as defined below), the Interest Rate on the Series 2015 Bond shall be immediately increased to a rate equal to the then applicable Interest Rate multiplied by a fraction, the numerator of which is "1" and the denominator of which is "1 minus the then applicable maximum corporate rate of taxation under the Code" (which as of the date hereof is 35%) (the "Adjusted Rate"); provided, however, such Adjusted Rate shall never exceed the maximum rate allowable by law. Immediately upon a Determination of Taxability, the Issuer agrees to pay to the Series 2015 Bondholder on demand, the Additional Amount. "Additional Amount" means (i) the difference between (a) interest on the Series 2015 Bond for the period commencing on the date on which the interest on the Series 2015 Bond (or portion thereof) is deemed to have lost its tax-exempt status and ending on the effective date of the adjustment of the Interest Rate to the Adjusted Rate (the "Taxable Period") at a rate per annum equal to the Adjusted Rate and (b) the aggregate amount of interest paid on the Series 2015 Bond during the Taxable Period at the Interest Rate applicable to the Series 2015 Bond prior to the adjustment to the Adjusted Rate, plus (ii) any penalties, fines, fees, costs and interest paid or payable by the Series 2015 Bondholder to the Internal Revenue Service by reason of such Determination of Taxability. This provision shall survive the repayment of the Series 2015 Bond until such time as the federal statute of limitations under which the interest on the Series 2015 Bond could be declared taxable under the Internal Revenue Code has expired.

(B) For purposes of this Section 12, the term Determination of Taxability shall have the meaning ascribed thereto as follows:

"Determination of Taxability" shall mean the circumstance of interest paid or payable on the Series 2015 Bond becoming includable for federal income tax purposes in the gross income of the Series 2015 Bondholder as a consequence of any act or omission of the Issuer. For all purposes of this definition, a Determination of Taxability will be deemed to occur on the date as of which the interest on the Series 2015 Bond is deemed includable in the gross income of the Series 2015 Bondholder. A Determination of Taxability shall not occur solely in the event such interest is taken into account in determining adjusted current earnings for the purpose of the alternative minimum income tax imposed on corporations.

SECTION 13. DEFAULT. After the occurrence of an Event of Default under Section 6.01 of the Resolution notwithstanding any other terms hereof or of the Resolution, the Purchaser may adjust the Interest Rate to the maximum rate allowed under applicable law until such Event of Default is cured. The Purchaser shall give the Issuer notice of any such adjustment.

If any payment of principal or interest with respect to the Series 2015 Bond is not paid within 15 days of the respective due date, the Purchaser may impose a late fee equal to four percent (4%) of the delinquent amount.

The Issuer agrees that no Additional Bonds or Subordinated Indebtedness may be incurred if the creditor thereunder is provided a right to accelerate the maturity of such debt upon the occurrence of an event of default unless the Issuer and the Purchaser enter into an amendment to the Series 2015 Bond that provides that the Purchaser may accelerate the maturity of the Series 2015 Bond upon the occurrence of an Event of Default.

In addition to the Events of Default enumerated in Section 6.01 of the Resolution, the following shall also constitute Events of Default with respect to the Series 2015 Bond:

- (i) failure of the Issuer to timely pay the Purchaser any amount required to be paid by the Issuer to the Purchaser pursuant to the Resolution or the Series 2015 Bond;
- (ii) any representation or warranty made by the Issuer to the Purchaser herein, in the Series 2015 Bonds or in any closing certificate provided by the Issuer to the Purchaser in connection with the issuance of the Series 2015 Bonds shall be materially incorrect when made;

(iii) an event of default (howsoever styled) shall occur in connection with any Additional Bonds, Subordinated Indebtedness or any other debt of the Issuer secured in whole or in part by all or any portion of the Pledged Funds;

(iv) any material provision of the Resolution or any provision of the Series 2015 Bond shall be determined to be invalid or unenforceable or the Issuer shall assert in writing that any provision of the Resolution or of the Series 2015 Bond shall be unenforceable; or

(v) if any of the Outstanding Bonds are downgraded below Baa3/BBB-/BBB- (or the equivalent) by any of Moody's Investors Service, Standard & Poor's Ratings Service or Fitch Ratings, respectively, or if any such rating is withdrawn or suspended for credit-related reasons.

SECTION 14. REPORTING FINANCIAL INFORMATION. As soon as available, but not later than 270 days following the end of each Fiscal Year, the Issuer shall provide the Purchaser with the Issuer's annual audited financial statements. The Issuer shall provide the Purchaser, upon request, with its annual budget within 30 days of adoption and shall provide the Purchaser with other information relating to the Series 2015 Bond or the security with respect thereto upon reasonable request.

SECTION 15. TRANSFER. The Holder of the Series 2015 Bond may sell, transfer or assign the Series 2015 Bond in whole only in accordance with the provisions of Section 2.08 of the Resolution to an entity:

- (a) that is an affiliate of the Purchaser;
- (b) that is a trust or other custodial arrangement established by the Purchaser or one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers;
- (c) that the Purchaser reasonably believes to be a qualified institutional buyer or accredited investor; or
- (d) that is a secured party, custodian or other entity in connection with a pledge by the Purchaser to secure public deposits or other obligations of the Purchaser, or one of its affiliates, to state or local governmental entities.

The Series 2015 Bondholder shall notify the Issuer of any sale, transfer or assignment of the Series 2015 Bond. Notwithstanding the foregoing, the Purchaser may sell participations in the Series 2015 Bond to any number of Participants as long as the Purchaser complies with all applicable securities laws.

SECTION 16. REPRESENTATIONS AND COVENANTS.

(A) To the extent that there is neither a rating on the Series 2015 Bond nor on Additional Bonds, then the Issuer covenants that for each Fiscal Year of the Issuer the amount of Constitutional Fuel Tax Revenues collected by the Issuer shall be at least equal to the principal and interest required to be paid by the Issuer in such Fiscal Year from the Constitutional Fuel Tax Revenues. If this provision is applicable, the Issuer shall provide the Purchaser with a compliance certificate including its calculation of this covenant together with the annual audit for the applicable Fiscal Year.

