

RESOLUTION NO. 2019-15

OF THE

CITY OF PENSACOLA, FLORIDA

ADOPTED MARCH 28, 2019

RELATING TO:

NOT EXCEEDING

\$20,000,000

CITY OF PENSACOLA, FLORIDA

TAXABLE AIRPORT FACILITIES SPECIAL REVENUE NOTE

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RESOLUTION NO. 2019-15

A RESOLUTION AUTHORIZING THE ISSUANCE BY THE CITY OF PENSACOLA, FLORIDA OF A TAXABLE AIRPORT FACILITIES SPECIAL REVENUE NOTE, IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000 TO FINANCE A PORTION OF THE COST OF THE EXPANSION AND IMPROVEMENT OF THE AEROSPACE MAINTENANCE, REPAIR AND OVERHAUL CAMPUS AND RELATED FACILITIES AT THE PENSACOLA INTERNATIONAL AIRPORT; PROVIDING FOR THE PAYMENT OF SUCH NOTE FROM CERTAIN LEGALLY AVAILABLE NON-AD VALOREM REVENUES OF THE CITY BUDGETED AND APPROPRIATED THEREFOR; ESTABLISHING CRITERIA FOR DETERMINING THE DATE, INTEREST RATES, SERIES DESIGNATION AND MATURITY SCHEDULE FOR SUCH NOTE; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT; AUTHORIZING THE EXECUTION OF OTHER RELATED FINANCING DOCUMENTS IN CONNECTION WITH SUCH NOTE; AUTHORIZING THE AWARD OF THE SALE OF SUCH NOTE ON A NEGOTIATED BASIS; AUTHORIZING FURTHER OFFICIAL ACTION IN CONNECTION WITH THE DELIVERY OF SUCH NOTE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PENSACOLA, FLORIDA, that:

**Section 1. Authority for this Resolution.** This Resolution is adopted pursuant to the provisions of Chapter 166, Part II, Florida Statutes, as amended, the municipal charter of the City of Pensacola, Florida (the "Issuer"), and other applicable provisions of law (collectively, the "Act").

**Section 2. Definitions.** The following terms shall have the following meanings when used in this resolution unless the context clearly requires otherwise. Words importing singular numbers shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Loan Agreement (herein defined).

"Bond Counsel" means Bryant Miller Olive P.A. or any other nationally recognized bond counsel subsequently appointed by the Issuer.

"Charter" means the municipal charter of the Issuer.

"Chief Financial Officer" means the Chief Financial Officer of the Issuer, or his or her designee.

“City” means the City of Pensacola, Florida, a municipal corporation of the State.

“City Administrator” means the City Administrator of the Issuer, or any acting or interim City Administrator, or his or her designee.

“City Attorney” means the City Attorney of the Issuer, or his or her designee.

“City Council” means the City Council of the Issuer, as the governing body of the Issuer.

“Clerk” means the Clerk of the Issuer, any acting, deputy, or assistant Clerk, or his or her designee.

“Financial Advisor” means RBC Capital Markets, LLC or any other nationally recognized municipal financial advisor subsequently appointed by the Issuer.

“Lender” means the purchaser of the Note pursuant to the Loan Agreement as authorized herein.

“Loan” means the advance of moneys from the Lender to the Issuer pursuant to the Loan Agreement.

“Loan Agreement” means the agreement between the Lender and the Issuer setting forth the terms and details of the Loan, in substantially the form attached hereto as Exhibit A with such changes, modifications, revisions, insertions or deletions as are authorized herein.

“Mayor” means the Mayor of the Issuer or the City Administrator on behalf of the Mayor or the Chief Financial Officer on behalf of the Mayor.

“Non-Ad Valorem Revenues” means the revenues of the Issuer in the General Fund which are legally available for the payment of principal of and interest on the Note in each year and which are derived from all sources other than ad valorem taxation on real and personal property.

“Note” means the City of Pensacola, Florida, Taxable Airport Facilities Special Revenue Note, authorized herein, in substantially the form attached to the Loan Agreement as Exhibit A, with such changes, modifications, insertions or deletions as are authorized herein.

“Project” means the construction of expansions and improvements to the aerospace maintenance, repair and overhaul campus and related facilities at the Pensacola International Airport, including the construction of three additional hangars, an administrative office building, a warehouse, shops and support facilities and associated aircraft aprons, taxi ways and automobile parking.

