

AN ORDINANCE PROVIDING FOR THE ACQUISITION AND CONSTRUCTION OF CERTAIN MUNICIPAL PROJECTS OF THE CITY OF SPRINGFIELD IN BAY COUNTY, FLORIDA; PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING \$340,000 PUBLIC IMPROVEMENT REVENUE BONDS OF SUCH CITY TO PAY THE COST OF SUCH PROJECT; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; PROVIDING FOR THE PAYMENT THEREOF; AND MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF SPRINGFIELD,
FLORIDA:

SECTION 1. AUTHORITY FOR THIS ORDINANCE. This ordinance is enacted pursuant to Chapter 27900, Laws of Florida, Special Acts of 1951, as amended and supplemented and other applicable provisions of law.

SECTION 2. DEFINITIONS. The following terms shall have the following meanings herein, unless the text otherwise expressly requires:

A. "Issuer" shall mean the City of Springfield in Bay County, Florida.

B. "Act" shall mean Chapter 27900, Laws of Florida, Special Acts of 1951, as amended and supplemented.

C. "Obligations" shall mean the \$340,000 Public Improvement Revenue Bonds herein authorized to be issued, together with any additional parity obligations hereafter issued under the terms, conditions and limitations contained herein.

D. "Holder of obligations" or "obligation holders" or any similar term shall mean any person who shall be the bearer or owner of any outstanding obligation or obligations registered to bearer, or not registered, or the registered owner of any such obligation or obligations which shall at the time be registered other than to bearer.

E. "Additional parity obligations" shall mean additional obligations issued in compliance with the terms, conditions and limitations contained in subsection 15 J hereof which have an equal lien on the excise taxes, as herein defined, and rank equally

in all respects with such obligations initially issued hereunder.

F. "Cigarette tax" shall mean the proceeds derived by the issuer, pursuant to an ordinance enacted on Nov 21, 1968, as amended and revised, imposing a tax upon each and every sale, receipt, purchase, possession, consumption, handling, distribution and use of cigarettes within the corporate limits of the issuer under the authority of Chapter 210, Florida Statutes.

G. "Excise taxes" shall mean the cigarette tax.

H. "Fiscal year" shall mean the period commencing on October 1st 1 of each year and ending on the succeeding Sept 30th.

I. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

A. Pursuant to Chapter 210, Florida Statutes, the issuer did under date of Nov 21, 1968, enact Ordinance No. 164 levying the cigarette tax.

B. It is necessary and desirable to acquire and construct ~~on private~~ *road improvements but such other improvements as can be legally made on public* ~~road~~ *according to Florida Statutes,*

as provided herein, (hereinafter called "project"), in order to preserve and protect the public health, safety and welfare of the inhabitants of the issuer.

C. The proceeds from the excise taxes are not now pledged or encumbered in any manner.

D. The estimated proceeds of the excise taxes will be sufficient to pay all of the principal of and interest on the obligations to be issued hereunder, as the same become due, and to make all required sinking fund, reserve or other payments.

E. The principal of and interest on the obligations and all required sinking fund, reserve and other payments shall be payable solely from the proceeds of the excise taxes, as herein provided. The issuer shall never be required to levy

ad valorem taxes on any property therein to pay the principal of and interest on the obligations or to make any of the required sinking fund, reserve or other payments and such obligations shall not constitute a lien upon any property of or in the issuer.

SECTION 4. AUTHORIZATION OF CONSTRUCTION AND ACQUISITION OF PROJECT. There is hereby authorized the construction and acquisition of the project. The cost of such project, in addition to the items set forth in the plans and specifications may include, but need not be limited to, the acquisition of any lands or interest therein or any other properties deemed necessary or convenient therefor; engineering, legal and financing expenses; expenses for estimates of costs and of revenues; expenses for plans, specifications and surveys; the fees of fiscal agents, financial advisors or consultants; administrative expenses relating solely to the construction and acquisition of the project; the capitalization of interest for a reasonable period after issuance of the obligations; the creation and establishment of reasonable reserves for debt service; the discount on the sale of the obligations, if applicable; and such other costs and expenses as may be necessary or incidental to the financing herein authorized and the construction and acquisition of the project and the placing of same in operation.