(B) The Issuer agrees that the Purchaser may rely upon any representation of the Issuer set forth in a closing certificate of the Issuer delivered to the Purchaser at the time of issuance of the Series 2015 Bond.

(C) (i) The Issuer will provide the Purchaser with prompt written notice of any Event of Default, any litigation, governmental proceedings or investigations which is or are reasonable expected to have a material adverse effect on the Issuer or its ability to perform its obligations hereunder or under the Series 2015 Bond, the eligibility of the Issuer to receive the Constitutional Fuel Tax Revenues or material changes in the Issuer's accounting or financial reporting practices; (ii) all books and records of the Issuer relevant to the Resolution and the Series 2015 Bond shall be open to inspection by the Purchaser at all reasonable times and upon reasonable prior notice and (iii) any termination payments due from the Issuer pursuant to any interest rate swap agreement secured by Constitutional Fuel Tax Revenues shall be expressly subordinated to Issuer's obligations to the Purchaser hereunder and under the Series 2015 Bond.

SECTION 17. WAIVER OF JURY TRIAL; APPLICABLE LAW AND JURISDICTION.

(A) To the extent permitted by applicable law, the Issuer, knowingly, voluntarily and intentionally waives any right it may have to a trial by jury in respect of any litigation based on, or arising out of, under or in connection with the Resolution, the Series 2015 Bond or any agreement contemplated to be executed in connection with the Resolution, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of the Issuer or the Purchaser.

(B) The substantive laws of the State of Florida shall govern the Resolution, the Series 2015 Bond or any agreement contemplated to be executed in connection with the Resolution. The Issuer submits to the jurisdiction of Florida courts and federal courts and agrees that venue for any suit concerning this Resolution shall be in Brevard County, Florida and the Middle District of Florida.

SECTION 18. GENERAL AUTHORITY. The members of the Governing Body of the Issuer, the County Manager, the Clerk and the officers, attorneys and other

agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this Supplemental Resolution, the Resolution, the Rate Lock Agreement or the Escrow Agreement, or desirable or consistent with the requirements hereof or the Resolution or the Escrow Agreement for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2015 Bond, the Resolution, the Rate Lock Agreement and the Escrow Agreement and each member, employee, attorney and officer of the Issuer and the Clerk is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. In the event the Chairman is absent or unavailable to perform any function or duty hereunder the Vice-Chairman is hereby authorized to perform any and all of such functions or duties. Bond Counsel and the Issuer's Financial Advisor are hereby authorized and directed to take all action necessary and desirable to carryout the intent and purposes of this Supplemental Resolution.

SECTION 19. MODIFICATION OR AMENDMENT OF THIS SUPPLEMENTAL RESOLUTION. No modification or amendment of this Supplemental Resolution or of any resolution amendatory thereof or supplemental thereto may be made without the consent in writing of the Purchaser, except for amendments made pursuant to Section 7.01(B), (C) or (D) of the Resolution.

SECTION 20. SEVERABILITY AND INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall 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 separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2015 Bond.

SECTION 21. RESOLUTION TO CONTINUE IN FORCE. Except as herein expressly provided, the Resolution and all the terms and provisions thereof are and shall remain in full force and effect.

SECTION 22. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

This Resolution passed and adopted this 28th day of September, 2015.

BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA,

(SEAL)

By: _____

Robin Fisher
Chairman

ATTEST:



Laurie S. Rice, Chief Deputy Clerk for
Scott Ellis, Clerk of the Circuit Court
and Ex-Officio Clerk to the Board of
County Commissioners of Brevard
County, Florida

EXHIBIT A

PROPOSAL OF THE PURCHASER

EXHIBIT B

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT, dated as of October 7, 2015, by and between **BREVARD COUNTY, FLORIDA**, a political subdivision of the State of Florida (the "County"), and **U.S. BANK NATIONAL ASSOCIATION**, a banking corporation organized and existing under the laws of the United States of America and qualified to exercise trust powers under the laws of the State of Florida, having its designated corporate trust office in Orlando, Florida, as escrow agent hereunder (the "Escrow Agent").

WHEREAS, the County has heretofore issued its Brevard County, Florida Constitutional Fuel Tax Refunding Revenue Bonds, Series 2005 (the "Series 2005 Bonds") pursuant to Resolution No. 2001-010 adopted on January 11, 2001, as supplemented (the "Resolution"); and

WHEREAS, the County has determined to exercise its option under the Resolution to current refund all of the Series 2005 Bonds described on Schedule A attached hereto (the "Refunded Bonds"); and

WHEREAS, the County has determined to issue its \$_____ aggregate principal amount of a Brevard County, Florida Constitutional Fuel Tax Refunding Revenue Bond, Series 2015 (the "Series 2015 Bond"), a portion of the proceeds of which Series 2015 Bond will be used to provide payment for the Refunded Bonds and to discharge and satisfy the pledges, liens and other obligations of the County under the Resolution in regard to the Refunded Bonds; and

WHEREAS, the issuance of the Series 2015 Bond, the deposit of such proceeds into an escrow deposit trust fund to be held by the Escrow Agent and the discharge and satisfaction of the pledges, liens and other obligations of the County under the Resolution in regard to the Refunded Bonds shall occur as a simultaneous transaction; and

WHEREAS, this Agreement is intended to effectuate such simultaneous transaction;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

SECTION 1. PREAMBLES. The recitals stated above are true and correct and incorporated herein.

SECTION 2. RECEIPT OF RESOLUTION. Receipt of a true and correct copy of the above-mentioned Resolution and this Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Resolution, including but not limited to Article III and Section 8.01 of the Resolution, are incorporated herein by reference. Reference herein to or citation herein of any provisions

of the Resolution shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

SECTION 3. DISCHARGE OF PLEDGE OF HOLDERS OF REFUNDED BONDS. The County by this writing exercises its option under Section 8.01 of the Resolution to cause the pledge of and lien on the Pledged Funds, and all other pledges and liens created by the Resolution or pursuant to the Resolution, with respect to the holders of the Refunded Bonds to cease, determine and become void.