“Resolution” means, collectively, this resolution and all resolutions amendatory hereof and supplemental hereto.

“State” means the State of Florida.

**Section 3. Findings.** It is hereby found, declared, and determined by the City Council:

(A) The Issuer owns and operates as an enterprise fund the Pensacola International Airport (the “Airport”).

(B) The undertaking of the Project will promote the economic development of the Airport and the Issuer, the creation of jobs and the economic well-being of the inhabitants of the Issuer and the improvement of the health, safety and welfare of the inhabitants of the Issuer, is in the best interests of the Issuer and the inhabitants thereof and serves a paramount public purpose of the Issuer.

(C) The State (through State Legislative appropriations, the Governor’s Job Growth Fund and grants by the Florida Department of Transportation), Escambia County, Florida, the U.S. Economic Development Administration, Triumph Gulf Coast, ST Aerospace Engineering and the Issuer have committed and are expected to commit to provide substantial funding for the construction of the Project.

(D) It is in the best interests of the Issuer to obtain the Loan (as defined herein) to finance a portion of the cost of the Project.

(E) The Note will be a special limited obligation of the Issuer payable solely from Non-Ad Valorem Revenues budgeted and appropriated therefor in the manner and to the extent provided herein and in the Loan Agreement. The Non-Ad Valorem Revenues budgeted and appropriated in each fiscal year as provided herein and in the Loan Agreement are anticipated to be sufficient to pay the principal of and accrued interest on the Note as the same becomes due.

(F) Because of the characteristics of the Note, prevailing and anticipated market conditions, and additional savings to be realized from an expeditious sale of the Note, it is in the best interest of the Issuer to sell the Note at a private negotiated sale to the Lender on the terms and conditions provided herein. Prior to the issuance of the Note, the Issuer shall receive from the Lender, a Lender’s Certificate, the form of which is attached hereto as Exhibit B and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit C.

(G) The obligation of the Issuer to repay the Note in accordance with its terms and to make the payments required under the Loan Agreement are hereby declared to be and shall be special, limited obligations of the Issuer, payable solely from Non-Ad Valorem Revenues budgeted and appropriated therefor in each fiscal year in the manner and to the extent provided

herein and in the Loan Agreement. The obligation of the Issuer to repay the Note in accordance with its terms and to make any other payments, if any, required under the Note or the Loan Agreement shall not be or constitute a general obligation or indebtedness of the Issuer and neither the Note nor the Loan Agreement shall be or constitute a general obligation or indebtedness of the Issuer. Neither the Lender nor any successor owner of the Note shall be entitled to compel the exercise of the ad valorem taxing power of the Issuer or the payment of the principal of or interest on the Note or the making of any payments required under the Note or the Loan Agreement from any moneys of the Issuer other than the Non-Ad Valorem Revenues budgeted and appropriated therefor in the manner and to the extent provided herein and in the Loan Agreement.

(H) It is necessary and desirable to provide for the securing of the Loan and for the execution and delivery of the Loan Agreement the issuance of the Note and the taking of all other action in connection with the consummation of the Loan.

**Section 4. Instrument to Constitute a Contract.** In consideration of the making of the Loan and the acceptance of the Note by the Lender and its registered successors and assigns, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Lender and any successor registered owner of the Note.

**Section 5. Authorization of Note and Project.**

(A) The Project is hereby authorized. The City Council and the proper officers of the Issuer are hereby directed to take all action and steps deemed necessary to construct the Project, which are not inconsistent with the terms and provisions of this Resolution or the Loan Agreement.

(B) Subject and pursuant to the provisions hereof and of the Loan Agreement, the Note, to be known as the "City of Pensacola, Florida Taxable Airport Facilities Special Revenue Note, Series \_\_\_\_" (with such series designation as the Mayor shall determine) is hereby authorized to be issued in a maximum principal amount of not to exceed \$20,000,000, or such lesser amount as may be approved by the Mayor, for the purpose of financing a portion of the cost of the Project and paying costs of issuance in connection with the Note.