SECTION 5. ORDINANCE TO CONSTITUTE CONTRACT. In consideration of the acceptance of the obligations authorized to be issued hereunder by those who shall hold the same from time to time, this ordinance shall be deemed to be and shall constitute a contract between the issuer and such holders. The covenants and agreements herein set forth to be performed by the issuer shall be for the equal benefit, protection and security of the legal holders of any and all of such obligations and the coupons attached thereto, all of which shall be of equal rank and without preference, priority or distinction of any of the obligations or coupons over any other thereof, except as expressly provided therein and herein.

SECTION 6. AUTHORIZATION OF OBLIGATIONS. Subject and

pursuant to the provisions hereof, obligations of the issuer to be known as "Public Improvement Revenue Bonds", herein sometimes referred to as "obligations" are authorized to be issued in the aggregate principal amount of not exceeding Three Hundred Forty Thousand Dollars (\$340,000).

SECTION 7. DESCRIPTION OF OBLIGATIONS. The obligations shall be dated May 1, 1972; shall be numbered consecutively from one upward; shall be in the denomination of \$5,000 each; shall bear interest at such rate or rates not exceeding the maximum rate fixed by the Act or by other applicable law, the actual rate or rates to be determined by the governing body of the issuer upon the sale of the obligations; such interest to be payable semiannually May 1 and November 1 of each year; and shall mature serially in numerical order on May 1 in the years and amounts as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
1973	\$5,000	1985	\$ 15,000
1974	5,000	1986	15,000
1975	5,000	1987	15,000
1976	5,000	1988	15,000
1977	5,000	1989	15,000
1978	5,000	1990	15,000
1979	10,000	1991	20,000
1980	10,000	1992	20,000
1981	10,000	1993	20,000
1982	10,000	1994	25,000
1983	10,000	1995	25,000
1984	10,000	1996	25,000
		1997	25,000

Such obligations shall be issued in coupon form; shall be payable to bearer unless registered as hereinafter provided; shall be payable with respect to both principal and interest at a bank or banks to be subsequently determined by the issuer prior to the delivery of the obligations; shall be payable in lawful money of the United States of America; and shall bear interest from their date, payable in accordance with and upon surrender of the appurtenant interest coupons as they severally mature.

SECTION 8. EXECUTION OF OBLIGATIONS AND COUPONS. The obligations shall be executed in the name of the issuer by the Mayor-Commissioner and countersigned and attested by the City Auditor and Clerk, and its corporate seal or a facsimile thereof shall be affixed thereto or reproduced thereon. The facsimile signa-

tures of the Mayor-Commissioner or the City Auditor and Clerk may be imprinted or reproduced on the obligations, provided that at least one signature required to be placed thereon shall be manually subscribed. In case any officer whose signature shall appear on any of the obligations shall cease to be such officer before the delivery of such obligations, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The obligations may be signed and sealed on behalf of the issuer by such person who at the actual time of the execution of such obligations shall hold the proper office with the issuer, although at the date of such obligations such person may not have held such office or may not have been so authorized. The obligations shall be approved as to form and correctness.

The coupons attached to the obligations shall be authenticated with the facsimile signatures of any present or future Mayor-Commissioner and City Auditor and Clerk of the issuer, and the validation certificate on the obligations shall be executed with the facsimile signature of the Mayor-Commissioner. The issuer may adopt and use for such purposes the facsimile signatures of any persons who shall have held such offices at any time on or after the date of the obligations notwithstanding that they have ceased to be such officers at the time such obligations shall be actually delivered.

SECTION 9. NEGOTIABILITY AND REGISTRATION. The obligations and the coupons appertaining thereto shall be and shall have all of the qualities and incidents of negotiable instruments under the law merchant and the Laws of the State of Florida, and each successive holder, in accepting any of such obligations or the coupons appertaining thereto, shall be conclusively deemed to have agreed that such obligations shall be and have all of the qualities and incidents of negotiable instruments under the law merchant and the Laws of the State of Florida.

The obligations may be registered at the option of

the holder as to principal only at the office of the City Auditor and Clerk, as Registrar, or such other Registrar as may be hereafter duly appointed, such registration to be noted on the back of the obligations in the space provided therefor. After such registration as to principal only, no transfer of the obligations shall be valid unless made at such office by written assignment of the registered owner, or by his duly authorized attorney in a form satisfactory to the Registrar, and similarly noted on the obligations, but the obligations may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored. At the option of the holder, the obligations may thereafter again from time to time be registered or transferred to bearer as before. Such registration as to principal only shall not affect the negotiability of the coupons which shall continue to pass by delivery.

