

RESOLUTION NO. \_\_\_\_

PROPOSED RESOLUTION NO. 25-026

CITY OF LAKELAND, FLORIDA

CAPITAL IMPROVEMENT REVENUE AND REVENUE REFUNDING BONDS,  
SERIES 2025A (NON-AMT)

AND

CAPITAL IMPROVEMENT REVENUE AND REVENUE REFUNDING BONDS,  
SERIES 2025B (AMT)

AND

CAPITAL IMPROVEMENT REVENUE BONDS,  
SERIES 2025C (FEDERALLY TAXABLE)

Adopted on April 21, 2025

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only and does not constitute part of this Bond Resolution.)

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RESOLUTION NO. \_\_\_\_

PROPOSED RESOLUTION NO. 25-026

A RESOLUTION OF THE CITY OF LAKELAND, FLORIDA, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$130,000,000 CITY OF LAKELAND, FLORIDA CAPITAL IMPROVEMENT REVENUE AND REVENUE REFUNDING BONDS, SERIES 2025A (NON-AMT), CAPITAL IMPROVEMENT REVENUE AND REVENUE REFUNDING BONDS, SERIES 2025B (AMT) AND CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2025C (FEDERALLY TAXABLE), FOR THE PURPOSE OF FINANCING CERTAIN CAPITAL PROJECTS, REFUNDING CERTAIN OUTSTANDING DEBT OF THE CITY AND PAYING COSTS OF ISSUANCE THERETO; PROVIDING FOR THE PAYMENT OF SUCH BONDS FROM LEGALLY AVAILABLE NON-AD VALOREM REVENUES OF THE CITY WHICH ARE BUDGETED AND APPROPRIATED BY THE CITY ON AN ANNUAL BASIS AND DEPOSITED INTO A DEBT SERVICE FUND FOR SUCH BONDS AND, TO THE EXTENT LEGALLY AVAILABLE TO PAY DEBT SERVICE ON SUCH BONDS, CERTAIN OTHER AMOUNTS AS MORE PARTICULARLY DESCRIBED HEREIN; PROVIDING FOR THE RIGHTS AND REMEDIES OF THE HOLDERS THEREOF, AND MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING CERTAIN OTHER DETAILS; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LAKELAND, FLORIDA, AS FOLLOWS:

**ARTICLE I**  
**AUTHORITY FOR THIS BOND RESOLUTION**

**Section 1.01 Authority.** This Bond Resolution (the "Bond Resolution") is adopted pursuant to Chapter 166, Florida Statutes, the Charter of the City of Lakeland, Florida, and other applicable provisions of law (collectively, the "Act").

**ARTICLE II**  
**DEFINITIONS**

**Section 2.01 Definitions.** As used herein, unless the context otherwise requires:

"Act" shall have the meaning ascribed thereto in Article I hereof.

"Additional Revenues" means the Interlocal Agreement Payments and the State Payments.

"Airport Projects (AMT)" means the construction, renovation and expansion of certain projects at the Lakeland Linder International Airport more particularly described on **Exhibit A** attached hereto and which were financed or refinanced with proceeds of the Series 2025B Bonds.

"Airport Projects (Non-AMT)" means the construction, renovation and expansion of certain projects at the Lakeland Linder International Airport more particularly described on **Exhibit A** attached hereto and which were financed or refinanced with proceeds of the Series 2025A Bonds.

"Airport System" means the City of Lakeland, Lakeland Linder International Airport and its successors, accounted for as an enterprise fund of the Issuer, including, without limitation, parking and storage facilities, together with any and all improvements, extensions and additions thereto hereafter constructed or acquired, together with all land or interests therein, including plants, buildings, machinery, franchises, fixtures, equipment and all property, real or personal, tangible or intangible, now or hereafter used in connection therewith.

"Amortization Installment" means the funds to be deposited in the debt service fund or similar fund or account related to the applicable Non-Ad Valorem Revenue Obligations created for that purpose, in a given Bond Year for the payment at maturity or redemption of a portion of Term Obligations of a designated series, as established by resolution or ordinance of the Issuer at or before the delivery of that series of Term Obligations.

"2025 AMT Projects" means the Refunded 2024 Projects (AMT).

"Annual Budget" means the budget or budgets, as amended and supplemented from time to time, prepared by the Issuer for each Fiscal Year in accordance with the laws of the State of Florida.

"Authorized Amount" shall mean an aggregate principal amount of Bonds not to exceed \$130,000,000.

"Authorized Depository" means any bank, trust company, national banking association, savings and loan association, savings bank or other banking association selected by the Issuer as a depository, which is authorized under Florida law to be a depository of public funds of the Issuer and which has qualified with all applicable state and federal requirements concerning the receipt of Issuer funds.

"Authorized Signatory" shall have the meaning ascribed in Section 5.10 hereof.

"Bond Counsel" means nationally recognized counsel experienced in matters relating to the validity of, and the exclusion from gross income for federal income tax purposes of interest on, obligations of states and their political subdivisions.

"Bondholder" or "Holder" or any similar term shall mean any person who shall be the registered owner of any Bond or Bonds as shown on the registration books for the Bonds maintained by the Registrar.

"Bond Obligation" means, as of the date of computation, the principal amount of all Outstanding Bonds.

"Bond Service Requirement" means for a given Bond Year the remainder, after subtracting any capitalized interest for that year that has been deposited into a Debt Service Fund for that purpose, from the sum of:

(1) The amount required to pay the interest coming due on Bonds during that Bond Year,

(2) The amount required to pay the principal of Bonds that are Serial Obligations and the principal of Bonds that are Term Obligations maturing in that Bond Year that are not included in the previous Amortization Installments for such Term Obligations, and

(3) The Amortization Installment for the Bonds that are Term Obligations for that Bond Year.

"Bond Year" means the annual period beginning on the first day of October of each year and ending on the last day of September of the immediately succeeding year; provided that when such term is used to describe the period during which deposits are to be made to amortize the principal and interest on the Bonds or Non-Ad Valorem Revenue Obligations maturing or becoming subject to redemption (including pursuant to Article VII hereof) and for purposes of Section 9.01 hereof, the principal and interest maturing or becoming subject to redemption on the first day of the month immediately succeeding any Bond Year shall be deemed to mature or become subject to redemption on the last day of the preceding Bond Year.

"Bonds" means collectively, the Series 2025A Bonds, the Series 2025B Bonds, the Series 2025C Bonds or Bonds of such other designation as authorized by Section 5.01 hereof, authorized to be issued pursuant to this Bond Resolution.

"2010C Bonds" means the outstanding City of Lakeland, Florida Taxable Capital Improvement Revenue Bonds, Series 2010C (Federally Taxable – Build America Bonds – Direct Subsidy).

"2015 Bonds" means the outstanding City of Lakeland, Florida Capital Improvement Revenue Bonds, Series 2015.

"Build America Bonds" means any bonds or obligations the Issuer has designated as "Build America Bonds" and as to which the Issuer has made an irrevocable election to have Section 54AA of the Code apply. Build America Bonds are a type of Subsidy Obligations.

"Business Day" means a day on which banking business is transacted in the city or cities in which the Paying Agent and the Registrar have their principal corporate trust offices and on which the New York Stock Exchange is open.

"Capital Appreciation Obligations" means Non-Ad Valorem Revenue Obligations that bear interest, compounded semiannually, that is payable only at maturity or upon redemption prior to maturity in amounts determined by reference to the Compounded Amounts.

"City Attorney" means the City Attorney or any assistant City Attorney of the Issuer.

"City Manager" means the City Manager or any assistant City Manager of the Issuer.

"Clerk" means the City Clerk or any Deputy City Clerk or acting or Deputy City Clerk of the Issuer.

"Code" means the Internal Revenue Code of 1986, as amended, or any corresponding provisions of any future laws of the United States of America relating to federal income taxation, and except as otherwise provided herein or required by the context thereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of the Treasury (including applicable final regulations and temporary regulations), the applicable rulings of the Internal Revenue Service (including published revenue rulings and private letter rulings) and applicable court decisions.

"Commercial Paper Obligations" means any Non-Ad Valorem Revenue Obligation or a proportionate maturity thereof with a maturity of less than 271 days designated by the Issuer in writing as a Commercial Paper Obligation.

"Compounded Amounts" means the principal amount of Capital Appreciation Obligations plus the amount of interest that has accreted on such obligations, compounded semiannually, to the date of calculation, determined by reference to accretion tables contained in each such obligations or an offering circular with respect thereto. The Compounded Amounts for such Capital Appreciation Obligations as of any date not stated in such tables shall be calculated by adding to the Compounded Amount for such obligations as of the date stated in such tables immediately preceding the date of computation a portion of the difference between the Compounded Amount for such preceding date and the Compounded Amount for such obligations as of the date shown on such tables immediately succeeding the date of calculation, apportioned on the assumption that interest accretes during any period in equal daily amounts on the basis of a year of twelve 30-day months.

"Cost of a Project" or "Cost" means, (a) with respect to the Series 2025A/B Bonds, to the extent permitted under the Act, any cost of a type that is properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under §1.150-2(c) of the Code) under general Federal income tax principles and other costs permitted under the Act and the Code and may include reimbursement to the Issuer of costs previously paid or financed by the Issuer to the extent legally permissible under the Act and the Code and, with respect to the Series 2025B Bonds, such Cost must be Qualified Project Costs, and (b) with respect to the Series 2025C Bonds, any cost permitted under the Act.

"County" means Polk County, Florida, a political subdivision of the State.

"Covenant Obligation Debt Service Requirement" means for a given Bond Year the remainder, after subtracting any accrued interest or capitalized interest for that year that has been deposited into the debt service fund or similar fund or account related to the applicable Non-Ad Valorem Revenue Obligations for that purpose, from the sum of:

(1) The amount required to pay the interest coming due on Non-Ad Valorem Revenue Obligations during that Bond Year, including the accreted interest component of the Compounded Amount of Capital Appreciation Obligations coming due during the Bond Year,

(2) The amount required to pay the principal of Serial Obligations and the principal of Term Obligations maturing in that Bond Year that are not included in the previous Amortization Installments for such Term Obligations, including the principal component of the Compounded Amounts of Capital Appreciation Obligations, maturing in that Bond Year, and

(3) The Amortization Installment for all Term Obligations for that Bond Year.

For purposes of determining the Covenant Obligation Debt Service Requirement for Section 9.01 hereof, the following provisions shall apply:

(a) The interest rate on Variable Rate Obligations (other than Taxable Obligations and Subsidy Obligations) shall be assumed to be the greater of (1) the average of the Securities Industry and Financial Markets Association<sup>TM</sup> Municipal Swap Index for the immediately preceding 52 weeks (or if not available for such 52-week period, then for the longest immediately preceding period for which available), or if such index is no longer published, a comparable 7-day index for high quality variable rate demand obligations selected by the Issuer, in either case, plus 50 basis points (0.50%), or (2) if the variable rate on such Non-Ad Valorem Revenue Obligations or other indebtedness is determined by reference to an index or a formula based on an index, the average interest rate which would have been applicable to such Variable Rate Obligations (or other variable rate indebtedness) based on such index or formula during the immediately preceding 52-week period (or if not available for such 52-week period, then for the longest immediately preceding period for which available).

(b) The interest rate on Variable Rate Obligations that are Taxable Obligations or Subsidy Obligations shall be assumed to be the interest rate quoted for the week preceding the date of calculation on direct United States Treasury obligations having a maturity the same (or approximately the same) as the nominal maturity of the Variable Rate Obligations, plus 50 basis points (0.50%).

(c) If the Issuer has entered into a Qualified Hedge Agreement with respect to Non-Ad Valorem Revenue Obligations, the interest coming due on Non-Ad Valorem Revenue Obligations, up to an amount equal to the "notional"



amount of the Qualified Hedge Agreement, shall be the net aggregate amount each applicable period, taking into account (i) the actual interest borne by such Non-Ad Valorem Revenue Obligations for such period (using the assumptions described above for Variable Rate Obligations, if applicable), (ii) the Qualified Hedge Receipts for such period and (iii) the Qualified Hedge Payments for such period, with the payments described in clauses (ii) and (iii) above being calculated on the applicable notional amount and using the assumptions described above for Variable Rate Obligations, if applicable.

(d) If two series of Variable Rate Obligations, or one or more maturities within a series, are issued simultaneously with inverse floating interest rates providing a composite fixed rate for such Non-Ad Valorem Revenue Obligations taken as a whole, such composite fixed rate shall be used in determining the Covenant Obligation Debt Service Requirement with respect to such Non-Ad Valorem Revenue Obligations for all purposes of this Bond Resolution.

(e) If a series of Variable Rate Obligations is subject to purchase by the Issuer pursuant to a mandatory or optional tender by the holders thereof, the "tender" date or dates shall be ignored and the stated maturity dates thereof shall be used for purposes of all calculations hereunder.

(f) With respect to Designated Maturity Obligations, the unamortized principal coming due on the final maturity date thereof that the Issuer reasonably anticipates refinancing, as reflected in the Annual Budget or as otherwise evidenced or determined by the Issuer, shall not be included and in lieu thereof, there shall be included in the Covenant Obligation Debt Service Requirement for the Bond Year in which such final maturity occurs only the principal amount thereof the Issuer reasonably anticipates to become due in such Bond Year, taking into account any such anticipated refinancing of such Designated Maturity Obligations. Draw down loans and lines of credit which are Designated Maturity Obligations may either be amortized over twenty years from the date of calculation assuming the full amount available thereunder has been drawn or calculated in accordance with this paragraph (f) assuming the full amount available to be drawn thereunder has been drawn and tested only on the date the loan is initially entered into or tested on each advance date for such amount proposed to be advanced using the foregoing assumptions.