The Mayor is hereby authorized to award the sale of the Note to such Lender as shall be approved by the Mayor upon the advice and recommendation of the Financial Advisor, provided that:

- (i) the maximum principal amount of the Note shall not exceed \$20,000,000;
- (ii) the Note shall finally mature not later than October 1, 2044;

(iii) the Note shall be structured as a draw-down line of credit with the aggregate principal amount drawn ~~amortized~~, either paid by March 31, 2025, or to the extent not previously paid, subject to approval of the City Council, amortized thereafter in substantially level principal and interest installments over a period of not less than ten years; ~~and~~

(iv) the Note may bear interest at a variable rate, at a variable rate during the draw period and a fixed rate during the amortization period, or at a fixed rate, provided that the variable rate shall be determined by such index, formula or reference rate as the Financial Advisor shall advise provides a reasonable market rate of interest, the fixed rate shall not exceed 6% per annum and, in any event, the Note shall not bear interest in excess of the maximum rate permitted by applicable law; and

(v) the Note shall be redeemable, in whole or in part, at any time on or prior to March 31, 2025, and, upon conversion to an amortizing loan, on such terms as provided pursuant to the Loan Agreement.

Subject to the foregoing, the Note shall have such terms as provided pursuant to the Loan Agreement.

**Section 6. 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 of the Issuer, by amendment if necessary, Non Ad-Valorem Revenues in an amount which together with any other legally available revenues budgeted and appropriated for such purpose shall be sufficient to pay all principal of, interest and redemption premiums, if any, on the Note and all other payment obligations of the Issuer with respect to the Note or under the Loan Agreement becoming due and payable in such fiscal year. Such covenant and agreement shall be cumulative, and shall continue until Non-Ad Valorem Revenues in amounts, together with any other legally available revenues budgeted and appropriated for such purposes, sufficient to make all required payments hereunder, under the Note and under the Loan Agreement as and when due, including any delinquent payments, shall have been budgeted and appropriated. Such covenant and agreement shall not constitute a pledge of or lien, either legal or equitable, on any of the Issuer's Non-Ad Valorem Revenues, nor shall it give the Lender or registered owner of the Note a prior claim on the Non-Ad Valorem Revenues.

Nothing herein shall be deemed to pledge ad valorem taxation revenues or to permit or constitute a mortgage or lien upon any assets or property owned by the Issuer, and neither the Lender nor any other person may compel the levy of ad valorem taxes on real property within the boundaries of the Issuer for the purpose of paying the principal of, interest or redemption premiums, if any, on the Note or any other amounts payable under the Note or the Loan Agreement or to maintain or continue any program or services which generate Non-Ad Valorem Revenues. The obligations hereunder, under the Note and under the Loan Agreement shall not

constitute a general obligation or indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and neither the Lender nor any other person shall have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation of any real or personal property therein for the payment by the Issuer of its obligations hereunder, under the Note and under the Loan Agreement. Except to the extent expressly set forth herein or in the Loan Agreement, this Resolution and the obligations of the Issuer hereunder and under the Loan Agreement and the Note shall not be construed as a limitation on the ability of the Issuer to pledge or covenant to budget and appropriate any of its Non-Ad Valorem Revenues or any revenues or taxes of the Issuer for other legally permissible purposes. Notwithstanding any provisions of this Resolution, the Note or the Loan Agreement to the contrary, the Issuer shall never be obligated to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees or any Non-Ad Valorem Revenues or the rates for such services or regulatory fees. Neither this Resolution nor the obligations of the Issuer hereunder, under the Note or under the Loan Agreement shall be construed as a pledge of or a lien on all or any Non-Ad Valorem Revenues of the Issuer, but shall be payable solely as provided in this Section and are subject in all respects to the provisions of Section 166.241, Florida Statutes.

The obligation of the Issuer to budget and appropriate Non-Ad Valorem Revenues for the payment of the principal of and interest and redemption premiums, if any, on the Note and to make all other payments due under the Note or Loan Agreement, is subject to the satisfaction of funding requirements for obligations secured by an express pledge of or lien on Non-Ad Valorem Revenues and funding of essential governmental services of the Issuer; however, such obligation is cumulative and would carry over from fiscal year to fiscal year.

**Section 7. Approval of Form of Loan Agreement and Note.** The Loan Agreement, in substantially the form attached hereto as Exhibit A, and the Note, in substantially the form attached to the Loan Agreement as Exhibit A, are hereby approved, subject to such changes, amendments, modifications, omissions and additions, including any additional covenants and agreements, as shall be consistent with the terms of this Resolution and approved by the Mayor upon the advice of the City Attorney, Chief Financial Officer, Bond Counsel and/or Financial Advisor, execution of the Loan Agreement and the Note by the Mayor to be conclusive evidence of such approval. Pursuant to Section 4.01(1) of its Charter, the Issuer hereby authorizes the Mayor to execute the Loan Agreement and Note, such execution to be attested under seal by the City Clerk, approved as to substance by the Chief Financial Officer and designated as legal in form and valid as drawn by the City Attorney and further authorizes the Mayor to deliver the Loan Agreement and the Note to the Lender, and to take such other actions as shall be necessary to consummate the Loan. The Chief Financial Officer is hereby authorized to submit requests for Advances on behalf of the Issuer in accordance with and for the purposes provided in the Loan Agreement.