SECTION 4. ESTABLISHMENT OF ESCROW FUND. There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "Brevard County, Florida Constitutional Fuel Tax Revenue Refunding Bonds, Series 2005, Escrow Deposit Trust Fund" (the "Escrow Fund"). The Escrow Fund therein shall be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the Refunded Bonds separate and apart from other funds and accounts of the County and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Escrow Fund the sum of \$ _____ received from the County from proceeds of the Series 2015 Bond (the "Bond Proceeds") and \$ _____ received from the County from certain moneys on deposit in certain funds and accounts allocated to the Refunded Bonds (the "County Moneys"). The Bond Proceeds and County Moneys collectively shall be referred to herein as the "Cash Deposit."

SECTION 5. SUFFICIENCY OF CASH DEPOSIT. The County represents that the Cash Deposit is sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of, premium, if any, and interest due and to become due on the Refunded Bonds as described in Schedule B attached hereto. If the Cash Deposit shall be insufficient to make such payments, the County shall timely deposit to the Escrow Fund, solely from legally available funds of the County, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule B hereto. Notice of any insufficiency shall be given by the Escrow Agent to the County as promptly as possible, but the Escrow Agent shall in no manner be responsible for the County's failure to make such deposits.

SECTION 6. CASH DEPOSIT IN TRUST FOR HOLDERS OF REFUNDED BONDS. The deposit of the Cash Deposit in the Escrow Fund shall constitute an irrevocable deposit of cash in trust solely for the payment of the principal of, premium, if any, and interest on the Refunded Bonds at such times and in such amounts as set forth in Schedule B hereto, and the Cash Deposit shall be used solely for such purpose.

SECTION 7. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND. The County hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the

Resolution referenced in this Agreement, including the timely transfer of money to the paying agent for the Refunded Bonds (Wells Fargo Bank) as provided in the Resolution, in order to effectuate this Agreement and to pay the Refunded Bonds in the amounts and at the times provided in Schedule B hereto. The Cash Deposit shall be used to pay debt service on the Refunded Bonds as they mature or are redeemed prior to maturity. The Refunded Bonds shall be redeemed prior to their respective maturities on _____, 2015 (the "Redemption Date") at a redemption price equal to 100% of the principal amount of each Refunded Bond, plus interest accrued to the Redemption Date. If any payment date shall be a day on which either the paying agent for the Refunded Bonds or the Escrow Agent is not open for the acceptance or delivery of funds, then the Escrow Agent may make payment on the next business day. The liability of the Escrow Agent for the payment of the principal of, premium, if any, and interest on the Refunded Bonds pursuant to this Agreement shall be limited to the application of the Cash Deposit and the interest earnings thereon available for such purposes in the Escrow Fund.

SECTION 8. NO INVESTMENT OF MONEYS IN ESCROW FUND. NO PORTION OF THE CASH DEPOSIT SHALL BE INVESTED.

The Escrow Fund shall continue in effect until the date upon which the Escrow Agent makes the final payment to the Paying Agent for the Refunded Bonds in an amount sufficient to pay the Refunded Bonds, as described in Schedule B hereto, whereupon the Escrow Agent shall remit to the County any portion of the Cash Deposit then remaining in the Escrow Fund.

SECTION 9. REDEMPTION OF CERTAIN OF THE REFUNDED BONDS. The County hereby irrevocably instructs the Escrow Agent to give, or cause the Registrar for the Refunded Bonds (Wells Fargo Bank) to give, on behalf of the County, at the appropriate times the notice or notices, if any, required by the Resolution in connection with the redemption of the Refunded Bonds, in substantially the form attached hereto as Schedule C. The Refunded Bonds shall be redeemed on _____, 2015 at a redemption price equal to 100% of the principal amount thereof, plus accrued interest. The Escrow Agent shall file, or cause the Registrar for the Refunded Bonds to file, such redemption notice with the Electronic Municipal Market Access within 10 days of it being so given.

SECTION 10. ESCROW FUND IRREVOCABLE. The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on the Cash Deposit deposited in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement and the Resolution. Neither the County nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

SECTION 11. AMENDMENTS TO AGREEMENT. This Agreement is made for the benefit of the County and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the Escrow Agent; provided, however, that the County 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, or confer upon, the Escrow Agent for the benefit of the holders of 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 be entitled to rely exclusively upon an unqualified opinion of Bond Counsel with respect to compliance with this Section 11, including the extent, if any, to which any change, modification or addition 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 11.

SECTION 12. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION. In consideration of the services rendered by the Escrow Agent under this Agreement, the County agrees to and shall pay to the Escrow Agent the fees and expenses as shall be agreed to in writing by the parties hereto. The Escrow Agent shall have no lien whatsoever upon any of the Cash Deposit in the Escrow Fund for the payment of such proper fees and expenses. To the extent allowed by applicable law, the County further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to the Escrow Agent's own negligence or misconduct. Indemnification provided under this Section 12 shall survive the termination of this Agreement.

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 County. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable

for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the County or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the County of its intention.

The Escrow Agent and its successors, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, by reason of the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance and disposition of the various moneys and funds described herein, the purchase, retention or payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement or any non-negligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the County and to holders of the Refunded Bonds to the extent of their respective damages for negligent or willful acts, omissions or errors of the Escrow Agent which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement.

SECTION 13. REPORTING REQUIREMENTS OF ESCROW AGENT.

As soon as practicable after _____, 2015, the Escrow Agent shall forward in writing to the County a statement in detail of the activity of the Escrow Fund.

SECTION 14. RESIGNATION OR REMOVAL OF ESCROW AGENT.