(g) With respect to Commercial Paper Obligations, only the interest obligations with respect to such Commercial Paper Obligations and the principal amount of the Commercial Paper Obligations the Issuer reasonably expects to retire and not to pay with the proceeds of roll-over Commercial Paper Obligations in such Bond Year (as reflected in the Annual Budget or as otherwise determined by the Issuer) shall be included in the calculation of the Covenant Obligation Debt Service Requirement. The interest rate on the Commercial Paper Obligations shall be assumed for purposes of calculating the Covenant Obligation Debt Service Requirement, to be equal to the greater of (i) the average of the Securities Industry and Financial Markets Association<sup>TM</sup> Municipal Swap Index for the immediately preceding 52 weeks (or if not available for such

52-week period, then for the longest immediately preceding period for which available), or if such index is no longer published, a comparable 7-day index for high quality variable rate demand obligations selected by the Issuer, in either case, plus 50 basis points (0.50%), or (ii) the actual rate on such Commercial Paper Obligations.

(h) With respect to Non-Ad Valorem Revenue Obligations previously secured or payable from another source of funds, but with respect to which the Issuer has also covenanted to budget and appropriate Non-Ad Valorem Revenues for the payment of debt service on such obligations, only the principal and interest amounts with respect to such obligations that the Issuer reasonably expects to pay from Non-Ad Valorem Revenues or as to which the Issuer has actually budgeted and appropriated Non-Ad Valorem Revenues for such payment will be included in the calculation of the Covenant Obligation Debt Service Requirement.

(i) With respect to Non-Ad Valorem Revenue Obligations which the Issuer has covenanted to budget and appropriate Non-Ad Valorem Revenues for the payment of debt service on such obligations but which the Issuer reasonably intends to make payments from amounts in an enterprise fund related to such Non-Ad Valorem Revenue Obligations (and which amounts are not Non-Ad Valorem Revenues), only the principal and interest amounts with respect to such obligations that the Issuer reasonably expects to pay from Non-Ad Valorem Revenues or as to which the Issuer has actually budgeted and appropriated Non-Ad Valorem Revenues for such payment will be included in the calculation of the Covenant Obligation Debt Service Requirement.

"Covenant Obligation Maximum Debt Service Requirement" means, as of any particular date of calculation, the largest Covenant Obligation Debt Service Requirement for any Bond Year during the remaining term of the applicable Non-Ad Valorem Revenue Obligations, except that with respect to any Non-Ad Valorem Revenue Obligations for which Amortization Installments have been established, the amount of principal coming due on the final maturity date with respect to such Non-Ad Valorem Revenue Obligations shall be reduced by the aggregate principal amount or Compounded Amounts, as the case may be, of such Non-Ad Valorem Revenue Obligations that are to be redeemed or paid from Amortization Installments to be made in prior Bond Years.

"Covenant Revenues" means the Non-Ad Valorem Revenues budgeted and appropriated, and deposited into the Debt Service Fund, to pay the principal of, premium, if any, and interest on the Bonds.

"Dated Date" means the date of authentication or issuance of a Bond.

"Debt Service Fund" means the "City of Lakeland Capital Improvement Bonds, Series 2025 Debt Service Fund" established pursuant to Section 7.01 hereof.

"Designated Maturity Obligations" means any Non-Ad Valorem Revenue Obligation or a particular maturity thereof, with a maturity longer than 270 days, designated by the Issuer in writing, for which no mandatory sinking fund redemption requirements have been established.

"Direct Obligations" means non-callable direct obligations (including obligations issued or held in book entry form) of the Department of Treasury of the United States of America.

"Favorable Opinion of Bond Counsel" means an opinion of Bond Counsel to the effect that (a) a contemplated action will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any such Bonds to which such action applies, or (b) the interest on any such Bonds to which such action applies is excludable to the holder thereof for Federal income tax purposes.

"Finance Director" means the Finance Director of the Issuer or his designee.

"Fiscal Year" means the period commencing on October 1 of each year and ending on the succeeding September 30, or such other consecutive 12-month period as may be hereafter designated as the fiscal year of the Issuer pursuant to general law.

"Fitch" means Fitch Ratings, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall no longer perform the function of a securities rating agency, "Fitch" shall be deemed to refer to such other nationally recognized securities rating agency as the Issuer shall designate.

"Governing Body" or "City Commission" means the City Commission of the Issuer.

"Interlocal Agreement" means the Interlocal Agreement for Tourist Development Tax Funding for Improvements to Joker Marchant Stadium between the Issuer and the County, executed by the County on November 5, 2013, and by the Issuer on November 15, 2013, as supplemented and amended.

"Interlocal Agreement Payments" means the payments to be made by the County to the Issuer under the terms of the Interlocal Agreement.

"Investment Obligations" means, unless otherwise provided by subsequent resolution or ordinance of the Issuer or by contract executed in connection with the issuance of the Bonds, any obligation or evidence of a participation in one or more obligations, which at any time is legal for investment of funds of the Issuer pursuant to the laws of the State of Florida and meets the requirements of the investment policy of the Issuer.

"Issuer" means the City of Lakeland, Florida.

"2024 Loan Agreement" means the Loan Agreement dated September 6, 2024, between the Issuer and Truist Commercial Equity, Inc.

"Mayor" means the Mayor or, in his or her absence or inability to perform, the Mayor Pro Tem, of the Issuer.

"Moody's" means Moody's Investors Service, Inc. and its successors, and, if such corporation shall no longer perform the function of a securities rating agency, "Moody's" shall be deemed to refer to such other nationally recognized securities rating agency as the Issuer shall designate.

"Non-Ad Valorem Revenue Obligations" means obligations evidencing indebtedness for borrowed money, including the Bonds, (i) the primary security for which is provided by a covenant of the Issuer to budget and appropriate Non-Ad Valorem Revenues of the Issuer for the payment of debt service on such obligations, or (ii) primarily secured or payable from another source of funds, but with respect to which the Issuer has also covenanted to budget and appropriate Non-Ad Valorem Revenues of the Issuer for the payment of debt service on such obligations, provided that obligations described in this clause (ii) shall only be considered Non-Ad Valorem Revenue Obligations to the extent the Issuer has included in its budget (by amendment or otherwise) the payment of such Non-Ad Valorem Revenues pursuant to such covenant to pay debt service on such obligations. Notwithstanding the foregoing, "Non-Ad Valorem Revenue Obligations" shall not include any debt secured by a pledge of the revenues of any enterprise fund under governmental accounting principles, including without limitation, the Issuer's energy system or water, wastewater and stormwater utility systems or the Airport System.

"Non-Ad Valorem Revenues" means all legally available revenues of the Issuer derived from any source whatsoever, other than ad valorem taxation on real and personal property, which are legally available for the payment by the Issuer of debt service on the Non-Ad Valorem Revenue Obligations, including, without limitation, investment income and legally available non-ad valorem revenues derived from sources subject to a prior pledge thereof for the payment of other obligations of the Issuer and available after payment of principal and interest on such other obligations; provided, however, that revenues of the Issuer accounted for in an enterprise fund under governmental accounting principles, including without limitation, the Issuer's energy system, water, wastewater, stormwater systems and the Airport System, shall not be included as Non-Ad Valorem Revenues, except to the extent that revenues derived from any enterprise fund are deposited into the Issuer's General Fund.

"2025 Non-AMT Projects" means the 2025A Projects, the Refunded 2024 Projects (Non-AMT), Refunded 2015 Projects and the Refunded 2010C Projects.

"Outstanding" or "Bonds Outstanding" means all Bonds which have been issued pursuant to this Bond Resolution except:

- (a) Bonds cancelled after purchase in the open market or because of payment at or redemption prior to maturity;

- (b) Bonds for the payment or redemption of which pursuant to Section 11.02 of this Bond Resolution cash funds or Direct Obligations or any

combination thereof shall have been theretofore irrevocably set aside in a special account with the Paying Agent or an Authorized Depository acting as an escrow agent (whether upon or prior to the maturity or redemption date of any such Bonds) in an amount which, together with earnings on such Direct Obligations, will be sufficient to pay the principal of and interest on such Bonds at maturity or upon their earlier redemption; provided that, if such Bonds are to be redeemed before the maturity thereof, notice of such redemption shall have been given according to the requirements of this Bond Resolution or irrevocable instructions directing the timely publication of such notice and directing the payment of the principal of and interest on all Bonds at such redemption dates shall have been given to the Paying Agent; and

(c) Bonds which are deemed paid pursuant to Section 5.08 hereof or in lieu of which other Bonds have been issued under Section 5.04 hereof.

"Paying Agent" means any Authorized Depository designated by the Issuer to serve as a Paying Agent or place of payment for the Bonds issued hereunder that shall have agreed to arrange for the timely payment of the principal of, interest on and redemption premium, if any, with respect to the Bonds to the registered owners thereof, from funds made available therefor by the Issuer, and any successors designated pursuant to a resolution.

"Pledged Revenues" means the Covenant Revenues and income received from the investment of moneys deposited in the funds and accounts established hereunder.

"Projects" means, collectively, the 2025A Projects, the 2025C Projects, the 2025B Projects and the Refunded Projects.

"2025A Projects" means the acquisition, construction, renovation and equipping of a solid waste transfer station and various capital projects or equipment more particularly described on **Exhibit B** attached hereto, Airport Projects (Non-AMT) and such other projects of the Issuer designated in writing by the Mayor upon the recommendation of the City Manager and/or Finance Director of the Issuer.

"2025B Projects" means the Airport Projects (AMT) and such other projects of the Issuer designated in writing by the Mayor upon the recommendation of the City Manager and/or Finance Director of the Issuer.

"2025C Projects" means the acquisition, construction, renovation and equipping of the Team dormitories at Joker Marchant Stadium more particularly described on **Exhibit C** attached hereto, and such other projects of the Issuer designated in writing by the Mayor upon the recommendation of the City Manager and/or Finance Director of the Issuer.

"Project Fund" means the City of Lakeland Capital Improvement Bonds, Series 2025 Project Fund established pursuant to Section 7.01 of this Bond Resolution.

"Qualified Hedge Agreement" means an agreement such as an interest rate swap, collar, cap, or other functionally similar agreement, between the Issuer and a

counterparty, meeting the requirements of the ordinance or resolution authorizing the applicable Non-Ad Valorem Revenue Obligations to which such agreement applies and which payments to be made by the counterparty thereunder have been budgeted by the Issuer to the payment on such Non-Ad Valorem Revenue Obligations.

"Qualified Hedge Payment" means the payment obligation of the Issuer arising under a Qualified Hedge Agreement, which is calculated on the basis of interest on a notional amount which shall correspond with all or a portion of the principal amount of applicable Non-Ad Valorem Revenue Obligations, based upon a fixed or a variable rate index or formula. Qualified Hedge Payments include only regularly scheduled payments under a Qualified Hedge Agreement determined by reference to interest on a notional amount and shall not include any other payments under such agreement (for example any termination fee, indemnification obligations or other fees payable to the counterparty).

"Qualified Hedge Receipts" means the payment obligations of the counterparty to the Issuer arising under a Qualified Hedge Agreement which are calculated on the basis of interest on a notional amount which shall correspond with the principal amount of Non-Ad Valorem Revenue Obligations described in the Qualified Hedge Agreement or such other certificate or ordinance or resolution of the Issuer, based upon a fixed or variable rate index or formula. Qualified Hedge Receipts include only regularly scheduled payments under a Qualified Hedge Agreement determined by reference to interest on a notional amount and shall not include any other payments under such agreement (for example, any termination fee, indemnification obligations or other fees payable to the counterparty).

"Qualified Project Costs" means costs paid or incurred with respect to components of the 2025 AMT Projects financed with proceeds of the Series 2025B Bonds (a) that (i) are directly related and essential to servicing aircraft, or enabling aircraft to take off and land, or transferring passengers or cargo to or from aircraft, which facilities are available for use by the general public or for use by common carriers or charter carriers which serve members of the general public, or (ii) are functionally related and subordinate to such operations; (b) that will or may be charged, either with a proper election by the Issuer, or, but for a proper election by the Issuer, to the capital account of the 2025 AMT Projects for federal income tax purposes; and (c) that, if originally paid with funds other than proceeds of the Series 2025B Bonds, were originally paid no earlier than 60 days before adoption of the Issuer's reimbursement resolution (unless such expenditures are described by Section 1.150-2(f) of the U.S. Treasury Regulations).

"Rebate Amount" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-3 of the U.S. Treasury Regulations) over the future value, as of that date, of all payments on nonpurpose investments, all as provided by regulations under the Code implementing Section 148 thereof.

"Refunded Bonds" means, collectively, the Refunded 2010C Bonds, the Refunded 2015 Bonds and the Refunded 2024 Note.

"Refunded 2010C Bonds" means the 2010C Bonds to the extent refunded with proceeds of the Bonds.