SECTION 10. OBLIGATIONS MUTILATED, DESTROYED, STOLEN

OR LOST. In case any obligation shall become mutilated, or be destroyed, stolen or lost, the issuer may in its discretion issue and deliver a new obligation with all unmatured coupons attached, if any, of like tenor as the obligation and attached coupons, if any, so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated obligation, upon surrender and cancellation of such mutilated obligation and attached coupons, if any, or in lieu of and substitution for the obligation and attached coupons, if any, destroyed, stolen or lost, and upon the holder furnishing the issuer proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the issuer may prescribe and paying such expenses as the issuer may incur. All obligations and coupons so surrendered shall be cancelled. If any such obligation or coupon shall have matured or be about to mature, instead of issuing a substitute obligation or coupon, the issuer may pay the same, upon being indemnified as aforesaid, and if such obligation or coupon be lost, stolen or destroyed, without surrender thereof.

All such duplicate obligations and coupons issued pursuant to this section shall constitute original, additional contractual obligations on the part of the issuer whether or not the lost, stolen or destroyed obligations or coupons be at any time found by anyone, and such duplicate obligations and coupons shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as all other obligations and coupons issued hereunder.

SECTION 11. PROVISIONS FOR REDEMPTION. The obligations may be redeemable prior to their stated dates of maturity, at the option of the issuer, as shall hereafter be determined by resolution of the issuer.

Notice of such redemption (i) shall be published at least thirty (30) days prior to the redemption date in a financial journal published in the Borough of Manhattan, City and State of New York, (ii) shall be filed with the paying agents, and (iii) shall be mailed, postage prepaid, to all registered owners of obligations to be redeemed at their addresses as they appear on the registration books hereinabove provided for. Interest shall cease to accrue on any obligation duly called for prior redemption on the redemption date, if payment thereof has been duly provided.

SECTION 12. FORM OF OBLIGATIONS AND COUPONS. The obligations, the interest coupons to be attached thereto, and the certificate of validation shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and which are herein authorized or permitted or which are subsequently authorized or permitted prior to the issuance thereof:

No.

\$5,000

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF BAY
CITY OF SPRINGFIELD
PUBLIC IMPROVEMENT REVENUE BOND

KNOW ALL MEN BY THESE PRESENTS that the City of Springfield in Bay County, Florida, (hereinafter called "City"), for value received, hereby promises to pay to the bearer, or if this bond be registered, to the registered holder as herein provided on the first day of May, 19___, from the special funds hereinafter mentioned, the principal sum of
FIVE THOUSAND DOLLARS

and to pay solely from such special funds, interest thereon from the date hereof at the rate of _____ per centum (___%) per annum until payment of the principal sum, such interest to the maturity hereof being payable semi-annually on the first day of May and the first day of November in each year upon the presentation and surrender of the annexed coupons as they severally fall due. Both principal of and interest on this bond are payable in lawful money of the United States of America at _____, or, at the option of the holder at _____.

This bond is one of an authorized issue of bonds in the aggregate principal amount of \$340,000 of like date, tenor and effect, except as to number, interest rate and date of maturity, issued to finance the cost of the construction and acquisition of certain municipal projects of the City, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 27900, Laws of Florida, Special Acts of 1951, as amended and supplemented, and other applicable provisions of law, and Ordinance No. ___ duly enacted on the ___ day of _____, 1972, (hereinafter called "Ordinance"), and is subject to all the terms and conditions of such Ordinance.

This bond, and the coupons appertaining thereto, are payable solely from and secured by a prior lien upon and pledge

of the proceeds of the cigarette tax collected by the issuer pursuant to Ordinance No. ¹⁶⁴~~132~~ enacted by the issuer on March 21 19~~68~~, levied upon each and every sale, receipt, purchase, possession, consumption, handling, distribution and use of cigarettes within the corporate limits of the issuer under the authority of Section 210.03, Florida Statutes, (such taxes, above described are herein referred to as "excise taxes") in the manner provided in the Ordinance. The bonds of this issue are also payable in the manner provided in the Ordinance, if necessary, from other legally available funds of the issuer derived from sources other than ad valorem taxation.