The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than 20 days' written notice to the County and mailing notice thereof, specifying the date when such resignation will take effect to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the County as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be replaced at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and signed by either the County or the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. Such instrument shall provide for the appointment of a successor Escrow Agent, which appointment shall occur simultaneously with the removal of the Escrow Agent.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the County shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the County shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders. The County shall mail notice of any such appointment made by it at the times and in the manner described in the first paragraph of this Section 14.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the County pursuant to the foregoing provisions of this Section 14 within 20 days after written notice of resignation of the Escrow Agent has been given to the County, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall have no further liability hereunder and the County shall indemnify and hold harmless the Escrow Agent, to the extent allowed by law, from any such liability, including reasonable costs or expenses incurred by the Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any State, and shall have at the time of appointment capital and surplus of not less than \$30,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the County an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the County execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all

fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the County be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the County.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 15. TERMINATION OF AGREEMENT. This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the County.

SECTION 16. GOVERNING LAW. This Agreement shall be governed by the applicable laws of the State of Florida. Any action or proceeding, in law or equity, arising out of or in any way related to this Agreement or the obligations hereunder shall be in Lee County, Florida.

SECTION 17. SEVERABILITY. If any one or more of the covenants or agreements provided in this Agreement on the part of the County or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 18. 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 19. NOTICES. Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:

U.S. Bank National Association
225 E. Robinson Street, Suite 250
Orlando, Florida 32801
Attn: Corporate Trust Services

Brevard County, Florida
2725 Judge Fran Jamieson Way
Viera, Florida 32940
Attention: County Manager

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and officials as of the date first written herein.

BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA

(SEAL)

By: _____
Robin Fisher
Chairman

ATTEST:



Lauree S. Rice, Chief Deputy Clerk for
Scott Ellis, Clerk of the Circuit Court
and Ex-Officio Clerk to the Board of
County Commissioners of Brevard
County, Florida

**U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent**

By: _____
Leanne Duffy
Vice President

SCHEDULE A

DESCRIPTION OF THE REFUNDED BONDS

SCHEDULE B

DISBURSEMENT REQUIREMENTS FOR REFUNDED BONDS

**NOTICE OF REDEMPTION
OF
BREVARD COUNTY, FLORIDA
CONSTITUTIONAL FUEL TAX REVENUE REFUNDING BONDS
SERIES 2005**

NOTICE IS HEREBY GIVEN on behalf of Brevard County, Florida that pursuant to Article III of Resolution No. 2001-010, adopted on January 11, 2000, as supplemented (collectively, the "Bond Resolution"), under which the Brevard County, Florida Constitutional Fuel Tax Revenue Refunding Bonds, Series 2005, dated March 8, 2005 (the "Series 2005 Bonds") were issued, that such Series 2005 Bonds are called for redemption prior to maturity on _____, 2015 (the "Redemption Date"), at the redemption price equal to 100% of the principal amount of each Bond to be redeemed together with interest accrued thereon to the Redemption Date, without penalty or premium.

The Series 2005 Bonds to be redeemed are:

<u>Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
2016	\$2,555,000	4.000%	107413BH8
2017	2,660,000	4.000	107413BJ4
2018	2,770,000	4.000	107413BK1
2019	2,880,000	4.000	107413BL9
2020	2,990,000	4.125	107413BM7

Payment of the redemption price, including the principal amount and interest, of such Series 2005 Bonds will be made on or after the Redemption Date at the office of Wells Fargo Bank, the paying agent for the Bonds upon surrender thereof. Interest on the Series 2005 Bonds will cease to accrue from and after the Redemption

Date. Holders of the Series 2005 Bonds are requested to present their Series 2005 Bonds, at the following addresses:

If by Mail:

Wells Fargo Bank

If by Hand or Overnight Mail:

Wells Fargo Bank

No representation is made as to the correctness or accuracy of the CUSIP numbers identifying, by issue and maturity, the Series 2005 Bonds listed in this notice or printed on such Series 2005 Bonds.

Under the provisions of the Interest and Dividend Tax Compliance Act of 1983, all holders submitting their bonds for redemption must submit a W-9 (Certificate of Taxpayer Identification Number) in order to avoid 31% backup withholding required under the above act.

DATED this ____ day of October, 2015.

WELLS FARGO BANK

Brevard County, Florida

Response to Bank Loan Request for Proposals – Constitutional Fuel Tax Refunding Revenue Bond, Series 2015

August 25, 2015

Submitted via Email to:

Stockton Whitten, County Manager: Stockton.Whitten@brevardcounty.us;
Steve Burdett, Finance Director: Steve.Burdett@brevardclerk.us

With copy to:

Financial Advisor: Jay Glover, Managing Director (PFM): gloverj@pfm.com

Bank of America, N.A.
625 North Flagler Dr.
West Palm Beach, Florida 33401

2170 Satellite Blvd., Suite 250
Duluth, Georgia 30097

Bank of America
Merrill Lynch



August 25, 2015

Mr. Stockton Whitten, County Manager
Mr. Steve Burdett, Finance Director
Brevard County, Florida
2725 Judge Fran Jamieson Way
Viera, Florida 32940

Mr. Jay Glover, Managing Director

Public Financial Management, Inc.
300 South Orange Ave., Suite 1170
Orlando, FL 32801

Dear Messrs. Whitten, Burdett and Glover:

In response to Brevard County, Florida's ("County") Request For Bank Loan Proposals – Constitutional Fuel Tax Refunding Revenue Bond, Series 2015 ("Series 2015 CFT Bonds") distributed via email August 5, 2015 (the "RFP"), Bank of America, N.A., through itself or through its wholly owned subsidiary Specialized Lending, LLC ("Bank" or "BANA"), is pleased to provide this proposal for up to a \$14,000,000 bank direct purchase of the Series 2015 CFT Bonds.

Following this cover letter, we have included a summary response table with the information requested in the RFP and then our typical Summary Terms and Conditions document that further outlines the proposed terms (the "Term Sheet").

This Term Sheet does not represent or imply a commitment to lend by the Bank. Any such commitment shall be subject to the Bank's final credit approval, including completion of a review of all documents which shall be acceptable to the Bank and its counsel at their sole discretion. As of the date of this proposal, the Bank has completed its initial credit underwriting and has received required approvals to provide this Term Sheet.

We truly appreciate the opportunity to provide this financing proposal and potentially expand upon our valued banking relationship with Brevard County, Florida. We look forward to discussing this Term Sheet further with the County and its advisors. Please do not hesitate to call or email us with any questions or comments you might have. Mike Romano, on our Municipal Credit Products team, will serve as your primary contact to discuss this Term Sheet.