"Refunded 2015 Bonds" means the 2015 Bonds to the extent refunded with proceeds of the Bonds.

"Refunded 2024 Note" means the outstanding City of Lakeland, Florida Revenue Note, Series 2024 (AMT).

"Refunded Projects" means, collectively, the Refunded 2024 Projects (Non-AMT), Refunded 2024 Projects (AMT), Refunded 2010C Projects and Refunded 2015 Projects.

"Refunded 2010C Projects" means the capital projects financed with proceeds of the Refunded 2010C Bonds.

"Refunded 2015 Projects" means the capital projects financed with proceeds of the Refunded 2015 Bonds.

"Refunded 2024 Projects (AMT)" means the capital projects financed with proceeds of the Refunded 2024 Note that are being refinanced with proceeds of the Series 2025B Bonds.

"Refunded 2024 Projects (Non-AMT)" means the capital projects financed with proceeds of the Refunded 2024 Note that are being refinanced with proceeds of the Series 2025A Bonds.

"Registrar" means any agent designated from time to time by the Issuer, by ordinance or resolution, to maintain the registration books for the Bonds issued hereunder or to perform other duties with respect to registering the transfer of Bonds and any successor thereto.

"S&P" means Standard & Poor's Ratings Group and its successors, and, if such corporation shall no longer perform the function of a securities rating agency, "S&P" shall be deemed to refer to such other nationally recognized securities rating agency as the Issuer shall designate.

"Series 2025A Bonds" means the City of Lakeland, Florida Capital Improvement Revenue and Revenue Refunding Bonds, Series 2025A (Non-AMT).

"Series 2025B Bonds" means the City of Lakeland, Florida Capital Improvement Revenue and Revenue Refunding Bonds, Series 2025B (AMT).

"Series 2025C Bonds" means the City of Lakeland, Florida Capital Improvement Revenue Bonds, Series 2025C (Federally Taxable).

"Series 2025A/B Bonds" means, collectively, the Series 2025A Bonds and the Series 2025B Bonds.

"Serial Obligations" means all Non-Ad Valorem Revenue Obligations that are not Term Obligations.

"Series 2025A Project Account" means the Series 2025A Project Account established in the Project Fund pursuant to Section 7.01 of this Bond Resolution.

"Series 2025B Project Account" means the Series 2025B Project Account established in the Project Fund pursuant to Section 7.01 of this Bond Resolution.

"Series 2025C Project Account" means the Series 2025C Project Account established in the Project Fund pursuant to Section 7.01 of this Bond Resolution.

"Stadium Project" means the construction, renovation and expansion of Joker Marchant Stadium, a retained spring training franchise facility within the meaning of Section 288.11631, Florida Statutes. The Stadium Project does not include any improvements to the Team dormitories at Joker Marchant Stadium.

"State" means the State of Florida.

"State Payments" means the payments to be made by the State to the Issuer pursuant to Section 212.20(6)(d)6.e. and 288.11631, Florida Statutes.

"Subsidy Obligations" means any obligation (or the allocable portion thereof), issued by the Issuer pursuant to Section 54AA of the Code for which the Issuer elects to receive direct subsidy payments in an amount equal to a portion of the interest paid on such bond or obligation or any other similar program, for which the Issuer elects to receive direct subsidy payments in an amount equal to a portion of the interest paid on such obligation or any other similar program. Build America Bonds are a type of Subsidy Obligations.

"System" means collectively, the Airport System, water and wastewater system and solid waste system, which systems had improvements financed or refinanced with portions of the Series 2025A Bonds and the Series 2025B Bonds.

"Taxable Obligations" means Non-Ad Valorem Revenue Obligations (other than Subsidy Obligations) the interest on which is not intended at the time of the issuance thereof to be excluded from the gross income of the Holders thereof for federal income tax purposes.

"Team" means Detroit Tigers, Inc., a Michigan corporation.

"Term Obligations" means all Non-Ad Valorem Revenue Obligations of a series for which Amortization Installments are established.

"Variable Rate Obligations" means Non-Ad Valorem Revenue Obligations issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage at the date of issue for the entire term thereof (excluding any provisions that adjust the interest rate upon a change in tax law or in the tax treatment of interest on the debt or upon a default).



**Section 2.02 Singular/Plural.** Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms, corporations or other entities including governments or governmental bodies.

### **ARTICLE III FINDINGS**

**Section 3.01 Findings.** It is hereby ascertained, determined and declared that:

A. The Issuer desires to issue the Bonds to finance and refinance the Projects, refunding the Refunded Bonds and to pay costs of issuance thereof.

B. It is necessary and in the best interests of the Issuer to finance and refinance the Projects, and the Projects are necessary or appropriate for the health, safety and welfare of the citizens and inhabitants of the City of Lakeland, Florida. It is also in the best interest of the Issuer to refund the Refunded Bonds.

C. Because of current market conditions, it is economically advantageous, and shall facilitate the prudent debt management of the Issuer, to finance and refinance the cost of the Projects through the issuance of the Bonds.

D. The Issuer is authorized and empowered by the Act to issue the Bonds and use the proceeds thereof, together with other funds of the Issuer, if any, to finance and refinance the costs of the Projects and to pay the allocable costs of issuance of the Bonds.

E. The principal of, premium, if any, and interest on the Bonds and all required sinking fund and other payments with respect thereto shall be payable from the proceeds of Bonds and from moneys deposited in the funds and accounts pledged by this Bond Resolution, which the Issuer has full authority to irrevocably pledge. The Issuer shall never be required to levy ad valorem taxes on any real or personal property to pay the principal of, interest on or any premium with respect to the Bonds or to make any of the required sinking fund or other payments required herein, and the Bonds shall not constitute a lien on any real or personal property owned by or situated within the limits of the Issuer and the Issuer shall not expend the Additional Revenues in a manner contrary to the terms of the Interlocal Agreement or the agreement between the Issuer and the State Department of Revenue or in a manner contrary to applicable law.

F. The Issuer was found to be a "certified applicant" within the meaning of Section 288.11631, Florida Statutes, meeting the requirements of Sections 288.1162 and 288.11631, Florida Statutes, it was determined that Joker Marchant Stadium in Lakeland, Florida is a spring training facility within the meaning of Section 288.11631, Florida Statutes, and the Issuer has entered into an agreement with the State of Florida Department of Revenue pursuant to Section 288.11631(2)(c), Florida Statutes, pursuant to the terms of which the State has agreed to make the State Payments to the Issuer.

G. The Issuer and the County have entered into an Interlocal Agreement and it remains in full force and effect and has been duly filed with the Clerk of the Circuit of Polk County, Florida.

H. Pursuant to the terms of the Interlocal Agreement, the County has pledged to the payment of indebtedness incurred by the Issuer for the Stadium Project certain tourist development tax revenues collected by the County pursuant to Section 125.0104, Florida Statutes.

I. The Issuer has entered into a Spring Training and Development Agreement dated January 16, 2015, with the Team pursuant to which the Team has agreed to enter into a Spring Training Lease and Use Agreement with the Issuer to lease the Complex (as defined in the Interlocal Agreement), including the Stadium Project.

J. The Stadium Project and the improvements to the Team dormitories at Joker Marchant Stadium comprising the 2025C Projects that are being financed and refinanced with proceeds of the Series 2025A Bonds and Series 2025C Bonds, respectively, were and are necessary in order for the Team to continue spring training at the Joker Marchant Stadium and therefore will increase tourism in the State and particularly in the County and the City of Lakeland and will serve a paramount public purpose.

K. The improvements to the Airport System, will increase tourism in the State and particularly in the County and the City of Lakeland and will serve a paramount public purpose.

L. Notice of a public hearing was held on the date hereof, inviting comments and discussions concerning the issuance of the Series 2025B Bonds by the Issuer in an aggregate principal amount of not to exceed \$20,000,000 to finance or refinance the costs of the 2025 AMT Projects to be financed or refinanced with proceeds of the Series 2025B Bonds and to pay allocable costs of issuance of the Series 2025B Bonds was published in THE LAKE LAND LEDGER, a newspaper of general circulation in the City of Lakeland, Florida, at least seven (7) days prior to such date.

M. Following such notice, a public hearing was held by the Governing Body, during which comments and discussions concerning the issuance of the Series 2025B Bonds by the Issuer were requested and heard.

N. The Governing Body is the elected legislative body of the Issuer, and the Issuer has jurisdiction over the entire area in which the 2025 AMT Projects are and will be located.

#### **ARTICLE IV THIS INSTRUMENT TO CONSTITUTE CONTRACT**

**Section 4.01 Instrument to Constitute Contract.** In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the

same from time to time, this Bond Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Bondholders. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Bondholders and all Bonds shall be of equal rank and without preference, priority or distinction over any other thereof, except as expressly provided herein.

## **ARTICLE V AUTHORIZATION OF FINANCING THE PROJECTS; REFUNDING; DESCRIPTION, FORM AND TERMS OF BONDS**

**Section 5.01 Authority for Financing the Projects, Refunding the Refunded Bonds and Issuance of Bonds.** The acquisition and construction of the Projects and the refunding of the Refunded Bonds and refinancing of the Refunded Projects are hereby approved and authorized, subject to the issuance of the Bonds for such purpose in accordance with the terms of this Bond Resolution. Notwithstanding anything to the contrary herein, the Projects to be financed or refinanced with the proceeds of a series of Bonds may be reallocated to a different series of Bonds based on the advice of Bond Counsel and PFM Financial Advisors LLC, the Issuer's financial advisor.

The issuance of the Bonds for the purpose of financing all or a portion of the cost of the Projects, refunding the Refunded Bonds and refinancing of the Refunded Projects, and paying the allocable costs of issuance of the Bonds is hereby authorized. Subject and pursuant to the provisions hereof, Bonds to be known as the "City of Lakeland, Florida, Capital Improvement Revenue and Revenue Refunding Bonds, Series 2025A (Non-AMT)," the "City of Lakeland, Florida, Capital Improvement Revenue and Revenue Refunding Bonds, Series 2025B (AMT)" and the "City of Lakeland, Florida Capital Improvement Revenue Bonds, Series 2025C (Federally Taxable)" (or such other series designation as shall be designated by subsequent ordinance or resolution), are hereby authorized to be issued in an aggregate principal amount not to exceed the Authorized Amount for the aforementioned purposes.

The Series 2025C Bonds shall be Taxable Obligations and the proceeds of which shall finance the 2025C Projects. No proceeds of the Series 2025A/B Bonds shall be applied to finance the 2025C Projects. Proceeds of the Series 2025A Bonds shall only be applied to pay Costs of financing and refinancing the 2025 Non-AMT Projects.

The providing of a notice of redemption and/or defeasance relating to the redemption of the Refunded Bonds is hereby authorized, such notice to be given at such time as will comply with the terms of the Refunded Bonds. Each Authorized Signatory is hereby authorized to take the necessary actions and to execute the necessary documents to provide for the giving of such notice in accordance with the terms of the Bond Resolution.

**Section 5.02 Description of Bonds.** The Issuer may by supplemental ordinance or resolution specify or provide for the specification of the Bonds the following: the authorized principal amount of Bonds needed to pay the Cost of the Projects; the date and terms of maturity or maturities of the Bonds and the interest

payment dates with respect thereto; the interest rate or rates of the Bonds, provided that the average net interest cost rate on such Bonds shall never exceed the maximum interest rate permitted by law; the denominations, numbering and lettering of such Bonds, provided that the Bonds shall be in the denominations of \$5,000, or any integral multiple thereof, or any other denomination designated by ordinance or resolution of the Issuer enacted or adopted prior to the issuance of such Bonds; the Paying Agent and place or places of payment of such Bonds; the redemption prices for such Bonds and any terms of redemption, not inconsistent with the provisions of this Bond Resolution, which may include mandatory redemptions; the amount and date of each Amortization Installment, if any, for Bonds that are Term Obligations, provided that each Amortization Installment shall fall due on October 1 or April 1, or both, of a Bond Year; the use of proceeds of such Bonds not inconsistent with this Bond Resolution, and any other terms or provisions applicable to the Bonds, not inconsistent with the provisions of this Bond Resolution or the Act. All of the foregoing may be provided for by supplemental resolution or resolutions adopted at any time and from time to time prior to the issuance of the Bonds. Unless otherwise so provided, each Bond shall bear interest from the later of the Dated Date or original issue date shown thereon or the most recent interest payment date to which interest has been paid, until payment of the principal sum or until provision for the payment thereof on or after the maturity or redemption date has been duly provided for. The series designation of the Bonds may be changed to reflect the year of issuance, and the particular terms thereof.