(Insert redemption provisions)

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

This bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, and it is expressly agreed by the holder of this bond and the coupons appertaining thereto that such holder shall never have the right to require or compel the exercise of the ad valorem taxing power of the City for the payment of the principal of and interest on this bond or the making of any sinking fund, reserve or other payments provided for in the Ordinance.

It is further agreed between the City and the holder of this bond that this bond and the obligations evidenced thereby shall not constitute a lien upon the project, or any part thereof, or on any other property of or in the City, but shall constitute a lien only on the excise taxes in the manner provided in the Ordinance.

The City in such Ordinance has further covenanted and agreed with the holders of the bonds of this issue to levy and collect the excise taxes at such rates, not exceeding the maximum rates permitted by law, to the extent necessary to pay, as the same shall become due, the principal of and interest on the bonds of this issue, all other bonds payable on a parity there-

with and to make all reserve, sinking fund and other payments provided for in the Ordinance and that the rates of such excise taxes shall not be reduced so as to be insufficient to provide funds for such purposes.

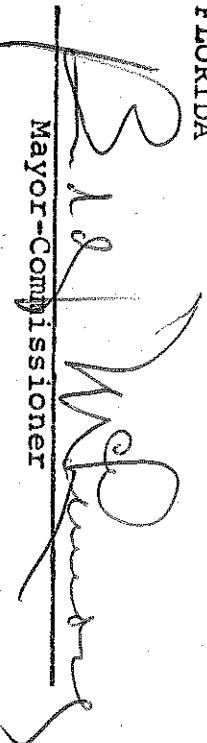
It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this bond, exist, have happened and have been performed in regular and due form and time as required by the Laws and Constitution of the State of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

This bond and the coupons appertaining thereto are and have all the qualities and incidents of a negotiable instrument under the law merchant and the Laws of the State of Florida.

This bond may be registered as to principal only in accordance with the provisions endorsed hereon.

IN WITNESS WHEREOF, the City of Springfield in Bay County, Florida, has issued this bond and has caused the same to be signed by its Mayor-Commissioner and attested and countersigned by its City Auditor and Clerk, either manually or with their facsimile signatures, and the corporate seal of said City or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon and the interest coupons hereto attached to be executed with the facsimile signatures of such officers all as of the first day of May, 1972.

CITY OF SPRINGFIELD IN BAY COUNTY,
FLORIDA


Mayor-Commissioner

(SEAL)

ATTESTED AND COUNTERSIGNED The foregoing bond and the attached coupons have been approved by me as to form and correctness.


City Auditor and Clerk

City Attorney

FORM OF COUPON

NO.

\$ _____

On the first day of _____, 19____, unless the bond to which this coupon is attached is callable and has been duly called for prior redemption and provision duly made for the payment thereof, the City of Springfield in Bay County, Florida, will pay to the bearer at _____ or, at the option of the holder, at _____, from the special funds described in the bond to which this coupon is attached, the amount shown hereon in lawful money of the United States of America, upon presentation and surrender of this coupon, being six months' interest then due on its Public Improvement Revenue Bond, dated May 1, 1972, No. _____.

CITY OF SPRINGFIELD IN BAY COUNTY,
FLORIDA

(SEAL)

Mayor-Commissioner

ATTESTED AND COUNTERSIGNED

City Auditor and Clerk

VALIDATION CERTIFICATE

This bond is one of the series of bonds which were validated and confirmed by judgment of the Circuit Court for Bay County, Florida rendered on the _____ day of _____, 1972.

Mayor-Commissioner

PROVISION FOR REGISTRATION

This bond may be registered as to principal only in the name of the holder on the books to be kept by the City Auditor and Clerk as Registrar, or such other Registrar as may be hereafter duly appointed, such registration being noted hereon by such Registrar in the registration blank below, after which no transfer shall be valid unless made by written assignment on said books by the registered holder or attorney duly authorized and similarly noted in the registration blank below, but it may be discharged from registration by being transferred to bearer, after which it shall be transferable by delivery, but it may be again registered as before. Such registration shall not restrain the negotiability of the coupons by delivery.