Sincerely,



Michael J. Romano
Senior Vice President
Bank of America, N.A.



Eric Kosmin
Senior Vice President
Specialized Lending, LLC



Stephen B. Lenehan
Senior Vice President
Bank of America, N.A.

Series	Constitutional Fuel Tax Refunding Revenue Bond, Series 2015
Bank Contact Information	Bank of America, N.A. Michael J. Romano 2170 Satellite Blvd, Suite 250 Mail Code: GA9-811-02-01 Duluth, Georgia 30097 Office: 770-510-4046 Fax: 404-260-9681 Email: mike.romano@baml.com
Rate Proposal	Indicative Non Bank Qualified Tax Exempt Rate as of Aug 25, 2015: 1.38% The actual rate shall be set up to two business days prior to closing utilizing the 37 month interest rate swap rate, as determined by linear interpolation, plus a credit spread. The actual rate shall be set utilizing the interest rate swap rate as of the day the rate is set. The Bank shall use Bloomberg, or a comparable platform, to establish such a rate. The credit spread is 27 basis points. The indicative rate and pricing formula is based on 1) the transaction as described herein including the close date, term, weighted average maturity of the loan amortization schedule and 2) legal opinions acceptable to the Bank and its counsel regarding the tax exempt status of the loans. The pricing formula will be good through October 15, 2015, so long as written acceptance of this proposal is provided by the expiration of the term sheet. After that date or if the amount or repayment terms change, the formula may be subject to adjustment at Bank's sole discretion. Bank is willing to enter into a rate lock agreement which would fix the interest rate more than two business days prior to closing. Under any such rate lock agreement, a failure of the County to fund the loan (other than as a result of the Bank's wrongful action), would subject the County to a potential breakage penalty calculated in the same manner as if the loan fully funded and was then immediately prepaid in full on the closing date per Bank's make whole provision (form of rate lock agreement will be drafted and sent separately upon request as formula rates used are in part driven by the weighted average maturity of the transaction and the to be confirmed time between expected rate lock date and funding date; calculation methodology will be similar to that for optional prepayments outlined in Exhibit A). Any breakage fee due under any rate lock agreement would be secured by and payable from the Constitutional Fuel Tax pledged.
Rate Adjustment Provision	If there is a Determination of Taxability as it relates to the Series 2015 CFT Bonds, the Bank's standard "gross up" provision will apply, and among other things, the interest rate will increase to the rate 154% of the otherwise applicable rate (assuming highest margin federal tax rate is 35%). The interest rate is also subject to potential adjustment to the Default Rate as remedy for an Event of Default, as outlined on page 7 of the Term Sheet. Note, the Bank's proposed pricing does <u>not</u> include any adjustments or increases for regulatory cost increases, changes in law, rules, capital adequacy or reserve requirements.
Default Rate	Maximum rate allowed by law.
Bank Counsel Fees	Legal fees and related expenses for Bank Counsel are not to exceed \$5,000.
Prepayment Provisions	Prepayments are permitted at any time after August 1, 2016 with five business days prior written notice, subject to a potential prepayment penalty as set forth in Exhibit A.
Financial Reporting:	As soon as available but no later than 270 days after the close of each fiscal year of the County, the County shall provide complete audited financial statements of the County. In addition, Borrower shall provide or cause to be provided to Bank such information respecting the affairs, condition and/or operations, financial or otherwise, of the County as the Bank may from time to time reasonably request (i.e., annual budget, amount of Pledged Funds collected).
Conditions	See attached Summary Terms and Conditions



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**Investment products offered by Investment Banking Affiliates:
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Bank of America Corporation and its affiliates (collectively, the "BAC Group") comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and strategic advisory services and other commercial services and products to a wide range of corporations, governments and individuals, domestically and offshore, from which conflicting interests or duties, or a perception thereof, may arise. In the ordinary course of these activities, parts of the BAC Group at any time may invest on a principal basis or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions, for their own accounts or the accounts of customers, in debt, equity or other securities or financial instruments (including derivatives, bank loans or other obligations) of the Company, potential counterparties or any other company that may be involved in a transaction. Products and services that may be referenced in the accompanying materials may be provided through one or more affiliates of Bank of America Corporation. We have adopted policies and guidelines designed to preserve the independence of our research analysts. The BAC Group prohibits employees from, directly or indirectly, offering a favorable research rating or specific price target, or offering to change a rating or price target to a subject company as consideration or inducement for the receipt of business or for compensation and the BAC Group prohibits research analysts from being directly compensated for involvement in investment banking transactions. We are required to obtain, verify and record certain information that identifies the Company, which information includes the name and address of the Company and other information that will allow us to identify the Company in accordance, as applicable, with the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) and such other laws, rules and regulations as applicable within and outside the United States.

We do not provide legal, compliance, tax or accounting advice. Accordingly, any statements contained herein as to tax matters were neither written nor intended by us to be used and cannot be used by any taxpayer for the purpose of avoiding tax penalties that may be imposed on such taxpayer. If any person uses or refers to any such tax statement in promoting, marketing or recommending a partnership or other entity, investment plan or arrangement to any taxpayer, then the statement expressed herein is being delivered to support the promotion or marketing of the transaction or matter addressed and the recipient should seek advice based on its particular circumstances from an independent tax advisor. Notwithstanding anything that may appear herein or in other materials to the contrary, the Company shall be permitted to disclose the tax treatment and tax structure of a transaction (including any materials, opinions or analyses relating to such tax treatment or tax structure, but without disclosure of identifying information or, except to the extent relating to such tax structure or tax treatment, any nonpublic commercial or financial information) on and after the earliest to occur of the date of (i) public announcement of discussions relating to such transaction, (ii) public announcement of such transaction or (iii) execution of a definitive agreement (with or without conditions) to enter into such transaction; provided, however, that if such transaction is not consummated for any reason, the provisions of this sentence shall cease to apply. Copyright 2014 Bank of America Corporation



Parties to the Transaction

Issuer / Borrower: Brevard County, Florida (also, the "County")

Purchaser / Lender: Bank of America, N.A. or another affiliate of Bank of America Corporation ("BANA" or the "Bank").