Except as otherwise provided by subsequent resolution, all Bonds issued hereunder shall be in registered form, shall be payable in lawful money of the United States of America and shall bear interest from their date, or from such other date as the Issuer may determine, which shall be paid by check or draft of the Paying Agent mailed to the registered owner thereof unless otherwise provided by subsequent resolution. If and to the extent permitted by applicable law, the Issuer may establish a system of registration and may issue thereunder uncertificated registered public obligations (not represented by instruments) commonly known as book-entry obligations, certificated registered public obligations (represented by instruments), combinations thereof, or such other obligations as may then be permitted by law. The Issuer shall appoint such registrars, transfer agents, depositories or other agents as may be necessary to cause the registration, registration of transfer and reissuance of the Bonds within a commercially reasonable time according to the then current industry standards and to cause the timely payment of interest, principal and premiums, if any, payable with respect to the Bonds. Registration and registration of transfer of the Bonds shall be subject to the terms set forth in the form of the Bonds in Section 5.09 hereof. If the Issuer adopts a system for the issuance of uncertificated registered public obligations, it may permit thereunder the conversion, at the option of a Holder of any Bond then Outstanding, of a certificated registered public obligation to an uncertificated registered public obligation, and the reconversion of the same. A list of the names and addresses of the registered owners of the Bonds shall be maintained at all times by the Registrar. Notwithstanding anything in the foregoing to the contrary, at the request and expense of the registered owner of \$1,000,000 or more of the Bond Obligation of a series of Bonds, interest shall be paid by wire transfer on an interest payment date to a bank account located in the continental United States and designated in writing to the Registrar at least five (5) days prior to the applicable interest payment date. Principal of the Bonds

shall be payable by check or draft at maturity or earlier redemption thereof upon presentation and surrender of such Bonds at the designated office of the Paying Agent.

The registration of the Bonds may be transferred upon the registration books therefor upon delivery to the Registrar, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar, duly executed by the registered owner of such Bonds or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of such Bonds, along with the social security number or federal employer identification number of such transferee. In all cases of a transfer of the Bonds, the Registrar shall at the earliest practical time in accordance with the provisions of this Bond Resolution enter the transfer of ownership in the registration books for the Bonds and (unless uncertificated registration shall be requested and the Issuer has a registration system that will accommodate uncertificated registration) shall deliver in the name of the new transferee or transferees a new fully registered Bond or Bonds of the same maturity and of authorized denomination or denominations for the same aggregate principal amount and payable from the same sources of funds. Unless otherwise provided by subsequent ordinance or resolution, neither the Issuer nor the Registrar shall be required to register the transfer of any Bond during the fifteen (15) days next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of Bonds, after such Bonds or any portion thereof have been selected for redemption. The Registrar or the Issuer may charge the registered owners of such Bonds for the registration of every such transfer of such Bonds an amount sufficient to reimburse it for any tax, fee or any other governmental charge required to be paid, except for any such governmental charge imposed by the Issuer, with respect to the registration of such transfer, and may require that such amounts be paid before any such new Bonds shall be delivered.

With respect to any Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), all payments of interest on such Bonds shall be made by the Registrar by check and/or draft or by bank wire transfer or other acceptable electronic method of payment to Cede & Co., as Bondholder of such Bonds, the Issuer and the Registrar shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (a "Participant"). Without limiting the immediately preceding sentence, the Issuer and the Registrar shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Bonds, (B) the delivery to any Participant or any other person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant or any other person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal, interest or redemption premium, if any, of the Bonds. The Issuer and the Registrar may treat and consider the person in whose name each Bond is registered in the registration books kept by the Registrar as the Bondholder and absolute owner of such Bond for the purpose of payment of principal, interest or redemption premium, if any, with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of

registering transfers with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal, interest or redemption premium, if any, of the Bonds only to or upon the order of the respective Bondholders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal, interest or redemption premium, if any, of the Bonds to the extent of the sum or sums so paid. No person other than a Bondholder, as shown in the registration books kept by the Registrar, shall receive a certificated Bond evidencing the obligation of the Issuer to make payments of principal, interest or redemption premium, if any, pursuant to the provisions hereof. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Bond Resolution with respect to transfers during the 15 days next preceding a payment date or mailing of notice of redemption, the words "Cede & Co." in this Bond Resolution shall refer to such new nominee of DTC; and upon receipt of such notice, the Issuer shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

Upon (i) receipt by the Issuer of written notice from DTC (a) to the effect that a continuation of the requirement that any Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of such Bonds or (b) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (ii) determination by the Issuer, in its sole discretion, that such book-entry only system should be discontinued by the Issuer, such Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but shall be registered in whatever name or names holders shall designate, in accordance with the provisions of this Bond Resolution. In such event, the Issuer shall issue and the Registrar shall authenticate, transfer and exchange Bonds consistent with the terms of this Bond Resolution, in denominations of \$5,000 or any integral multiple thereof to the Bondholders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the existing Blanket Issuer Letter of Representations previously executed by the Issuer and delivered to DTC shall apply to the payment of principal, interest and redemption premium, if any, on such Bonds.

If any date for payment of the principal of, premium, if any, or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment. Interest on the Bonds shall be calculated based on a 360-day year consisting of twelve 30-day months.

**Section 5.03 Execution of Bonds.** The Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Mayor and the official seal of the Issuer shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Clerk or by the Finance Director as acting City Clerk of the

Issuer. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds 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 Bonds shall be approved as to form and correctness by the City Attorney of the Issuer, which approval shall be evidenced by either the manual or facsimile signature of the City Attorney thereon.

The Registrar shall act as authenticating agent for the Bonds.

**Section 5.04 Bonds Mutilated, Destroyed, Stolen or Lost.** If any Bond is mutilated, destroyed, stolen or lost, the Issuer or its agent may, in its discretion (i) deliver a duplicate replacement Bond, or (ii) pay a Bond that has matured or is about to mature. A mutilated Bond shall be surrendered to and cancelled by the Registrar or its duly authorized agent. The Bondholder must furnish the Issuer or its agent proof of ownership of any destroyed, stolen or lost Bond; post satisfactory indemnity; comply with any reasonable conditions the Issuer or its agent may prescribe; and pay the Issuer's or its agent's reasonable expenses.

Any such duplicate Bond shall constitute an original contractual obligation on the part of the Issuer whether or not the destroyed, stolen, or lost Bond be at any time found by anyone, and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien on, and source of and security for payment from, the funds pledged to the payment of the Bond so mutilated, destroyed, stolen or lost.

**Section 5.05 Provisions for Redemption.** The Bonds may be subject to redemption prior to maturity at such times and in such manner as shall be established by subsequent resolution or ordinance of the Issuer adopted or enacted, as applicable, on or before the time of delivery thereof.

Except as otherwise provided in an ordinance or resolution adopted prior to the issuance of the Bonds, notice of redemption shall be given by the deposit in the U. S. Mail of a copy of the redemption notice, postage prepaid, at least twenty (20) and not more than sixty (60) days before the redemption date to the registered owner of each Bond or portion of Bonds to be redeemed at its address as it appears on the registration books to be maintained in accordance with provisions hereof. Failure to give such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bond or portion thereof with respect to which no failure or defect has occurred. Notice of redemption may be given electronically for Bonds held in the book-entry system of registration.

Each notice shall set forth the date fixed for redemption for each Bond being redeemed, the rate of interest borne by each Bond being redeemed, the redemption price to be paid, the name and address of the Registrar, and, if less than all of the



Bonds then Outstanding shall be called for redemption, the distinctive numbers and letters, including CUSIP numbers, if any, of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall also state that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in a principal amount equal to the unredeemed portion of such Bond will be issued.

Any notice mailed as provided in this section shall be conclusively presumed to have been duly given, whether or not the owner of such Bond receives such notice.

In addition to the mailing of the notice described above, each notice of redemption and payment of the redemption price shall meet the requirements of this paragraph; provided however, that failure of such notice or payment to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above in this Section.

(a) Each notice of redemption shall also be sent to the Electronic Municipal Market Access System operated by the Municipal Securities Rulemaking Board or such other similar electronic system for disclosure.

(b) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Any notice of optional redemption may contain a statement that the redemption of Bonds on the date set for redemption is conditioned upon the occurrence or non-occurrence of certain events as shall be specified in such notice of optional redemption including, without limitation, the issuance of refunding obligations and may also be subject to rescission.

The Issuer shall have the option to cause the Bonds to be purchased in lieu of redemption on the applicable redemption date at a price equal to the then applicable redemption price, plus accrued interest thereon to, but not including, the date of such purchase. Such option may be exercised by delivery to the Paying Agent (if the Registrar is not the Paying Agent for such Bonds) on or prior to the Business Day preceding the redemption date of a written notice of the Issuer specifying that the Bonds shall not be redeemed, but instead shall be subject to purchase pursuant to this Section 5.05 with the moneys provided or to be provided by or on behalf of the Issuer. Upon delivery of such notice, the Bonds shall not be redeemed but shall instead be subject to mandatory tender at the redemption price on the date that would have been the redemption date.

**Section 5.06 Effect of Notice of Redemption.** Notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of



such Bonds or portions of Bonds on such date. On the date so designated for redemption, notice having been published and/or mailed as required herein and moneys for payment of the redemption price being held in separate accounts by the Paying Agents in trust for the Holders of the Bonds or portions thereof to be redeemed, all as provided in this Bond Resolution, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds and portions of Bonds shall cease to be entitled to any lien, benefit or security under this Bond Resolution, and the Holders of such Bonds or portions of Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in Section 5.07 of this Article, to receive Bonds for any unredeemed portions of the Bonds.

**Section 5.07 Redemption of Portion of Registered Bonds.** In case part but not all of an Outstanding fully registered Bond shall be selected for redemption, the Holder thereof shall present and surrender such Bond to the Issuer or its designated Paying Agent for payment of the principal amount thereof so called for redemption, and the Issuer shall execute and deliver to or upon the order of such Holder, without charge therefor, for the unredeemed balance of the principal amount of the Bond so surrendered, a Bond or Bonds fully registered as to principal and interest.

**Section 5.08 Bonds Called for Redemption Not Deemed Outstanding.** Bonds or portions of Bonds that have been duly called for redemption under the provisions of this Article V, and with respect to which amounts sufficient to pay the principal of, premium, if any, and interest to the date fixed for redemption shall be delivered to and held in separate accounts by any Authorized Depository or any Paying Agent in irrevocable trust for the Holders thereof, as provided in this Bond Resolution, shall not be deemed to be Outstanding under the provisions of this Bond Resolution and shall cease to be entitled to any lien, benefit or security under this Bond Resolution, except to receive the payment of the redemption price on or after the designated date of redemption from moneys deposited with or held by the Authorized Depository or Paying Agent, as the case may be, for such redemption of the Bonds and, to the extent provided in Section 5.07 of this Article, to receive Bonds for any unredeemed portions of the Bonds.

**Section 5.09 Form of Bonds.** The text of the Bonds, the form of assignment for such Bonds and the form for the Certificate of Authentication, if any, shall be in substantially the following form, with such omissions, insertions and variations as may be necessary or desirable and authorized, permitted by or not inconsistent with this Bond Resolution or by any subsequent ordinance or resolution enacted or adopted prior to the issuance thereof or as may be approved by the Mayor, including, without limitation, such changes as may be required for the issuance of uncertificated public obligations or coupon Bonds to the extent herein authorized and for the execution of the Bonds by an authenticating agent:

[FORM OF BOND]

No. R[A][B][C]-\_\_\_\_\_

\$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF LAKELAND  
CAPITAL IMPROVEMENT REVENUE AND  
REVENUE REFUNDING BONDS,  
SERIES 2025[A (Non-AMT)] [B (AMT)] [C (Federally Taxable)]

Interest  
Rate:

\_\_\_\_\_%

Maturity  
Date:

\_\_\_\_\_, 20\_\_

Original Dated  
Date:

\_\_\_\_\_, 20\_\_

CUSIP:

REGISTERED HOLDER: CEDE & CO.

PRINCIPAL AMOUNT:

DOLLARS

The City of Lakeland, Florida (hereinafter called the "Issuer"), for value received, hereby promises to pay to the Registered Holder identified above, or to registered assigns or legal representatives, but solely from the revenues hereinafter mentioned, on the Maturity Date identified above (or earlier as hereinafter provided), the Principal Amount identified above, upon presentation and surrender hereof at the principal office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, or its successors, as Registrar and Paying Agent (the "Registrar"), and to pay, solely from such special revenues, interest on the principal sum from the date hereof, or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above, until payment of the principal sum, or until provision for the payment thereof has been duly provided for, such interest being payable semiannually on the first day of October and the first day of April of each year, commencing on \_\_\_\_\_ 1, 20\_\_. Interest will be paid by check or draft mailed to the Registered Holder hereof at his address as it appears on the registration books of the Issuer maintained by the Registrar at the close of business on the 15th day (whether or not a Business Day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date, unless the Issuer shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest as established by notice by deposit in the U.S. mail, postage prepaid, by the Issuer to the Registered Holders of Bonds not less than fifteen days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day (whether or not a Business Day) preceding the date of mailing.