DATE OF REGISTRATION	IN WHOSE NAME REGISTERED	SIGNATURE OF REGISTRAR
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SECTION 13. OBLIGATIONS NOT DEBT OF ISSUER. Neither

the obligations nor coupons shall be or constitute general obligations or indebtedness of the issuer as "bonds" within the meaning of the Constitution of Florida, but shall be payable solely from and secured by a lien upon and a pledge of the special funds as herein provided. No holder or holders of any obligations issued hereunder or of any coupons appertaining thereto shall ever have the right to compel the exercise of the ad valorem taxing power of the issuer or taxation in any form of any real property therein to pay such obligations or the interest thereon or be entitled to payment of such principal and interest from any other funds of the issuer except from the special funds in the manner provided herein.

Section 14. PLEDGE OF EXCISE TAXES. The payment of the principal of and interest on the obligations shall be secured forthwith equally and ratably by a pledge of and a prior lien upon the proceeds received by the issuer from the excise taxes, as hereinafter provided, and the issuer does hereby irrevocably pledge such funds to the payment of the principal of and interest on the obligations, for reserves therefor and for all other required payments.

SECTION 15. COVENANTS OF THE ISSUER. For as long as any of the principal of and interest on any of the obligations shall be outstanding and unpaid or until there shall have been set apart in the Sinking Fund, herein established, including the Reserve Account therein, a sum sufficient to pay when due the entire principal of the obligations remaining unpaid, together with interest accrued or to accrue thereon, the issuer covenants with the holders of any and all obligations as follows:

A. CIGARETTE TAX FUND. All of the proceeds of the excise taxes, as defined herein, as soon as the same are collected by the issuer shall be forthwith deposited into a fund to be known as the "Cigarette Tax Fund", heretofore created and established. Such Cigarette Tax Fund shall constitute a trust fund for the purposes herein provided, and shall be kept separate and distinct from all other funds of the issuer and used only for the purposes and in the manner herein provided.

B. DISPOSITION OF REVENUES. All proceeds at any time remaining on deposit in the Cigarette Tax Fund shall be disposed of on or before the fifteenth (15th) day of each month, commencing in the month immediately following the delivery of the obligations only in the following manner and in the following order of priority:

(1) From the moneys in the Cigarette Tax Fund, the issuer shall first deposit into a separate fund which is hereby created and designated "Public Improvement Revenue Bond Sinking Fund" (hereinafter called "Sinking Fund"), such sums as will be

sufficient to pay one-sixth (1/6) of all interest becoming due on the obligations on the next semi-annual interest payment date and one-twelfth (1/12) of all principal maturing on the obligations on the next maturity date. All such payments, as provided above, shall include an amount sufficient to pay the fees and charges of the paying agents. Such monthly payments shall be increased proportionately to the extent required to pay principal and interest becoming due during the first fiscal year, after making allowance for the amounts of money which will be deposited in the Sinking Fund out of proceeds from the sale of the obligations.

(2) Moneys remaining in the Cigarette Tax Fund shall next be applied by the issuer to maintain a Reserve Account in the Sinking Fund, which Reserve Account is hereby created and established. The issuer shall deposit in such Reserve Account the monthly sum of not less than one-twelfth (1/12) of twenty per centum (20%) of the maximum amount of principal and interest on all outstanding obligations becoming due in any ensuing fiscal year. Such payments shall continue to be made until there shall be on deposit in such Reserve Account a sum equal to the maximum amount of principal and interest on all outstanding obligations becoming due in any ensuing fiscal year. No further payments shall be required to be made into such Reserve Account as long as there shall remain on deposit therein a sum equal to the maximum amount of principal and interest on all outstanding obligations becoming due in any ensuing fiscal year.

Any withdrawals from the Reserve Account shall be subsequently restored from the first moneys available in the Excise Taxes Fund after all required current payments for the Sinking Fund and Reserve Account, including all deficiencies for prior payments, have been made in full.

Moneys in the Reserve Account shall be used only for the purpose of the payment of maturing principal of or interest on the obligations when the other moneys in the Sinking Fund are insufficient therefor, and for no other purpose.

(3) Upon the issuance of any additional parity obligations under the terms, limitations and conditions as herein provided, the payments into the several accounts in the Sinking Fund shall be increased in such amounts as are necessary to make the payments required above for the principal of and interest on, and reserves for such additional parity obligations, on the same basis as hereinabove provided with respect to the outstanding obligations.