The Facility

Facility Brevard County, Florida Constitutional Fuel Tax Revenue Refunding Bond, Series 2015 (the "Series 2015 CFT Bonds")

The Series 2015 CFT Bonds shall not be rated and will not be marketed pursuant to an official statement. Bank will accept the Series 2015 CFT Bonds as a physical certificate registered in the name of the Bank.

Par Amount: Up to \$14,000,000 fully drawn at closing.

Use of Proceeds: To current refund in full the outstanding Brevard County, Florida Constitutional Fuel Tax Revenue Refunding Bonds, Series 2005 and pay cost of issuance of the Series 2015 CFT Bonds.

Expected Closing: The Series 2015 CFT Bonds are expected to close on or about October 1, 2015

Maturity Date: August 1, 2020

Repayment, Amortization: Principal due on the Series 2015 CFT Bonds shall be paid annually each August 1 starting August 1, 2016. Pricing herein is based on the amortization schedule below provided in the RFP and any changes made shall be acceptable to the Bank in its sole discretion.

Series 2015 CFT Bonds	Balance	Principal Due
10/1/2015	\$13,580,000	Closing
8/1/2016	\$11,280,000	\$2,300,000
8/1/2017	\$8,535,000	\$2,745,000
8/1/2018	\$5,735,000	\$2,800,000
8/1/2019	\$2,890,000	\$2,845,000
8/1/2020	\$0	\$2,890,000

Security: Principal, interest and prepayment fee, if any, for the Series 2015 CFT Bonds shall be secured equally and ratably by a pledge of and lien upon the Pledged Funds, that includes County's Constitutional Fuel Tax Revenues and until applied per provisions on the Bond Resolution, all moneys, including income from the investment thereof, in certain (but not all) of the funds and accounts established by the Bond Resolution.

The County covenants to continue and take all steps required on its part to remain eligible to receive the Constitutional Fuel Tax while the Series 2015 CFT Bonds are outstanding and shall not take any action or fail to take any action that would cause a suspension or termination of the receipt of the Pledged Revenues or take any action or enter into any agreement that shall result in reducing the level of taxes pledged by the County from the level prevailing at the time of this Term Sheet.

The Reserve Account Requirement for the Series 2015 CFT Bonds will be \$0.00.



Optional Prepayment: Prepayments are permitted on any business day starting August 1, 2016 with five business days prior written notice, subject to a potential Prepayment Fee, the calculation of which is set forth in Exhibit A. Partial prepayments shall be made in inverse order of maturity.

Interest Rate, Fees

Interest Rate: See summary table on page 2.

Payment Date, Day Count: Interest on the Series 2015 CFT Bonds will be paid semi annually in arrears on each February 1 and August 1, starting February 1, 2016. Interest of the Series 2015 CFT Bonds will be calculated on the basis of twelve 30 day months and a 360 day year.

Determination of Taxability: Upon a Determination of Taxability with respect to the Series 2015 CFT Bonds and until the earliest of (i) a subsequent tax exempt qualifying date, (ii) a prepayment date (if any) and (iii) the Maturity Date, the Series 2015 CFT Bonds will bear interest from the date that taxability commences at a rate equal to the product of the tax-exempt rate of interest otherwise in effect and the Taxable Rate Factor (currently 1.54).

The Taxable Rate Factor is the amount by which the tax-exempt rate must be multiplied to achieve the equivalent taxable rate given the highest marginal federal corporate tax rate, currently 35%. The Taxable Rate Factor is subject to change should the highest marginal federal corporate tax rate change.

The Borrower is also responsible for payment of any interest, penalties or charges owed by the Bank as a result of interest on the Series 2015 CFT Bonds that accrues from becoming includable in the gross income of the Bank, together with any and all attorneys' fees, court costs, or other out-of-pocket cost incurred by the Bank in connection therewith.

A change in the interest rate due to this provision will NOT trigger an exception for the prepayment penalty provision.

Default Rate: During the continuance of any default under the Series 2015 CFT Bonds, the interest rate shall be increased to the maximum rate allowed under law.

Bank Counsel Fee: Bank proposes to engage Mark E. Raymond, located in Palm Beach Gardens, FL, to represent the Bank in this transaction (Email: mark.raymond@mraymondlaw.com PH: (561) 775-8440 Fax: (561) 775-8442). The legal fees and any related expenses for Bank Counsel are fixed at \$5,000. The fee level quoted assumes that documentation and legal opinions are prepared by the County's bond counsel. All such documents shall be acceptable to the Bank.

Fees and Expenses Valid Through Date: All fees and expenses, including those of Bank Counsel, may increase if the transaction is not closed by October 15, 2015.

Expenses: The County will be responsible for all costs and expenses relating to the Facility, including fees and disbursements of Bank's counsel, Bond Counsel, and the County's financial advisor and any other expenses incidental to the transaction contemplated by the Facility or this term sheet.

The County will also pay the expenses of Bank in connection with the enforcement of any loan documentation.

Other Standard Provisions

Indemnification: To the extent permitted by law, customary Bank indemnification in all cases except where the Bank is proven to have been guilty of gross negligence or willful misconduct.



Assignments and Participations:

The Bank reserves the right in its sole discretion to make assignments to other financial institutions and will be permitted to sell participations in the Series 2015 CFT Bonds without the consent of the County.

Waivers / Amendments:

Amendments and waivers of the provisions of the Series 2015 CFT Bonds documentation, including the Resolution, will require approval of the Bank.

Choice of Law / Jury Trial / Venue

Governing Law:

This proposed Term Sheet and any other documents to which the Bank shall become a party shall be construed according to the laws of the State of Florida.

Jury Trial:

The Borrower agrees to waive any right to a trial by jury in any action or proceeding with respect to any dispute or controversy under the Series 2015 CFT Bonds documents.