This Bond and the interest hereon is payable solely from and secured by a prior lien upon and pledge of certain revenues of the Issuer deposited and held in the funds and accounts created pursuant to Resolution No. \_\_\_\_ of the Issuer adopted on \_\_\_\_\_, 2025, as supplemented by Resolution No. \_\_\_\_ of the Issuer adopted on \_\_\_\_\_, 2025, and as it may be further supplemented or amended from time to time (the "Bond Resolution"), and certain other funds and investment earnings thereon, all in the manner and to the extent provided in the Bond Resolution. All terms used herein in capitalized form and not otherwise defined shall have the meanings ascribed thereto in the Bond Resolution. Pursuant to the Bond Resolution, the Issuer has covenanted and agreed, to the extent permitted by and in accordance with applicable law and budgetary processes, to prepare, approve and appropriate in its Annual Budget for each Fiscal Year, by amendment, if necessary and to deposit to the credit of the Debt Service Fund established pursuant to the Bond Resolution, Non-Ad Valorem Revenues of the Issuer in an amount which, in such Fiscal Year, is equal to the Bond Service Requirement with respect to all Bonds Outstanding under the Bond Resolution for the applicable Fiscal Year, plus an amount sufficient to satisfy all other payment obligations of the Issuer under the Bond Resolution for the applicable Fiscal Year. Such covenant and agreement on the part of the Issuer to budget and appropriate sufficient amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues in amounts sufficient to make all required payments under the Bond Resolution as and when due, including any delinquent payments, shall have been budgeted, appropriated and actually paid into the appropriate funds and accounts under the Bond Resolution; provided, however, that such covenant shall not constitute a lien, either legal or equitable, on any of the Issuer's Non-Ad Valorem Revenues or other revenues [(other than on the Additional Revenues to the extent provided in the Resolution)], nor shall it preclude the Issuer from pledging in the future any of its Non-Ad Valorem Revenues or other revenues to other obligations so long as the provisions of the Bond Resolution are satisfied, nor shall it give the Bondholders a prior claim on any Non-Ad Valorem Revenues [(other than on the Additional Revenues to the extent provided in the Bond Resolution)]. Anything herein or in the Bond Resolution to the contrary notwithstanding, all obligations of the Issuer under the Bond Resolution shall be secured only by the Non-Ad Valorem Revenues actually budgeted and appropriated and deposited into the funds and accounts created under the Bond Resolution and by the Additional Revenues, to the extent provided in the Bond Resolution. The Issuer is prohibited by law from expending moneys not appropriated or in the excess of its current budgeted revenues and surpluses. The obligation of the Issuer to budget, appropriate and make payments hereunder from its Non-Ad Valorem Revenues is subject to the availability of Non-Ad Valorem Revenues of the Issuer after satisfying funding requirements for obligations having an express lien on or pledge of such revenues and after satisfying funding requirements for essential governmental services of the Issuer and subject in all respects to the restrictions of Section 166.241(2), Florida Statutes, which generally provides that the governing body of each city may only make appropriations for each Fiscal Year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources. Notwithstanding the foregoing or anything in the Bond Resolution to the contrary, the Issuer has not covenanted to maintain any services or programs now provided or maintained by the Issuer which generate Non-Ad Valorem Revenues.

Reference is hereby made to the Bond Resolution for the provisions, among others, relating to the terms, lien and security of the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the Registered Owners of the Bonds and the extent of and limitations on the Issuer's rights, duties and obligations, to all of which provisions the Registered Owner hereof for itself and its successors in interest assents by acceptance of this Bond.

This Bond shall not be deemed to constitute a debt or a pledge of the faith and credit of the Issuer, the State of Florida or any political subdivision thereof within the meaning of any constitutional, legislative or charter provision or limitation. Nothing herein or in the Bond Resolution shall be deemed to create a pledge of or lien on the Non-Ad Valorem Revenues, the ad valorem tax revenues, or any other revenues of the Issuer, or permit or constitute a mortgage or lien upon any assets owned by the Issuer [(other than the Additional Revenues, to the extent provided in the Bond Resolution)]. It is expressly agreed by the Registered Owner of this Bond that such Registered Owner shall never have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the Issuer or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for any purpose, including, without limitation, for the payment of the principal of and interest or premium on this Bond or for the payment of any other amounts provided for in the Bond Resolution or to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees or any other Non-Ad Valorem Revenues, nor shall the Bonds constitute a charge, lien or encumbrance, either legal or equitable, on any property, assets or funds of the Issuer [(other than the Additional Revenues, to the extent provided in the Bond Resolution)].

Neither the members of the City Commission of the Issuer nor any person executing the Bonds shall be liable personally on the Bonds by reason of their issuance.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication endorsed hereon shall have been signed by the Registrar.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$\_\_\_\_\_, of like date, tenor and effect, except as to number, maturity and interest rate, issued to finance the finance and refinance certain outstanding obligations of the Issuer and for the other purposes described in the Bond Resolution pursuant to the authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly the Bond Resolution, Chapter 166, Florida Statutes, the Charter of The City of Lakeland, Florida, and other applicable provisions of law. This Bond is also subject to the terms and conditions of the Bond Resolution.

[The Bonds are subject to mandatory redemption on the dates set forth below at the redemption price of par plus accrued interest.

Amount to be <u>Redeemed</u>	Redemption Date <u>(October 1)</u>
---------------------------------	------------------------------------------

\*Final Maturity]

The Bonds of this issue [shall be further] [shall not be] subject to redemption prior to their maturity [at the option of the Issuer (Insert optional redemption provisions, if any)]

[Following for Series 2025C Bonds]

[The Bonds maturing on or before October 1, 20\_\_\_ are also subject to redemption prior to their maturity dates at the option of the Issuer, in whole or in part, and if in part, in accordance with the procedures described below at a redemption price equal to the greater of:

- (a) 100% of the principal amount of the Bonds to be redeemed; or
- (b) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the Bonds are to be redeemed, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus \_\_\_ (\_\_\_) basis points, plus, in each case, accrued and unpaid interest on the Bonds to be redeemed to the redemption date.

If less than all of the Bonds are to be redeemed pursuant to a "make-whole optional redemption," the Registrar, upon written instructions from the Issuer, shall select the Bonds for redemption from such maturity dates and in such amounts as are selected by the Issuer, and, so long as the Bonds are held in book-entry only form under DTC's registration system, shall select such Bonds within such selected maturities on a "Pro Rata Pass-Through Distribution of Principal" basis in accordance with DTC procedures; provided, however, that so long as such Bonds are held in book-entry only form by DTC, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect and, if the DTC operational arrangements do not allow for redemption on a "Pro Rata Pass-Through Distribution of Principal" basis, such Bonds shall be selected for redemption within each such maturity in such manner as the Registrar shall determine and in accordance with DTC procedures. In any event, the portion of the Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple in excess thereof.

"Treasury Rate" shall mean with respect to any redemption date for a particular Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days, but not more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.]

Notice of such redemption shall be given in the manner required by the Bond Resolution.

The registration of this Bond may be transferred upon the registration books upon delivery to the principal office of the Registrar accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar, duly executed by the owner of this Bond or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of this Bond, along with the social security number or federal employer identification number of such transferee. In all cases of a transfer of a Bond, the Registrar shall at the earliest practical time in accordance with the provisions of the Bond Resolution enter the transfer of ownership in the registration books and shall deliver in the name of the new transferee or transferees a new fully registered Bond or Bonds of the same maturity and of authorized denomination or denominations, for the same aggregate principal amount and payable from the same source of funds. The Issuer and the Registrar may charge the owner of such Bond for the registration of every such transfer of a Bond an amount sufficient to reimburse them for any tax, fee or any other governmental charge required (other than by the Issuer) to be paid with respect to the registration of such transfer, and may require that such amounts be paid before any such new Bond shall be delivered.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be other than a Business Day, then the date for such payment shall be the next succeeding Business Day, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

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 hereto, and that the issuance of the Bonds of this series does not violate any constitutional or statutory limitation or provision.

IN WITNESS WHEREOF, the City of Lakeland, Florida, has issued this Bond and has caused the same to be signed by its Mayor and attested to and countersigned by its Clerk, either manually or with their facsimile signatures, and its corporate seal or a

facsimile thereof to be affixed or reproduced hereon, all as of the [ ] day of [ ], 2025.

CITY OF LAKE LAND, FLORIDA

(SEAL)

By \_\_\_\_\_  
Mayor

ATTESTED AND COUNTERSIGNED:

By \_\_\_\_\_  
Clerk

Approved as to form and correctness:

\_\_\_\_\_  
City Attorney

#### CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds designated in and executed under the provisions of the within mentioned Bond Resolution.

\_\_\_\_\_,  
Authenticating Agent

By \_\_\_\_\_  
Authorized Officer

Date of Authentication:

#### ASSIGNMENT

FOR VALUE RECEIVED, the undersigned \_\_\_\_\_ (the  
"Transferor"), hereby sells, assigns and transfers unto  
\_\_\_\_\_ (the "Transferee")

PLEASE INSERT SOCIAL SECURITY OR  
OTHER IDENTIFYING NUMBER OF TRANSFeree

\_\_\_\_\_

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ as attorney to register the transfer of the within Bond on the books kept for registration and registration of transfer thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature Guaranteed:

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

\_\_\_\_\_  
NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment correspond(s) with the name 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 Federal Employer Identification Number of the Transferee is supplied.

[END OF FORM OF BOND]

**Section 5.10 Application of Bond Proceeds.** Unless otherwise provided to the contrary by subsequent ordinance or resolution enacted or adopted coincident with or prior to the sale of the Bonds or by certificate of the Mayor, City Manager or Finance Director (each an "Authorized Signatory"), the proceeds, including original issue premium, if any, received from the sale of the Bonds shall be applied by the Issuer, simultaneously (or as soon as practical) with the delivery of the Bonds, in the following order and priority:

(1) Refunding of Refunded 2010C Bonds. An amount sufficient, together with other legally available funds of the Issuer, if any, shall be applied to the redemption of the Refunded 2010C Bonds at the earliest date practical.

(2) Refunding of Refunded 2015 Bonds. An amount sufficient, together with other legally available funds of the Issuer, if any, shall be applied to the redemption of the Refunded 2015 Bonds at the earliest date practical.

(3) Refunding of Refunded 2024 Note. An amount sufficient, together with other legally available funds of the Issuer, if any, shall be applied to the redemption of the Refunded 2024 Note at the earliest date practical.



(4) Cost of Issuance. An amount equal to the allocable costs of issuance of the Bonds shall be deposited with the Issuer to be used to pay such costs of issuance of the Bonds.

(5) Deposit to Project Accounts in the Project Fund. The balance, together with other legally available funds of the Issuer, if any, shall be deposited in the respective Project Accounts in the Project Fund hereinafter created to be applied to the Cost of the Projects. The amounts to be deposited into the Series 2025A Project Account, the Series 2025B Project Account and the Series 2025C Project Account shall be determined by a certificate of the Mayor, City Manager or Finance Director to be delivered on the delivery of the Bonds, based upon the advice of Bond Counsel. Amounts on deposit in the 2024 Project Account established under the 2024 Loan Agreement shall be applied to refunding of the Refunded 2024 Note.

## **ARTICLE VI SOURCE OF PAYMENT OF BONDS; SPECIAL OBLIGATIONS OF THE ISSUER**

**Section 6.01 Bonds Not to be General Obligation or Indebtedness of the Issuer.** The Bonds shall not be deemed to constitute general obligations or a pledge of the faith and credit of the Issuer, the State of Florida or any political subdivision thereof within the meaning of any constitutional, legislative or charter provision or limitation, but shall be payable solely from and secured by a lien upon and a pledge of the Pledged Revenues and the Additional Revenues, each, in the manner and to the extent herein provided. No Bondholder shall ever have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the Issuer or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for any purpose, including, without limitation, for the payment of principal of and interest on such Bonds, or to maintain or continue any activities of the Issuer which generate user service charges, regulatory fees or other Non-Ad Valorem Revenues (other than the Additional Revenues to the extent described herein), nor shall any Bondholder be entitled to payment of such principal and interest from any other funds of the Issuer other than the Pledged Revenues and the Additional Revenues, all in the manner and to the extent herein provided. The Bonds and the indebtedness evidenced thereby shall not constitute a lien upon any real or personal property of the Issuer, or any part thereof, or any other tangible personal property of or in the Issuer, but shall constitute a lien only on the Pledged Revenues and the Additional Revenues, all in the manner and the extent provided herein.

**Section 6.02 Pledge.** The payment of the principal of, premium, if any, and interest on the Bonds shall be secured forthwith equally and ratably by an irrevocable lien on the Pledged Revenues, all in the manner and to the extent provided herein. The Issuer does hereby irrevocably pledge such Pledged Revenues to the payment of the principal of, premium, if any, and interest on the Bonds, and for all other payments as provided herein, in the order of priorities set forth herein.

The payment on the principal of, premium, if any, and interest on the Series 2025A Bonds shall further be secured forthwith equally and ratably by an irrevocable lien, to the extent that the same may lawfully be applied to the payment of debt service on the Series 2025A Bonds, on the Additional Revenues. The Issuer does hereby irrevocably pledge such Additional Revenues to the payment of the principal of, premium, if any, and interest on the Series 2025A Bonds, in the order of priorities set forth herein to the extent that the same may lawfully be applied to the payment of debt service on the Series 2025A Bonds in the manner and to the extent set forth in Section 7.03(1) herein. The Additional Revenues are not pledged to the Series 2025B Bonds or the Series 2025C Bonds.