The issuer shall not be required to make any further payments into the Sinking Fund or into the Reserve Account in the Sinking Fund when the aggregate amount of moneys in both the Sinking Fund and the Reserve Account are at least equal to the aggregate principal amount of obligations then outstanding, plus the amount of interest then due or thereafter to become due on such obligations then outstanding.

(4) Whenever by reason of the insufficiency of moneys on deposit in the Cigarette Tax Fund, the issuer is not able to make promptly the current monthly payments hereinabove required to be made into the Sinking Fund and Reserve Account, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made therein on the subsequent payment dates.

(5) The balance of any moneys remaining in the Cigarette Tax Fund after the above required payments have been made may be used for the purchase and redemption of the obligations or for any lawful purpose.

(6) The Sinking Fund, the Reserve Account, the Cigarette Tax Fund and any other special funds herein established and created shall constitute trust funds for the purposes provided herein for such funds. All such funds shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the Laws of the State of Florida. Moneys on deposit in the Sinking Fund (except the Reserve Account therein) may be invested and reinvested only in direct obligations of the United States of America or placed in time deposits in

banks or trust companies represented by certificates of deposit and continuously secured as provided by the Laws of the State of Florida, maturing not later than ten (10) days prior to the date on which the moneys therein will be needed. Moneys in the Reserve Account in the Sinking Fund may be invested and reinvested in direct obligations of the United States of America or placed in time deposits in banks or trust companies represented by certificates of deposit and continuously secured as above provided, maturing not later than Five (5) years from the date of purchase or must otherwise be maintained in cash. Any and all income received by the issuer from such investments shall be deposited into the Reserve Account. Moneys in the Cigarette Tax Fund shall not be invested at any time.

C. LEVY OF EXCISE TAXES. The issuer will not repeal the ordinances now in effect levying the excise taxes and will not amend or modify said ordinances in any manner so as to impair or adversely affect the power and obligation of the issuer to levy and collect such excise taxes or impair or adversely affect in any manner the pledge of such excise taxes made herein or the rights of the holders of the obligations. The issuer shall be unconditionally and irrevocably obligated, so long as any of the obligations or the interest thereon are outstanding and unpaid, to levy and collect such excise taxes, at the maximum rates permitted by law, to the extent necessary to pay the principal of and interest on the obligations and to make the other payments provided for herein. This provision shall not be construed to prevent reasonable revisions of the rates of such excise taxes as long as the proceeds of such excise taxes to be collected by the issuer in each year thereafter, will be sufficient to pay the principal of and interest on the obligations as the same become due and to make all Sinking Fund, Reserve Account and other payments herein required in such year.

D. EXCISE TAXES NOT SUBJECT TO REPEAL. The issuer has full power to irrevocably pledge such excise taxes to the

payment of the principal of and interest on the obligations, and the pledging of such excise taxes in the manner provided herein shall not be subject to repeal, modification, or impairment by any subsequent ordinance, resolution or other proceedings of the governing body of the issuer or by any subsequent act of the Legislature of Florida.

The pledge of the excise taxes herein made shall be for the benefit of any additional obligations payable on a parity with the obligations, herein authorized, from the proceeds of the excise taxes to the same extent as if such additional parity obligations had been originally issued hereunder.

E. BOOKS AND RECORDS. The issuer shall also keep books and records of the collection of the excise taxes, which such books and records shall be kept separate and apart from all other books, records and accounts of the issuer and the holders of not less than ten per centum (10%) of the obligations shall have the right at all reasonable times to inspect all records, accounts and data of the issuer relating thereto.

F. ANNUAL AUDIT. The issuer shall also, at least once a year, within 60 days after the close of its fiscal year, cause the books, records and accounts relating to the excise taxes to be properly audited by a recognized independent firm of certified public accountants. Such audits shall contain a complete report of the collection and application of all proceeds of the excise taxes, a schedule of reserves and investments, and a certificate by the auditors stating no default on the part of the issuer of any covenant herein has been disclosed by reason of such audit. The auditors selected shall be changed at any time by a written request signed by a majority of the holders of the obligations or their duly authorized representatives. A copy of such annual audit shall regularly be furnished to any holder of an obligation who shall have requested in writing that a copy of such audits be furnished him.