Venue:

Any litigation involving the Bank shall be brought in the appropriate Florida court having jurisdiction over the matter.

Description of the Basic Documentary Terms and Conditions

Documentation:

Legal documentation will be provided by Nabors, Giblin & Nickerson, Bond Counsel to the County. Documentation will include a Resolution, Bond, **Purchaser’s Certificate(s)** and other documents typical for transactions of this nature. The documentation will include, but not be limited to, the terms and conditions outlined herein, as well as provisions that are customary and standard with respect to conditions precedent, representations and warranties, covenants, events of default and remedies.

Conditions Precedent To Closing:

Standard for facilities of this type, including but not limited to:

The negotiation, execution and delivery of definitive documentation (including, without limitation, satisfactory legal opinions and other customary closing documents) for the Series 2015 CFT Bonds satisfactory to Bank.

There shall not have occurred any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a **Material Adverse Effect**. “Material Adverse Effect” means (A) a material adverse change in, or a material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the County, taken as a whole; (B) a material impairment of the rights and remedies of Bank under any loan documentation, or of the ability of the County to perform its obligations under any loan documentation to which it is a party; or (C) a material adverse effect upon the legality, validity, binding effect or enforceability against the County of any Facility documentation to which it is a party, in each case as determined in the sole discretion of Bank.

Certified copies of relevant ordinances, resolutions, agreements, contracts, certificates, etc. as requested by Bank or its counsel.

Receipt of satisfactory financial information, budgets, projections, etc. as requested by the Bank.

Other conditions precedent as are customary for a financing of the type contemplated, including payment of fees at closing.

Representations and

Usual and customary for transactions of this type including, without limitation, the following: (i)



Warranties

legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) governmental and third party approvals and consents; (iv) enforceability; (v) accuracy and completeness of specified financial statements and no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect; (vi) no material litigation; (vii) no default; (viii) ownership of property; (ix) insurance matters; (x) tax matters; (xi) use of proceeds; (xii) accuracy of disclosure; (xiii) no bankruptcy or insolvency; and (xiv) no proposed legal changes which may adversely affect the Facility, the obligations of the Borrower thereunder or the transaction.

Covenants:

Usual and customary for transactions of this type, including, without limitation, the following: (i) timely delivery of audited financial statements, compliance certificates and other information, (ii) notices of default, material litigation, material governmental proceedings or investigations, ineligibility to receive the Constitutional Fuel Tax Revenues and material changes in accounting or financial reporting practices; (iii) payment of obligations; (iv) preservation of existence; (v) maintenance of properties and insurance; (vi) compliance with laws; (vii) maintenance of books and records; (viii) inspection rights; (ix) use of proceeds; (x) limitations on (A) liens and investments (B) mergers and other fundamental changes, (C) sales and other dispositions of property or assets, (D) amendments to transaction documents without consent of Bank and (xi) subordination of swap termination payments and restrictions on collateralization of swap obligations

Investment Representations:

In connection with purchasing the Series 2015 CFT Bonds, the Bank will make usual and customary representations to the County, including (a) its knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of purchasing the Series 2015 CFT Bonds; (b) its receipt of, or access to, all information from the County or otherwise that it deems necessary to make such purchase; and (c) purchasing the Series 2015 CFT Bonds for its own account or for resale to an affiliated entity in which Bank of America Corporation will retain an interest, and not with a view to, or for resale in connection with, any distribution of the Series 2015 CFT Bonds. Bank will follow up with its preferred form of Investment Letter for further review by County and its advisors upon request.

Financial Covenants:

Subject to the Additional Bonds Test of 1.50x or better as defined in Section 5.02 of County's Bond Resolution.

Reporting Requirements:

See summary table on page 2.

Events of Default:

Usual and customary in transactions of this type including, without limitation, the following: (i) nonpayment of principal, interest, fees or other amounts; (ii) failure to perform or observe covenants set forth in the Series 2015 CFT Bonds documentation after applicable grace periods; (iii) any representation or warranty proving to have been incorrect when made or confirmed; (iv) cross-default to other parity debt or subordinate debt secured by Pledged Revenues; (v) bankruptcy, insolvency, debt moratorium, etc.; (vi) actual or asserted invalidity or impairment of any documentation; and (vii) downgrade on parity debt below Baa3/BBB- (or the equivalent) by Moody's, S&P or Fitch, respectively or withdrawal or suspension of those ratings for credit related reasons.*

* To the extent that there is neither a rating on the Series 2015 CFT Bonds nor on parity debt, then minimum debt service coverage will apply, set at 1.0x MADS for parity and subordinated debt secured by Pledged Revenues, if any, based on pledged revenue collected during the fiscal year end computation period. To the extent this test becomes applicable, County to provide a compliance certificate including its calculation with the annual audit.

Remedies:

Upon occurrence of an Event of Default, the Bank may, among other things, cause the Default Rate to apply to all outstanding obligations of the County to the Bank and pursue any other remedies to which it is entitled under the documents, at law or in equity. For any payment that is



more than 15 days late, the Bank may impose a late fee equal to 4% of the amount of the late payment.

The County will agree that neither other parity debt nor subordinate debt secured by Pledged Revenues shall contain a right to accelerate payment of amounts due with respect thereto unless a similar right is also granted to the Bank.

Proposed Terms and Conditions Subject to Certain Events

This Summary of Terms is intended only as an outline of certain of the material terms of the Facility and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documentation for the Facility contemplated hereby. This Summary of Terms is not a commitment. It represents a willingness on the part of Bank to seek approval to provide the commitment indicated herein and consummate a transaction based upon the terms and conditions outlined in this term sheet and is subject to:

Final credit approval (see "Credit Process Timeframe" below),

Absence of any material adverse change in the financial condition, operations or prospects of the County, or in any law, rule or regulation (or their interpretation or administration), that, in each case, may adversely affect the consummation of the transaction, to be determined in the sole discretion of Bank,

Such additional due diligence as Bank may require, and

Agreement as to all final terms and conditions and satisfactory documentation thereof (including satisfactory legal opinions).