**Section 6.03 Covenant to Budget and Appropriate.** The Issuer hereby covenants and agrees, to the extent permitted by and in accordance with applicable law and budgetary processes, to prepare, approve and appropriate in its Annual Budget for each Fiscal Year, by amendment if necessary, and to deposit to the credit of the Debt Service Fund (hereinafter created), Non-Ad Valorem Revenues of the Issuer in an amount which, together with the Additional Revenues that can lawfully be applied to pay debt service on the Series 2025A Bonds, is equal to the Bond Service Requirement with respect to all Bonds Outstanding hereunder for the applicable Fiscal Year, plus an amount sufficient to satisfy all other payment obligations of the Issuer hereunder for the applicable Fiscal Year. Such covenant and agreement on the part of the Issuer to budget and appropriate sufficient amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues in amounts sufficient to make all required payments hereunder as and when due, including any delinquent payments, shall have been budgeted, appropriated and actually paid into the appropriate funds and accounts hereunder; provided, however, that such covenant shall not constitute a lien, either legal or equitable, on any of the Issuer's Non-Ad Valorem Revenues (other than Additional Revenues, to the extent that they may be lawfully applied to pay debt service on the Series 2025A Bonds) or other revenues, nor shall it preclude the Issuer from pledging in the future any of its Non-Ad Valorem Revenues or other revenues to other obligations, nor shall it give the Bondholders a prior claim on any Non-Ad Valorem Revenues (other than the Pledged Revenues and the Additional Revenues, to the extent that such Additional Revenues may be lawfully applied to pay debt service on the Series 2025A Bonds). Anything herein to the contrary notwithstanding, all obligations of the Issuer hereunder shall be payable only by the Non-Ad Valorem Revenues actually budgeted and appropriated and deposited into the funds and accounts created hereunder, as provided for herein, and by the Additional Revenues to the extent that they may be lawfully applied to pay debt service on the Series 2025A Bonds. The Issuer is prohibited by law from expending moneys not appropriated or in excess of its current budgeted revenues and surpluses. The obligation of the Issuer to budget, appropriate and make payments hereunder from its Non-Ad Valorem Revenues is subject to the availability of Non-Ad Valorem Revenues after satisfying funding requirements for obligations having an express lien on or pledge of such revenues and after satisfying funding requirements for essential governmental services of the Issuer, and subject in all respects to the restrictions of Section 166.241(2), Florida Statutes, which generally provides that the governing body of each city may only make appropriations for each Fiscal Year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources.

Notwithstanding the foregoing or anything in this Bond Resolution to the contrary, the Issuer has not covenanted to maintain any service or program now provided or maintained by the Issuer which generates Non-Ad Valorem Revenues.

**Section 6.04 System Revenues.** The Finance Director is authorized, to the extent legally available to use System revenues to pay the allocable portion of debt service on the Series 2025A Bonds and Series 2025B Bonds that financed the System projects.

## **ARTICLE VII CREATION AND USE OF FUNDS AND ACCOUNTS; DISPOSITION OF REVENUES**

**Section 7.01 Creation of Fund and Accounts.** There are hereby created and established the "City of Lakeland Capital Improvement Bonds, Series 2025 Debt Service Fund" (the "Debt Service Fund") and a subaccount therein for the deposit of the Additional Revenues called the "City of Lakeland Capital Improvement Bonds, Series 2025 Additional Revenues Subaccount" (the "Additional Revenues Subaccount"), and the "City of Lakeland Capital Improvement Bonds, Series 2025 Project Fund" (the "Project Fund") and a "Series 2025A Project Account" (the "Series 2025A Project Account"), a "Series 2025B Project Account" (the "Series 2025B Project Account") and a "Series 2025C Project Account" (the "2025C Project Account" and together with the Series 2025A Project Account and the 2025B Project Account, the "Project Accounts") therein.

The Debt Service Fund and the Project Fund (and the Project Accounts therein) created hereunder and the subaccounts therein constitute trust funds for the purposes herein and in any subsequent ordinance or resolution provided, shall be delivered to and held by the Issuer (or an Authorized Depository designated by the Issuer), in each case who shall act as trustee of such funds for the purposes hereof, and shall at all times be kept separate and distinct from all other funds of the Issuer and used only as herein provided. Moneys held in the Debt Service Fund and the subaccounts therein shall be subject to a lien and charge in favor of the holders and registered owners of the Bonds as herein provided.

**Section 7.02 Project Fund.** Moneys in each of the accounts in the Project Fund shall be kept separate and apart from all other funds and accounts of the Issuer and shall be used to pay Costs of the Project, including the allocable costs of issuance of the Bonds.

Any amounts remaining in the accounts in the Project Fund after funds on deposit therein are no longer needed to be expended for the purpose for which such fund was created hereunder and which have not been reserved by the Issuer for the payment of the Cost of a Project, shall be transferred at the option of the Issuer to the Debt Service Fund and used to redeem Bonds in the manner described in Section 7.04(3) below (amounts on deposit in the Series 2025A Project Account may only be used to redeem the Series 2025A Bonds and amounts on deposit in the Series 2025B Project Account may only be used to redeem the Series 2025B Bonds), or, (i) shall be

deposited into the Debt Service Fund and used to pay principal and interest next coming due on the Series 2025A Bonds with respect to the Series 2025A Project Account, the Series 2025B Bonds with respect to the Series 2025B Project Account and any series of Bonds with respect to the Series 2025C Project Account, or (ii) shall be paid to the Issuer to be used for any lawful purpose, provided however that with respect to the Series 2025A/B Bonds, such moneys shall be used for any purpose or purposes allowed pursuant to clause (i) or (ii) above only if the Issuer shall first receive a Favorable Opinion of Bond Counsel.

**Section 7.03 Disposition of Covenant Revenues, Interlocal Agreement Payments and State Payments.**

(1) Commencing immediately following the issuance of the Bonds, and continuing thereafter so long as any Bonds shall be Outstanding hereunder, the Issuer shall deposit to the credit of the Funds listed below on or before the twenty-fifth day of each month, from Non-Ad Valorem Revenues budgeted and appropriated for such purposes and to the extent lawfully permitted the Additional Revenues for payment on the Series 2025A Bonds, amounts which, together with funds on deposit therein, will be sufficient to satisfy the cumulative deposit requirements described in clauses (a) and (b) below. Such amounts shall be deposited in the following order and priority:

(a) First, by deposit into the Debt Service Fund an amount which, together with any other amounts required to be deposited therein pursuant to this Bond Resolution, will equal one-sixth (1/6th) of the interest maturing on the Bonds on the next semiannual interest payment date, with respect to Bonds that bear interest payable semiannually, one-twelfth (1/12th) of all principal maturing or becoming due during the current Bond Year on Bonds that are Serial Obligations that mature annually and one-twelfth (1/12th) of the Amortization Installments and unamortized principal balances of Bonds that are Term Obligations coming due during the current Bond Year with respect to the Bonds, until there are sufficient funds then on deposit equal to the sum of the interest, principal and redemption payments due on the Bonds on the next interest, principal and redemption dates in such Bond Year. The Additional Revenues shall be deposited into the Additional Revenues Subaccount and shall only be available to pay debt service on that portion of the Series 2025A Bonds allocable to the Stadium Project and the Issuer shall put into place mechanisms to trace amounts on its books and records in order to verify the proper application thereof.

Deposits shall be increased or decreased to the extent required to pay principal, interest and redemption premium, if any, next coming due, after making allowance for any amounts on deposit in the Debt Service Fund and the Additional Revenues Subaccount and taking into account deficiencies in prior months' deposits.

(b) Thereafter any remaining Covenant Revenues and Additional Revenues shall be available to the Issuer to be used for any lawful purpose.

(2) The Issuer shall not be required to make any further payments into the Debt Service Fund or subaccounts therein when the aggregate amount of funds in the Debt Service Fund and subaccounts therein is at least equal to the aggregate principal amount of Bonds issued pursuant to this Bond Resolution and then Outstanding, plus the amount of interest then due or thereafter to become due on said Bonds then Outstanding, or if all Bonds then Outstanding have otherwise been defeased pursuant to Section 11.02 below.

#### **Section 7.04 Use of Moneys in the Debt Service Fund.**

(1) Moneys on deposit in the Debt Service Fund shall be used solely for the payment of the principal of, interest on and any redemption premiums required with respect to the Bonds. The Additional Revenues deposited into the Additional Revenues Subaccount shall only be available to pay debt service on that portion of the Series 2025A Bonds allocable to the Stadium Project.

(2) At the maturity date of each Bond and at the due date of each Amortization Installment and installment of interest on such Bonds, the Issuer shall transfer from the Debt Service Fund to the Paying Agent for such Bonds sufficient moneys to pay all principal of, premium, if any, and interest then due and payable with respect to such Bonds. Interest accruing with respect to any fully registered Bond shall be paid by check or draft of the Paying Agent to the registered owner thereof.

(3) Moneys on deposit in the Debt Service Fund for the redemption of Bonds shall be applied to the retirement of Bonds issued under the provisions of this Bond Resolution and then Outstanding in the following order:

(a) The Issuer shall first endeavor to purchase Outstanding Bonds that are Term Obligations redeemable from Amortization Installments during such Bond Year, and pro rata (based on the principal amount of the Amortization Installments due in such Bond Year for each such series of Term Obligations) among all such Bonds if more than one series of such Term Obligations are Outstanding, or if no such Term Obligations are then Outstanding, the Issuer shall endeavor to purchase Bonds that are Serial Obligations whether or not such Bonds shall then be subject to redemption, but only to the extent moneys are available therefor, at the most advantageous price obtainable, such price not to exceed the principal of such Bonds plus accrued interest but no such purchase shall be made by the Issuer within a period of thirty (30) days next preceding any interest payment date on which such Bonds are subject to call for redemption under the provisions of this Bond Resolution;

(b) Then, to the extent moneys remain on deposit in the Debt Service Fund that are held for the redemption of Bonds, the Issuer shall call for redemption on each interest payment date on which Bonds are subject to redemption from such moneys, such amount of Term Obligations subject to the Amortization Installments for such Bond Year that have not been purchased pursuant to clause (a) above;

(c) Then, to the extent moneys remain on deposit in the Debt Service Fund that were deposited therein pursuant to this Bond Resolution for the purpose of redeeming Bonds, the Issuer shall first call any remaining Bonds then subject to redemption, in such order and by such selection method as the Issuer, in its discretion, may determine, from such funds as will exhaust the money then held for the redemption of such Bonds as nearly as may be possible; and

(d) Then, to the extent moneys remain on deposit in the Debt Service Fund that were deposited therein pursuant to this Bond Resolution for the purpose of redeeming Bonds, the Issuer may, in its discretion from time to time (i) use such moneys to defease Bonds, to pay the principal of or interest on Bonds, or for any other lawful purpose, or (ii) keep such moneys on deposit in the Debt Service Fund for future use pursuant to this Section 7.04; provided, however, with respect to the Series 2025A/B Bonds, such moneys shall be used for any purpose or purposes allowed pursuant to clause (i) above only if the Issuer shall obtain a Favorable Opinion of Bond Counsel.

If Term Obligations are purchased or redeemed pursuant to this section in excess of the Amortization Installments for such Bond Year, such excess principal amount of such Term Obligations so purchased or redeemed shall be credited against subsequent Amortization Installments for such Term Obligations in such Bond Year or Bond Years as the Issuer may determine and as may be reflected in the Issuer's accounting records.

Notwithstanding the foregoing, to the extent that moneys are deposited into the Debt Service Fund in a given Bond Year in an amount equal to the Amortization Installment for such Bond Year and are applied to purchase or redeem Bonds that are Term Obligations to which such Amortization Installment applies, then all moneys thereafter deposited to the Debt Service Fund for redemption of Bonds in such Bond Year may be applied as provided in clause (c) above and to the extent not fully utilized in connection therewith, as provided in clause (d) above.

**Section 7.05 Paying Agents.** The Issuer shall transfer, from the Debt Service Fund, to one or more Paying Agents as shall be designated herein or by resolution hereafter and from time to time adopted by the Issuer on the Business Day preceding each interest, principal and redemption date, by wire transfer or delivery in other immediately available funds, an amount sufficient to pay when due the principal of, interest on and redemption premium, if any, with respect to the Bonds.

## **ARTICLE VIII DEPOSITORIES OF FUNDS, SECURITY FOR DEPOSITS AND INVESTMENT OF MONEYS**

**Section 8.01 Deposits Constitute Trust Funds.** All funds or other property which at any time may be owned or held in the possession of or deposited with the Issuer for application in accordance with the terms and provisions of this Bond Resolution shall be held in trust and applied only in accordance with the provisions of this Bond Resolution, and shall not be subject to lien or attachment by any creditor of the Issuer.



All funds or other property which at any time may be owned or held in the possession of or deposited with the Issuer pursuant to this Bond Resolution, and any investment income thereon, shall be continuously secured, for the benefit of the Issuer and the Bondholders in the order and manner and for the purposes provided in this Bond Resolution either (a) by depositing with an Authorized Depository, as custodian, collateral security consisting of obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) in such other manner as permitted hereunder and as may then be required or permitted by applicable state and federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds, including without limitation, the provisions of Chapter 280, Florida Statutes, as from time to time amended.

All moneys deposited with each Authorized Depository shall be credited to the particular fund or account to which such moneys belong.

**Section 8.02 Investment of Moneys.** Moneys held for the credit of the Debt Service Fund and each of the accounts in the Project Fund and all other funds and accounts hereunder shall be invested and reinvested by the Issuer in Investment Obligations. Such investments or reinvestments shall mature or become available not later than the respective dates, as estimated by the Issuer, that the moneys held for the credit of said funds and accounts will be needed for the purposes of such funds or accounts.