G. ENFORCEMENT OF COLLECTIONS. The issuer will diligently enforce and collect the excise taxes herein pledged; will take steps, actions and proceedings for the enforcement and collection of such excise taxes as shall become delinquent to the full extent permitted or authorized by law; and will maintain accurate records with respect thereof. All such excise taxes herein pledged shall, as collected, be held in trust to be applied as herein provided and not otherwise.

H. REMEDIES. Any holder of obligations or any coupons appertaining thereto issued under the provisions hereof or any trustee acting for the holders of such obligations may by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the Laws of the State of Florida, or granted and contained herein, and may enforce and compel the performance of all duties herein required or by any applicable statutes to be performed by the issuer or by any officer thereof, including the collection of excise taxes.

Nothing herein, however, shall be construed to grant to any holder of such obligations any lien on any real property of the issuer.

I. ISSUANCE OF OTHER OBLIGATIONS. The issuer will not issue any other obligations, except under the conditions and in the manner provided herein, payable from the excise taxes, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien of the obligations and the interest thereon, upon said excise taxes. Any other obligations issued by the issuer in addition to the obligations herein authorized or additional parity obligations provided for in subsection J below, payable from such excise taxes, shall contain an express statement that such obligations are junior and subordinate in all respects to the obligations herein authorized as to lien on and source and security for payment from such excise taxes.

J. ISSUANCE OF ADDITIONAL PARITY OBLIGATIONS. No additional parity obligations, payable on a parity from the proceeds of the excise taxes with the obligations herein authorized shall be issued after the issuance of any obligations, herein authorized, except upon the conditions and in the manner herein provided.

(1) There shall have been obtained and filed with the issuer a certificate of an independent certified public accountant of suitable experience and responsibility: (a) stating that the books and records of the issuer relating to the collection and receipt of the proceeds of the excise taxes have been audited by him; (b) setting forth the amount of proceeds of the excise taxes, as defined herein, received by the issuer for the Two (2) fiscal years immediately preceding the date of delivery of such additional parity obligations with respect to which such certificate is made; (c) stating that the average annual proceeds of the excise taxes for such preceding years will equal at least 1.4 times the maximum annual principal and interest requirements on (i) all obligations and all additional parity obligations, if any, then outstanding and (ii) the additional parity obligations with respect to which such certificate is made.

(2) Each ordinance authorizing the issuance of additional parity obligations will recite that all of the covenants herein contained will be applicable to such additional parity obligations.

(3) The issuer shall not be in default in performing any of the covenants and obligations assumed hereunder, and all payments herein required to have been made into the accounts and funds, as provided hereunder, shall have been made to the full extent required.

(4) The additional parity obligations shall be dated May 1 or November 1 of the year of issuance thereof, shall bear interest payable semi-annually on May 1 and November 1 of each year, and shall mature on May 1 of the year of maturity thereof.

SECTION 16. APPLICATION OF PROCEEDS OF OBLIGATIONS.

All moneys received from the sale of the obligations shall be deposited by the issuer in a special account in a bank or trust company and applied by the issuer as follows:

A. All accrued interest on the obligations shall be deposited in the Sinking Fund.

B. The issuer shall next use the moneys in said special account to pay all engineering fees, legal fees, fees of financial advisors, cost of the issuance of the obligations, and all other similar costs incurred in connection with the acquisition and construction of the project and the issuance of the obligations to finance the cost thereof.

C. A special fund is hereby created, established and designated as the "Project Construction Fund" (herein called the "Construction Fund"). There shall be paid into the Construction Fund the balance of the moneys remaining after making all the deposits and payments provided for in paragraphs A and B above.

Such fund shall be kept separate and apart from all other accounts of the issuer, and the moneys on deposit therein shall be withdrawn, used and applied by the issuer solely to the payment of the cost of the project and purposes incidental thereto, as hereinabove described and set forth. If for any reason such proceeds or any part thereof are not necessary for or are not applied to the payment of such cost, then the unapplied proceeds shall be deposited by the issuer in the Reserve Account in the Sinking Fund. All such proceeds shall be and constitute a lien upon such moneys until so applied in favor of the holders of the obligations.