**Section 8. Authorization of Other Action.** The Mayor, City Administrator, City Attorney, the Clerk, the Chief Financial Officer and such other authorized officers, employees



and agents of the Issuer are each designated agents of the Issuer in connection with the execution and delivery of the Loan Agreement and the Note and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents or contracts on behalf of the Issuer which are necessary or desirable in connection with the execution and delivery of the Loan Agreement and the Note to the Lender, including, without limitation, making modifications to the Loan Agreement and the Note, as permitted hereby to conform to the terms of the proposal by the Lender to make the Loan.

**Section 9. Application of Proceeds of Loan.** The proceeds of the Loan shall be used as more fully described in the Loan Agreement and includes the payment of related associated costs of issuance (including but not limited to legal and financial advisory fees and expenses).

**Section 10. Repeal of Inconsistent Provisions.** All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

**Section 11. Severability.** If any one or more of the covenants, agreements, or provisions of this 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, and in no way affect the validity of all other provisions of the Resolution or of the Note or Loan Agreement delivered hereunder.

**Section 12. Amendment.** This Resolution may not be amended or repealed following the issuance of the Note except with the prior written consent of the Lender.

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**Section 13. Effective Date.** This Resolution shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the Charter of the Issuer.

Adopted: March 28, 2019

[SEAL]

Approved: \_\_\_\_\_  
Council President

ATTEST:

\_\_\_\_\_  
City Clerk

**EXHIBIT A**

**FORM OF LOAN AGREEMENT**

LOAN AGREEMENT

by and between

CITY OF PENSACOLA, FLORIDA

and

\_\_\_\_\_

Dated \_\_\_\_\_, \_\_\_\_

relating to

NOT EXCEEDING

\$20,000,000

CITY OF PENSACOLA, FLORIDA

TAXABLE AIRPORT FACILITIES SPECIAL REVENUE NOTE, SERIES \_\_\_\_\_

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**LOAN AGREEMENT**

This **LOAN AGREEMENT** is made and entered into as of \_\_\_\_\_, \_\_\_\_ by and between **CITY OF PENSACOLA, FLORIDA**, a municipal corporation of the State of Florida (the "Issuer"), and \_\_\_\_\_, an \_\_\_\_\_ banking corporation (together with its successors and/or assigns, the "Lender").

**WITNESSETH:**

**WHEREAS**, the Issuer owns and operates as an enterprise fund the Pensacola International Airport (the "Airport");

**WHEREAS**, the Issuer has determined that the undertaking of the Project hereinafter described will promote the economic development of the Airport and the Issuer, the creation of jobs, the economic well-being and health, safety and welfare of the Issuer and its inhabitants, is in the best interest of the Issuer its inhabitants, and that the Project serves a paramount public purpose of the Issuer; and

**WHEREAS**, the Lender has agreed to lend the Issuer an aggregate principal amount of not exceeding \$20,000,000 to be used to pay a portion of the costs of the Project upon the terms and conditions provided herein; and

**WHEREAS**, the Issuer has determined it is in the best interests of the Issuer and the inhabitants thereof to obtain the Loan as provided herein to finance a portion of the cost of the Project; and

**WHEREAS**, pursuant to Section 6 of the Resolution (as hereinafter defined), and subject to the terms and conditions thereof, the Issuer has covenanted and agreed to budget and appropriate sufficient Non-Ad Valorem Revenues (as hereinafter defined) to pay the principal of and interest on the Series \_\_\_\_ Note and all other amounts payable hereunder or under the Series \_\_\_\_ Note; and

**WHEREAS**, the Issuer has determined that the Non-Ad Valorem Revenues budgeted and appropriated pursuant to Section 6 of the Resolution are anticipated to be sufficient in to repay the debt service coming due on the Series \_\_\_\_ Note and all other payment obligations of the Issuer hereunder and under the Series \_\_\_\_ Note; and