Except as otherwise expressly provided herein, including specifically the obligations of the Issuer with respect to paying the Rebate Amount as set forth in Section 11.03 hereof, all income and profits derived from the investment of moneys in the funds and accounts created hereby shall be retained in such respective funds and accounts and used for the purposes specified for such respective funds and accounts. Notwithstanding the foregoing, income and profits derived from the investment of moneys in the funds and accounts created hereunder may, at the option of the Issuer, be transferred to the Issuer in order to pay the Rebate Amount.

All such investments shall be made in compliance with Section 11.03 below.

Notwithstanding anything herein to the contrary, for purposes of investing or reinvesting, the Issuer may commingle moneys in the fund, accounts and subaccounts created hereunder in order to achieve greater investment income, provided that the Issuer shall separately account for the amounts so commingled.

## **ARTICLE IX GENERAL COVENANTS OF THE ISSUER**

**Section 9.01 Anti-Dilution Test.** The Issuer may incur additional Non-Ad Valorem Revenue Obligations only if the total amount of the Issuer's Non-Ad Valorem Revenues for the prior Fiscal Year was at least 2.0 times the amount of the Covenant Obligation Maximum Debt Service Requirement of all Non-Ad Valorem Revenue

Obligations then outstanding and those proposed to be issued, however, the Issuer may incur additional Non-Ad Valorem Revenue Obligations to refund or defease all Outstanding Bonds without complying with the foregoing requirement.

If any of the Non-Ad Valorem Revenue Obligations described in the first paragraph of this Section 9.01 are Subsidy Obligations, the Covenant Obligation Maximum Debt Service Requirement on such indebtedness shall not, for purposes of this Section 9.01, be deemed to include interest to the extent that it is to be paid from a direct subsidy payment expected to be received from the United States Treasury (or such other similar entity of the Federal government) relating to such Subsidy Obligations, or any other subsidy or similar payments made by the Federal government and the Issuer has budgeted to deposit such amounts to the payment of debt service thereon; provided however that to avoid double counting, the amount of such subsidy payments shall then not be included in the determination of the Issuer's Non-Ad Valorem Revenues for purposes of this Section 9.01.

**Section 9.02 Annual Audit.** The Issuer shall require that an annual audit of its accounts and records with respect to its General Fund and the Pledged Revenues and the funds and accounts hereunder be completed as soon as reasonably practicable after the end of each Fiscal Year by an independent certified public accountant of recognized standing. Such audit shall be conducted in accordance with generally accepted auditing standards as applied to governmental units and may be done as part of an audit of all of the Issuer's funds and accounts.

## **ARTICLE X EVENTS OF DEFAULT; REMEDIES**

**Section 10.01 Events of Default.** Each of the following events is hereby declared an "event of default," that is to say if:

(a) payment of principal of or interest on any Bond shall not be made when the same shall become due and payable, either at maturity or on required payment dates by proceedings for redemption or otherwise; or

(b) the Issuer shall fail to make any deposits required to be made hereunder or shall otherwise fail to comply with any of the covenants and obligations of the Issuer hereunder (other than those referred to in paragraph (a) above) and such failure shall continue unremedied for a period of thirty (30) days after such failure to deposit or other such occurrence; or

(c) an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or receivers of the Issuer, or the filing of a petition by the Issuer for relief under federal bankruptcy laws or any other similar law or statute of the United States of America or the State of Florida, which shall not be dismissed, vacated or discharged within sixty (60) days after the filing thereof; or

(d) any proceedings shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between



the Issuer and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statutes now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Pledged Revenues.

Notwithstanding the foregoing, with respect to the events described in clause (b), the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes appropriate curative action and diligently pursues such action until the default has been corrected.

**Section 10.02 Enforcement of Remedies.** Upon the happening and continuance of any event of default specified in Section 10.01 of this Article, then and in every such case the owners of not less than twenty-five percent (25%) of the Bond Obligation may appoint any state bank, national bank, trust company or national banking association qualified to transact business in Florida to serve as trustee for the benefit of the holders of all Bonds then Outstanding (the "Default Trustee"). Notice of such appointment, together with evidence of the requisite signatures of the holders of twenty-five percent (25%) of the Bond Obligation and the trust instrument under which the Default Trustee shall have agreed to serve shall be filed with the Issuer and the Default Trustee and notice of such appointment shall be published in THE BOND BUYER or a financial journal of general circulation in the City of New York, New York and mailed to the registered holders of the Bonds or by any other electronic means selected by the Default Trustee. No more than one Default Trustee may be appointed and serving hereunder at any one time; however, the holders of a majority of the Bond Obligation, acting jointly, may remove the Default Trustee initially appointed and appoint a successor and subsequent successors at any time. If the default for which the Default Trustee was appointed is cured or waived pursuant to this Article, the appointment of the Default Trustee shall terminate with respect to such default.

After a Default Trustee has been appointed pursuant to the foregoing, the Default Trustee may proceed, and upon the written request of owners of twenty-five percent (25%) of the Bond Obligation shall proceed, to protect and enforce the rights of the Bondholders under the laws of the State of Florida, including the Act, and under this Bond Resolution, by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board, body or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid of execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, all as the Default Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy against the Issuer under this Bond Resolution the Default Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Issuer for principal, interest or otherwise under any provisions of this Bond Resolution or of such Bonds and unpaid, with interest on overdue payments of principal and, to the extent permitted by law, on interest, at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or

remedy of the Default Trustee or of the Bondholders, and to recover and enforce any judgment or decree against the Issuer, but solely as provided herein and in such Bonds, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from moneys in the Debt Service Fund, and any other moneys available for such purpose) in any manner provided by law, the moneys adjudged or decreed to be payable. In no event shall an event of default result in the acceleration of any principal and interest on the Bonds.

**Section 10.03 Effect of Discontinuing Proceedings.** In case any proceeding taken by the Default Trustee or any Bondholder on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Default Trustee or such Bondholder, then and in every such case the Issuer, the Default Trustee and Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Default Trustee shall continue as though no such proceeding had been taken.

**Section 10.04 Directions to Default Trustee as to Remedial Proceedings.** Anything in this Bond Resolution to the contrary notwithstanding, the holders of a majority of the Bond Obligation, acting jointly, shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Default Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Default Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Bond Resolution, and that the Default Trustee shall have the right to decline to follow any such direction which in the opinion of the Default Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

**Section 10.05 Restrictions on Actions by Individual Bondholders.** No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust hereunder or for any other remedy hereunder unless such Bondholder previously shall have given to the Default Trustee written notice of the event of default on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than twenty-five percent (25%) of the Bond Obligation shall have made written request of the Default Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Default Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Default Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, including the reasonable fees of its attorneys (including fees on appeal), and the Default Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Default Trustee, to be conditions precedent to the execution of the powers and trusts of this Bond Resolution or for any other remedy hereunder. It is understood and intended that no one or more owners of the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Bond Resolution, or to enforce any right hereunder, except in the manner herein provided, and that all proceedings at

law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Bondholders, and that any individual rights of action or any other right given to one or more of such owners by law are restricted by this Bond Resolution to the rights and remedies herein provided.

Nothing contained herein, however, shall affect or impair the right of any Bondholder, individually, to enforce the payment of the principal of and interest on his Bond or Bonds at and after the maturity thereof, at the time, place, from the source and in the manner provided in this Bond Resolution.

## **ARTICLE XI MISCELLANEOUS PROVISIONS**

**Section 11.01      Modification or Amendment.** This Bond Resolution may be modified or amended by resolution and may be supplemented for the completion of all appropriate blanks and for the addition of terms, covenants and provisions in the manner herein provided and as may further be necessary for the issuance of the Bonds hereunder from time to time by supplemental resolution adopted concurrently with or prior to the issuance of the Bonds. Thereafter, no modification or amendment of this Bond Resolution or of any resolution amendatory hereof or supplemental hereto not provided for herein, materially adverse to the Bondholders may be made without the consent in writing of the Holders of not less than a majority of the Bond Obligation, but no modification, amendment or supplemental ordinance or resolution shall permit a change (a) in the maturity of the Bonds or a reduction in the rate of interest thereon, (b) in the amount of the principal obligation of any Bond, (c) that would materially adversely affect the covenant of the Issuer in Section 6.03 hereof to budget and appropriate Non-Ad Valorem Revenues of the Issuer for the payment of the amounts provided herein, or (d) that would reduce such percentage of holders of the Bonds required above for such modifications or amendments and all of the affected Bondholders. For the purpose of Bondholders' voting rights or consents, the Bonds owned by or held for the account of the Issuer, directly or indirectly, shall not be counted.

Notwithstanding anything herein to the contrary, the Issuer, from time to time and at any time, may adopt such supplemental or amendatory ordinance or resolution without the consent of the Bondholders (which supplemental or amendatory resolutions shall thereafter form a part hereof), for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Bond Resolution or to clarify any matters or questions arising hereunder.

(B) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(C) To change the description of the Projects or Refunded Projects being financed or refinanced with proceeds of the Bonds, including the nature or location of the Projects or Refunded Projects.

(D) To add to the covenants and agreements of the Issuer in this Bond Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(E) To make any other change that, in the opinion of the Issuer, would not materially adversely affect the security for the Bonds.

**Section 11.02      Defeasance.** If, at any time after the date of issuance of the Bonds, (a) all Bonds secured hereby or any maturity or portion of a maturity of a series of Bonds shall have become due and payable in accordance with their terms or otherwise as provided in this Bond Resolution, or shall have been duly called for redemption, or the Issuer gives the Paying Agent irrevocable instructions directing the payment of the principal of, premium, if any, and interest on such Bonds at maturity or at any earlier redemption date scheduled by the Issuer, or any combination thereof, (b) the whole amount of the principal, premium, if any, and the interest so due and payable upon all of such Bonds or maturity or portion of a maturity of a series of Bonds then Outstanding, at maturity or upon redemption, with respect thereto, shall be paid, or sufficient moneys shall be held by a Paying Agent or other Authorized Depository acting as an escrow agent in irrevocable trust for the benefit of such Bondholders (whether or not in any accounts created hereby) which, when invested in cash or Direct Obligations maturing not later than the maturity or redemption dates of such principal, premium, if any, and interest will, together with the income realized on such investments, be sufficient to pay all such principal, premium, if any, and interest on such Bonds at the maturity thereof or the date upon which such Bonds are to be called for redemption prior to maturity and (c) provisions satisfactory to the Registrar and Paying Agent shall also be made for paying all fees, charges and expenses of the Registrar and Paying Agent payable hereunder by the Issuer, then and in that case the right, title and interest of such Bondholders hereunder and the pledge of and lien on the Pledged Revenues, the covenant of the Issuer pursuant to Section 6.03 hereof, and all other pledges and liens created hereby or pursuant hereto, with respect to such Bondholders shall thereupon cease, determine and become void, and if such conditions have been satisfied with respect to all Bonds issued hereunder and then Outstanding, all balances remaining in any other funds or accounts created by this Bond Resolution other than moneys held for redemption or payment of Bonds and to pay all other sums payable by the Issuer hereunder shall be distributed to the Issuer for any lawful purpose; otherwise this Bond Resolution shall be, continue and remain in full force and effect.

Notwithstanding any other provision of this Bond Resolution, including in particular this Section 11.02, the obligation to pay over the Rebate Amount to the United States and to comply with all other requirements of Section 11.03 hereof shall survive the defeasance or payment in full of the Bonds.

**Section 11.03      Tax Covenants.**

Series 2025A Bonds:

It is the intention of the Issuer and all parties under its control that the interest on the Series 2025A Bonds be and remain excludable from gross income for federal income tax purposes and to this end, the Issuer hereby represents to and covenants with each of the holders of the Series 2025A Bonds that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code to the extent necessary to preserve the exclusion of interest on the Series 2025A Bonds from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the Issuer covenants and agrees with respect to the Series 2025A Bonds:

(1) to the extent required by the Code, to make or cause to be made all necessary determinations and calculations of the Rebate Amount and required payments of the Rebate Amount;

(2) to set aside sufficient moneys from the Pledged Revenues or other legally available funds of the Issuer, to timely pay the Rebate Amount to the United States of America;

(3) to pay the Rebate Amount at the times and to the extent required under the Code, to the United States of America from Pledged Revenues or from any other legally available funds;

(4) to maintain and retain all records pertaining to the Rebate Amount with respect to the Series 2025A Bonds and required payments of the Rebate Amount with respect to each such Bonds for at least six years after the final maturity of each such Bonds or such other period as shall be necessary to comply with the Code;

(5) to refrain from taking any action that would cause the Series 2025A Bonds, or any of them, to become arbitrage bonds under Section 148 of the Code;

(6) to refrain from using proceeds of the Series 2025A Bonds in a manner that would cause the Series 2025A Bonds or any of them to be classified as private activity bonds under Section 141(a) of the Code;

(7) The weighted average maturity of the Series 2025A Bonds will not exceed 120 percent of the weighted average reasonably expected economic life of the assets comprising the 2025 Non-AMT Projects financed or refinanced with the proceeds of the Series 2025A Bonds, as determined under Section 147(b) of the Code;

(8) None of the Series 2025A Bonds will be used, directly or indirectly, to make or finance loans to two or more ultimate borrowers (including governmental borrowers);

(9) The Issuer shall complete and file a Form 8038-G, Information Return for Tax-Exempt Governmental Bonds with respect to the Series 2025A Bonds, within the time period required by Section 149(e) of the Code and take any other steps necessary to comply with the information reporting requirement imposed by that section of the Code;

(10) Not more than fifty percent (50%) of the proceeds of the Series 2025A Bonds will be invested in a guaranteed investment contract with a term of four (4) years or more, or in another form of nonpurpose investment (within the meaning of Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four (4) years or more;

(11) (i) The payment of principal or interest with respect to the Series 2025A Bonds is not guaranteed directly or indirectly (in whole or in part) by the United States (or any agency or instrumentality thereof);

(ii) Five percent (5%) or more of the proceeds of the Series 2025A Bonds will not be (A) used in making loans the payment of principal and interest with respect to which are to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), or (B) invested (directly or indirectly) in federally insured deposits or accounts as defined in Section 149(b)(4)(B) of the Code;

The foregoing provisions of this paragraph (11) shall not apply to proceeds of the Series 2025A Bonds being (a) invested for an initial temporary period until such proceeds are needed for the purpose for which such issue was issued; (b) invested as part of a bona fide debt service fund; (c) invested as a part of a reserve which meets the requirements of Section 148(d) of the Code; (d) invested in obligations issued by the United States Treasury; (e) invested as part of a refunding escrow (i.e., a fund containing proceeds of a refunding bond issue established to provide for the payment of principal or interest on one or more prior bond issues); or (f) invested in other investments permitted under regulations promulgated pursuant to Section 149(b)(3)(B)(v) of the Code; and

(12) The entire amount of the proceeds of the Series 2025A Bonds will be needed for the governmental purposes described above.