Any funds on deposit in the Construction Fund which, in the opinion of the issuer, acting upon the recommendation of the consulting engineers, are not immediately necessary for expenditure, as hereinabove provided, may be invested in direct obligations of the United States of America or placed in time deposits of banks or trust companies represented by certificates of deposit fully secured as provided by law maturing in a period

of one hundred eighty (180) days or less. All such securities shall be held by the depository bank, and all income derived therefrom shall be deposited in the sinking fund.

All expenditures or disbursements from the Construction Fund shall be made only after such expenditures or disbursements shall have been approved in writing by the consulting engineers. The date of completion of the project shall be determined by the consulting engineers, who will certify such facts in writing to the governing body of the issuer.

SECTION 17. HOLDERS NOT AFFECTED BY USE OF PROCEEDS. The holders of the obligations shall have no responsibility for the use of the proceeds thereof, and the use of such proceeds by the issuer shall in no way affect the rights of such holders. The issuer shall be irrevocably obligated to continue to levy and collect the excise taxes as provided herein and to pay the principal of and interest on the obligations and to make all reserve and other payments provided for herein from the excise taxes notwithstanding any failure of the issuer to use and apply such proceeds in the manner provided herein.

SECTION 18. MODIFICATION OR AMENDMENT. No material modification or amendment of this instrument or of any resolution or ordinance amendatory hereof or supplemental hereto may be made without the consent in writing of the holders of two-thirds or more in the principal amount of the obligations then outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of such obligations or a reduction in the rate of interest thereon or in the amount of the principal obligation thereof or affecting the promise of the issuer to pay the principal of and interest on the obligations as the same shall become due from the proceeds of the excise taxes or reduce the percentage of the holders of the obligations required to consent to any material modification or amendment hereof without the consent of the holder or holders of all such obligations.

SECTION 19. SEVERABILITY OF INVALID PROVISIONS. IF

any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the obligations or coupons issued hereunder.

SECTION 20. SALE OF OBLIGATIONS. The obligations shall be issued and sold in such manner and at such price or prices consistent with the Act, all at one time or in installments from time to time, as shall be hereafter determined by the governing body of the issuer.

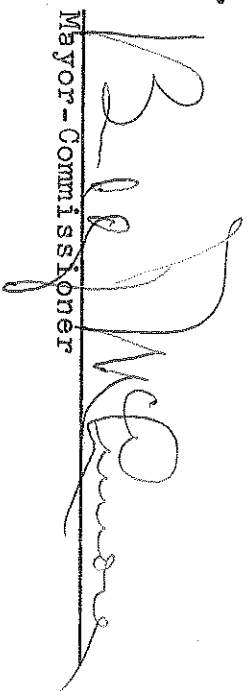
SECTION 21. VALIDATION AUTHORIZED. The attorney for the issuer is authorized and directed to prepare and file proceedings to validate the obligations in the manner provided by law.

SECTION 22. USE OF OTHER FUNDS. The issuer covenants that it will pay all the principal of and interest on the obligations authorized herein, but only from moneys derived from sources other than the proceeds of ad valorem taxes, to the full extent that the excise taxes are insufficient therefor on any principal or interest payment date; provided, however, that the provisions of this subsection shall not be deemed or construed as a pledge of or lien on any specific funds of the issuer, nor prevent the issuer hereafter from pledging any of said other funds.

SECTION 23. REPEALING CLAUSE. All ordinances or parts thereof of the issuer in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

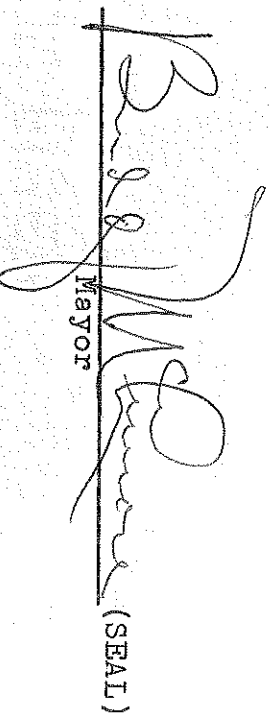
SECTION 24. EFFECTIVE DATE. This ordinance shall take effect in the manner provided by law.

Passed and adopted by the City Commission this 9th
day of May , A.D. 1972.


Mayor-Commissioner


City Clerk

EXAMINED AND APPROVED by me this 9th day of May ,
A.D. 1972.


Mayor (SEAL)