**WHEREAS**, the obligation of the Issuer to repay principal of and interest on the Series \_\_\_\_ Note will not constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of any provision of the Constitution or laws of the State of Florida, but shall be and is hereby declared to be a special, limited obligation of the Issuer, payable solely from the Non-Ad Valorem Revenues budgeted and appropriated by the Issuer pursuant to Section 6 of the Resolution; and

**WHEREAS**, the Issuer is not obligated or authorized to levy taxes on any property of or in the Issuer to pay the principal of or interest on the Series \_\_\_\_ Note or to make any other payments provided for herein or to continue or maintain any programs or services which generate Non-Ad Valorem Revenues;

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants herein set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**SECTION 1. DEFINITIONS.** Capitalized terms used in this Loan Agreement and not defined in this Section 1 shall have the meanings assigned in the Resolution. The following terms shall have the following meanings herein, unless the text otherwise expressly requires:

“Authorized Investments” means any investment, obligation, agreement or other financial instrument to the extent not inconsistent with the terms of the investment policy of the Issuer and applicable law.

“Bond Counsel” means Bryant Miller Olive P.A. or any other nationally recognized bond counsel subsequently appointed by the Issuer.

“Business Day” means any day of the year other than a day on which the Lender or the Issuer are lawfully closed for business.

“Chief Financial Officer” means the Chief Financial Officer of the Issuer, or his or her designee.

“City Administrator” means the City Administrator of the Issuer, or any acting or interim City Administrator, or his or her designee.

“City Attorney” means the City Attorney of the Issuer, or his or her designee.

“City Council” means the City Council of the Issuer, as the governing body of the Issuer.

“Clerk” means the Clerk of the Issuer, any acting, deputy, or assistant Clerk, or his or her designee.

“Date of Delivery” means \_\_\_\_\_ / \_\_\_\_.

“Default” means an Event of Default as defined and described in Section 15 hereof.

“Draw-Down Period” shall mean the period commencing on \_\_\_\_\_ / \_\_\_\_ and ending on \_\_\_\_\_ / \_\_\_\_.

“Fiscal Year” means the period from each October 1 to the succeeding September 30.



“Interest Payment Date” means each [October 1 of each year commencing October 1, \_\_\_\_], and continuing through the Maturity Date.

“Lender” or “Purchaser” means \_\_\_\_\_, a \_\_\_\_\_ banking corporation, and its successors and/or assigns.

“Loan” shall have the meaning ascribed thereto in Section 7 hereof.

“Loan Agreement” means this agreement between the Lender and the Issuer setting forth the terms and details of the Loan.

“Maturity Date” means October 1, \_\_\_\_.

“Mayor” means the Mayor of the Issuer or the City Administrator on behalf of the Mayor or the Chief Financial Officer on behalf of the Mayor.

“Non-Ad Valorem Revenues” means the revenues of the Issuer in the General Fund which are legally available for the payment of principal of and interest on the Note in each year and which are derived from all sources other than ad valorem taxation on real and personal property.

“Paying Agent” means an officer of the Issuer or the bank or trust company which the Issuer may from time to time designate to serve as paying agent for the Series \_\_\_\_ Note, initially the Chief Financial Officer.

“Payment Date” means any Interest Payment Date or Principal Payment Date.

“Person” or words importing persons, means firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities, and natural persons.

“Principal Amount” means the aggregate principal amount advanced under the Series \_\_\_\_ Note not to exceed [Twenty Million Dollars (\$20,000,000)].

“Principal Payment Date” means [October 1 of each year, commencing October \_\_, \_\_\_\_].

“Project” means the construction of expansions and improvements to the aerospace maintenance, repair and overhaul campus and related facilities at the Pensacola International Airport, including the construction of three additional hangars, an administrative office building, a warehouse, shops and support facilities and associated aircraft aprons, taxi ways and automobile parking.

“Register” means the books maintained by the Registrar in which are recorded the name and address of the Registered Owner of the Series \_\_\_\_ Note.

“Registered Owner” means the person in whose name the ownership of the Series \_\_\_\_ Note is registered on the books maintained by the Registrar. The initial Registered Owner shall be the Lender.

“Registrar” means the Person maintaining the Register. The Registrar shall initially be the Chief Financial Officer.

“Resolution” means Resolution No. 2019-15 adopted by the Issuer on March 28, 2019, as may be amended and supplemented from time to time.