The Issuer understands that the foregoing covenants impose continuing obligations of the Issuer that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are applicable to the Series 2025A Bonds.

Notwithstanding any other provision of this Bond Resolution, including in particular Section 11.02 hereof, the obligation of the Issuer to pay over the Rebate Amount to the United States of America and to comply with all other requirements of this Section 11.03 shall survive the defeasance or payment in full of the Series 2025A Bonds.

Series 2025B Bonds (AMT):

It is the intention of the Issuer that the interest on the Series 2025B Bonds be and remain excludable from gross income for federal income tax purposes and to this end the Issuer hereby represents to and covenants with each of the holders of the Series 2025B Bonds that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code to the extent necessary to preserve the exclusion of interest on the Series 2025B Bonds issued hereunder from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the Issuer covenants and agrees:

(1) to the extent required by the Code, to make or cause to be made all necessary determinations and calculations of the Rebate Amount and required payments of the Rebate Amount;

(2) to set aside sufficient moneys from the Pledged Revenues or other legally available funds of the Issuer, to timely pay the Rebate Amount to the United States of America;

(3) to pay the Rebate Amount at the times and to the extent required under the Code, to the United States of America from Pledged Revenues or from any other legally available funds;

(4) to maintain and retain all records pertaining to the Rebate Amount with respect to the Series 2025B Bonds and required payments of the Rebate Amount with respect to the Series 2025B Bonds for at least six years after the final maturity of the Series 2025B Bonds or such other period as shall be necessary to comply with the Code;

(5) to refrain from taking any action that would cause the Series 2025B Bonds to become an arbitrage bond under Section 148 of the Code;

(6) to refrain from taking any action that would cause the Series 2025B Bonds not to be classified as a "qualified bond" under Section 141(e) of the Code.

In addition, the Issuer hereby covenants for the benefit and security of the holders of the Series 2025B Bonds as follows:

(7) The weighted average maturity of the Series 2025B Bonds will not exceed 120 percent of the weighted average reasonably expected economic life of the assets comprising the 2025 AMT Projects financed with the proceeds of the Series 2025B Bonds, as determined under Section 147(b) of the Code;

(8) The costs of issuance of the Series 2025B Bonds, within the meaning of Section 147(g) of the Code, paid with proceeds of the Series 2025B Bonds shall not exceed two percent (2%) of the proceeds of the Series 2025B Bonds;

(9) None of the Series 2025B Bonds will be used, directly or indirectly, to make or finance loans to two or more ultimate borrowers (including governmental borrowers);

(10) The Issuer shall complete and file a Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues with respect to the Series 2025B Bonds, within the time period required by Section 149(e) of the Code and take any other steps necessary to comply with the information reporting requirement imposed by that section of the Code.

(11) Less than twenty five percent (25%) of the net proceeds of the Series 2025B Bonds (as "net proceeds" is defined in Section 150(a)(3) of the Code) will be used (either directly or indirectly) to finance or refinance the acquisition of land or any interest therein, excluding any land acquired for noise abatement, wetland preservation, or for future use as an airport, mass commuting facility, dock, wharf, or a high-speed intercity rail facility, if there is no other significant use of such land within the meaning of Section 147(c)(3)(B) of the Code; and

(12) None of the proceeds of the Series 2025B Bonds will be used to finance or refinance the acquisition of any airplane, any skybox or other private luxury box, any health club facility, any facility primarily used for gambling, any store the principal business of which is the sale of alcoholic beverages for consumption off premises, or land (or any interest therein) to be used for farming purposes;

(13) None of the net proceeds of the Series 2025B Bonds will be used to finance or refinance the acquisition of any property or an interest therein (other than land) if the first use of such property was not pursuant to such acquisition, unless the rehabilitation exception of Section 147(d)(2) of the Code is met with respect to such Property;

(14) All of the Property to be financed or refinanced with the proceeds from the issuance of the Series 2025B Bonds, is or will be owned by the Issuer;

(15) At least ninety-five (95%) of the net proceeds of the Series 2025B Bonds will be expended for and used to pay or refinance Qualified Project Costs of the 2025 AMT Projects;

(16) Each component of the 2025 AMT Projects that is directly related and essential to servicing aircraft, or enabling aircraft to take off and land, or transferring passengers or cargo to and from aircraft, is or will be located at, or in close proximity to, the take-off and landing areas and is required to be located in such areas in order to perform its function;

(17) Each component of the 2025 AMT Projects that is functionally related and subordinate to the core activities of the Airport System described in subparagraph (16) above is or will be of a character and size commensurate with the character and size of the Airport System;



(18) Not more than five percent (5%) of the proceeds of the Series 2025B Bonds will be collectively used to (a) pay costs of issuing such Series 2025B Bonds, (b) finance property described in Section 142(c)(2) of the Code (related to lodging facilities, retail facilities in excess of the size necessary to serve passengers and employees at the Airport, retail facilities located outside of the Airport terminal building, manufacturing or industrial park facilities, or separate office buildings used other than by governmental units), (c) finance any office space that is (1) not located on the premises of the component of the 2025 AMT Projects of which such office space is a part, or (2) at which more than a de minimis amount of the functions performed are not directly related to the day to day operations of such component of the 2025 AMT Projects, or (d) finance costs (other than costs of properties of the types described in (b) or (c)) that are not Qualified Project Costs;

(19) Any lease of all or any portion of the 2025 AMT Projects will be a "true lease" for federal income tax purposes and not a conditional sales contract or financing device. Any such lease shall comply with the requirements of Section 142(b)(1)(B) of the Code and, therefore, each lessee shall make an irrevocable election (binding on the lessee and all successors in interest under the lease) not to claim depreciation and investment tax credits with respect to any portion of the 2025 AMT Projects; the term of any such lease shall be limited in duration to eighty percent (80%) of the reasonably expected weighted average economic useful life of the facilities included in the 2025 AMT Projects being leased; and no such lease shall provide the lessee with an option to purchase the leased facilities other than at the fair market value (as of the time such option is exercised) (similar restrictions shall apply to management contracts and similar types of operating agreements);

(20) Not more than fifty percent (50%) of the proceeds of the Series 2025B Bonds will be invested in a guaranteed investment contract with a term of four (4) years or more, or in another form of nonpurpose investment (within the meaning of Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four (4) years or more;

(21) (i) The payment of principal or interest with respect to the Series 2025B Bonds is not guaranteed directly or indirectly (in whole or in part) by the United States (or any agency or instrumentality thereof);

(ii) Five percent (5%) or more of the proceeds of the Series 2025B Bonds will not be (A) used in making loans the payment of principal and interest with respect to which are to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), or (B) invested (directly or indirectly) in federally insured deposits or accounts as defined in Section 149(b)(4)(B) of the Code;

The foregoing provisions of this paragraph (22) shall not apply to proceeds of the Series 2025B Bonds being (a) invested for an initial temporary period until such proceeds are needed for the purpose for which such issue was issued; (b) invested as part of a bona fide debt service fund; (c) invested as a part of a reserve which meets the requirements of Section 148(d) of the Code; (d) invested in obligations issued by the United States Treasury; (e) invested as part of a refunding escrow (i.e., a fund

containing proceeds of a refunding bond issue established to provide for the payment of principal or interest on one or more prior bond issues); or (f) invested in other investments permitted under regulations promulgated pursuant to Section 149(b)(3)(B)(v) of the Code; and

(22) The entire amount of the proceeds of the Series 2025B Bonds will be needed for the governmental purposes described above.

The Issuer understands that the foregoing covenants impose continuing obligations on the Issuer that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of Subtitle A of the Code are applicable to the Series 2025B Bonds.

Notwithstanding any other provision herein, the obligation of the Issuer to pay the Rebate Amount to the United States of America and to comply with the other requirements of this Section 11.03 shall survive the defeasance or payment in full of the Series 2025B Bonds.

**Section 11.04 Severability.** If any one or more of the covenants, agreements or provisions of this Bond Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Bond Resolution or of the Bonds issued hereunder.

**Section 11.05 No Third-Party Beneficiaries.** Except as herein otherwise expressly provided, nothing in this Bond Resolution expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the parties hereto and the owners and holders of the Bonds issued under and secured by this Bond Resolution, any right, remedy or claim, legal or equitable, under or by reason of this Bond Resolution or any provision hereof, this Bond Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto and the owners and holders from time to time of the Bonds issued hereunder.

**Section 11.06 Controlling Law; Members of Governing Body Not Liable.** All covenants, stipulations, obligations and agreements of the Issuer contained in this Bond Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Issuer in his individual capacity, and neither the members of the Governing Body nor any official executing the Bonds shall be liable personally on the Bonds or this Bond Resolution or shall be subject to any personal liability or accountability by reason of the issuance or the execution by the Issuer or such members thereof.

**Section 11.07 Effect of Covenants.** All covenants, stipulations, obligations and agreements of the Issuer contained in this Bond Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer and of the Governing Body and of each department and agency of the Issuer to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall bind or inure to the benefit of the successor or successors thereof from time to time and any officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

Except as otherwise provided herein, all rights, powers and privileges conferred and duties and liabilities imposed upon the Issuer or upon the Governing Body by the provisions of this Bond Resolution shall be exercised or performed by the Governing Body, or by such other officers, board, body or commission as may be required by law to exercise such powers or to perform such duties.

**Section 11.08 Repeal of Inconsistent Resolutions.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

**Section 11.09 Effective Date.** This Bond Resolution shall be effective immediately upon its adoption.

**PASSED AND CERTIFIED AS TO PASSAGE** this 21st day of April, A.D. 2025.

ATTEST:

By: \_\_\_\_\_  
H. WILLIAM MUTZ, MAYOR

By: \_\_\_\_\_  
KELLY S. KOOS, CITY CLERK

APPROVED AS TO FORM AND  
CORRECTNESS:

By: \_\_\_\_\_  
PALMER C. DAVIS, CITY ATTORNEY

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## **Exhibit A**

### **Description of Airport Projects**

Financing improvements (including through reimbursement) at the Lakeland Linder International Airport (the "Airport"), including the financing and refinancing the costs of acquiring, constructing, extending, improving or enlarging certain airport facilities constituting a single project, including, but not limited to, constructing, extending, improving or enlarging airport facilities, roads, runways, including, without limitation:

- (a) acquisition of an approximately 30.98-acre tract of undeveloped land located at 4250 (+/-) Medulla Road on the south side of the Airport, a portion of which may be leased to Aerospace Center for Excellence Inc. or another qualified 501(c)(3) corporation,
- (b) modifications and renovations of the terminal which includes, but is not limited to, HVAC, flooring, electrical, drywall, plumbing, paint, public announcement system, additional hold room seating and CCTV's, Transportation Security Administration offices and security screening checkpoint, rental car offices and an administration conference room, ramp markings, exit lane technology, an Aircraft Rescue Fire Fighting truck, Security Identification Display Area signs and the installation of the bases and electrical connections in connection therewith, tree clearing, website update, a parking revenue system including entry and exit kiosks, a Flight Instrument Display System,
- (c) an approximately 16,500 square foot aircraft maintenance facility consisting of a 12,000 (+/-) square foot hangar, 3,000 (+/-) square feet of office space and 1,500 (+/-) square feet of storage space,
- (d) an approximately 15,400 square foot training center with classrooms, simulator bays, pilot briefing rooms, offices (administration, maintenance, instructor), aircraft storage, breakroom, and aircraft and vehicle parking,
- (e) construction of an approximately 7,450 square foot operations office, maintenance building and hold room,
- (f) improvements to the parking lot and the installation of wayfinding signage,
- (g) replacement of one 110-ton chiller and one 125-ton chiller, and
- (h) other airport projects, including painting, all to be located at the Airport.

## **Exhibit B**

### **Description of 2025A Projects**

Solid Waster Transfer Station

Vehicles

119787 MPP Administration Building

## **Exhibit C**

### **Description of 2025C Projects**

Improvements to the Team dormitories