Credit Process Timeframe: The credit process will take 7 business days from the point at which the Bank is awarded the transaction (subject to District approval), and has in its possession all materials necessary to complete its final credit analysis. As of this date, initial credit underwriting has been completed and required preliminary approvals have been received to make this proposal.

Expiration: Consideration of a financing based on the terms and conditions presented in this term sheet shall automatically expire September 15, 2015 unless the Bank has received a signed acceptance by such date.

If the Bank issues a commitment, the Bank reserves the right to terminate, reduce or otherwise amend its commitment if the subject transaction is not closed by October 15, 2015.

Future Modifications: The terms, conditions, pricing levels and fees (including legal fees and expenses) cited herein reference the financing and the Facility Amount as described in this Term Sheet and are subject to revision in the event that (i) the Facility Amount changes, (ii) the security or transaction structure is modified, (iii) the transaction deviates materially from what was initially described in the RFP or in conjunction therewith, (iv) the proposed financing does not close by October 15, 2015.

Confidentiality

This Term Sheet contains confidential and proprietary structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the Facility or as may be required by law, the contents of this Term Sheet may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed Facility.



No Advisory or Fiduciary Role

The Borrower acknowledges and agrees that: (i) the transaction contemplated by this Term Sheet is an arm's length, commercial transaction between the Borrower and the Bank in which the Bank is acting solely as a principal and for its own interest; (ii) the Bank is not acting as a municipal advisor or financial advisor to the Issuer or the Borrower; (iii) the Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank has provided other services or is currently providing other services to the Borrower on other matters); (iv) the only obligations the Bank has to the Borrower with respect to the transaction contemplated hereby expressly are set forth in this Term Sheet; and (v) the Bank is not recommending that the Borrower take an action with respect to the transaction contemplated by this Term Sheet, and before taking any action with respect to the contemplated transaction, Borrower should discuss the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. If Borrower would like a municipal advisor in this transaction that has legal fiduciary duties to Borrower respectively, Borrower is free to engage a municipal advisor to serve in that capacity. This Term Sheet is provided to Borrower pursuant to and in reliance upon the "RFP exemption" and the "bank exemption" provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 *et seq.*

Agreement by the Borrower

The Borrower hereby agrees to engage Bank to provide the Facility described, which is the subject hereof, pursuant to the terms and conditions stated herein.

Please have an authorized officer of the Borrower, evidence their agreement with the foregoing by signing and returning a copy of the document to Bank of America (email acceptable).

Accepted and Agreed to:

BREVARD COUNTY, FLORIDA

By  _____ Date: 9/28/15

Printed Name: _____

Approved by the Board : 09/28/2015

ATTEST:



LAURIE S RICE, CHIEF DEPUTY CLERK for
Scott Ellis, Clerk of Court



Exhibit A

The [Bonds, Notes, Certificates, Borrower Note - *conform to defined terms] may be [prepaid, redeemed - *Use Applicable Language] in whole, or in part, on August 1, 2016 or any business day thereafter, with five (5) business days prior written notice to the [Bondholder, Noteholder, Certificate Holder, Bank, Lender - *conform to defined terms] by payment in an amount equal to the principal amount to be [prepaid/ redeemed - *Use Applicable Language] plus accrued interest thereon to the date of [prepayment/redemption - *Use Applicable Language] plus the Prepayment Fee. For purposes hereof, the Prepayment Fee will be the sum of fees calculated separately for each Prepaid Installment, as follows:

(i) The Lender will first determine the amount of interest which would have accrued each month at the Taxable Equivalent Rate for the Prepaid Installment had it remained outstanding until the applicable Original Payment Date, using the interest rate applicable to the Prepaid Installment under this Agreement.

(ii) The Lender will then subtract from each monthly interest amount determined in (i), above, the amount of interest which would accrue for that Prepaid Installment if it were reinvested from the date of prepayment or redemption through the Original Payment Date, using the Treasury Rate.

(iii) If (i) minus (ii) for the Prepaid Installment is greater than zero, the Lender will discount the monthly differences to the date of prepayment or redemption by the Treasury Rate. The Lender will then add together all of the discounted monthly differences for the Prepaid Installment.

The following definitions will apply to the calculation of the Prepayment Fee:

(i) "Original Payment Dates" mean the dates on which the prepaid or redeemed principal would have been paid if there had been no prepayment or redemption. If any of the principal would have been paid later than the end of the fixed rate interest period in effect at the time of prepayment or redemption, then the Original Payment Date for that amount will be the last day of the interest period.

(ii) "Prepaid Installment" means the amount of the prepaid or redeemed principal which would have been paid on a single Original Payment Date.

(iii) "Taxable Equivalent Rate" means the interest rate per annum derived from the following formula: [interest rate on the Bond, Note, Certificate, Borrower Note - *Use Applicable Term] divided by the difference of (1 minus the Maximum Corporate Income Tax Rate). The "Maximum Corporate Income Tax Rate" is the highest marginal federal income tax rate charged to U.S. corporations in effect at the time of the prepayment calculation. The "Maximum Corporate Income Tax Rate" is currently 35% (or 0.35 in numerical terms).

"Tax Rate" is the highest marginal federal income tax rate charged to U.S. corporations in effect at the time of the prepayment calculation. The "Maximum Corporate Income Tax Rate" is currently 35% (or 0.35 in numerical terms).

(iv) "Treasury Rate" means the yield on the Treasury Constant Maturity Series with maturity equal to the Original Payment Date of the Prepaid Installment which are principal payments (calculated as of the [date of redemption/prepayment - *Use Applicable Language] in accordance with accepted financial practice and rounded to the nearest quarter-year), as reported in Federal Reserve Statistical Release H.15, Selected Interest Rates of the Board of Governors of the Federal Reserve System, or any successor publication. If no maturity exactly corresponding to such Original Payment Date appears in Release H.15, the Treasury Rate will be determined by linear interpolation between the yields reported in Release H.15. If for any reason Release H.15 is no longer published, the [Bondholder, Noteholder, Certificate Holder, Bank, Lender, *conform to defined terms] shall select a comparable publication to determine the Treasury Rate.