“Series \_\_\_\_ Note” means the Taxable Airport Facilities Special Revenue Note, Series \_\_\_\_, of the Issuer, substantially in the form attached hereto as Exhibit A.

“State” means the State of Florida.

**SECTION 2. INTERPRETATION.** Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. This Loan Agreement and all the terms and provisions hereof (a) have been negotiated between the Issuer and the Lender; (b) shall not be construed strictly in favor of or against either party hereto; and (c) shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

The titles and headings of the Sections and subsections of this Agreement, which have been inserted for convenience of reference only and are not to be considered part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

**SECTION 3. DESCRIPTION OF SERIES \_\_\_\_ NOTE.** The obligation of the Issuer to repay the Loan shall be evidenced by the Series \_\_\_\_ Note. The Series \_\_\_\_ Note shall be dated as of the Date of Delivery; shall mature on the Maturity Date; and shall be in registered form.

Interest shall accrue from the date of the initial Advance under the Series \_\_\_\_ Note on the outstanding principal balance thereof and shall be payable on each Interest Payment Date at **[insert interest rate formula or rate]**; provided, however, that the interest rate on the Series \_\_\_\_ Note shall never exceed the Maximum Lawful Rate (as defined below). Interest on the Series \_\_\_\_ Note shall be calculated on the basis of a 360-day year and the actual number of days elapsed.

Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any amounts payable under the Series \_\_\_\_ Note, together with all fees, charges and other amounts which may be treated as interest with respect thereto under applicable law (collectively, the “Charges”), shall exceed the maximum lawful rate of interest (the “Maximum Lawful Rate”) which may be contracted for, charged, taken, received or reserved in accordance with applicable law, the rate of interest payable in respect of such amounts payable under the Series \_\_\_\_ Note,

together with all Charges payable in respect thereof, shall be limited to the Maximum Lawful Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such payment obligations but were not payable as a result of the operation of this paragraph shall be cumulated and the interest and Charges payable in respect of amounts payable under the Series \_\_\_\_ Note shall be increased (but not above the Maximum Lawful Rate therefor) until such cumulated amount, shall have been received by the Registered Owner.

~~Principal~~ Subject to the approval of the City Council, principal on the Series \_\_\_\_ Note shall be paid in \_\_\_\_\_ installments on the Principal Payment Dates, in amounts specified in Schedule 2 attached to the Series \_\_\_\_ Note. If the City Council does not approve amortizing the outstanding principal to the Maturity Date on or before March 31, 2025, the outstanding principal and accrued interest shall become due and payable on March 31, 2025.

The Series \_\_\_\_ Note is subject to prepayment prior to maturity at any time, **[insert redemption terms]**.

**SECTION 4. EXECUTION OF SERIES \_\_\_\_ NOTE.** The Series \_\_\_\_ Note shall be executed in the name of the Issuer by the Mayor, attested under seal by the City Clerk, approved as to substance by the Chief Financial Officer, and designated legal in form and valid as drawn by the City Attorney. The Series \_\_\_\_ Note may be signed and sealed on behalf of the Issuer by any person who at the actual time of the execution of the Series \_\_\_\_ Note shall hold the appropriate office in the Issuer, although at the date thereof the person may not have been so authorized. The Series \_\_\_\_ Note may be executed by the facsimile signatures of the Mayor, the Clerk, the Chief Financial Officer and/or City Attorney, provided that at least one of the Mayor or Clerk's signatures must be a manual signature.

**SECTION 5. REGISTRATION AND TRANSFER OF SERIES \_\_\_\_ NOTE.** Ownership of the Series \_\_\_\_ Note shall be registered on the Register. There shall be a Registrar who shall be responsible for maintaining the Register. The person in whose name ownership of a Series \_\_\_\_ Note is shown on the Register shall be deemed the Registered Owner thereof by the Issuer and the Registrar, who may treat the Registered Owner as the absolute owner of the Series \_\_\_\_ Note for all purposes, whether or not the Series \_\_\_\_ Note shall be overdue, and any notice to the contrary shall not be binding upon the Issuer or the Registrar.

Ownership of the Series \_\_\_\_ Note may be transferred or assigned only as a whole and only upon the Register and upon assumption by the transferee of the obligations of the Lender hereunder. Upon surrender to the Registrar for transfer or exchange of the Series \_\_\_\_ Note accompanied by an assignment or written authorization for exchange, whichever is applicable, duly executed by the Registered Owner or its attorney duly authorized in writing, the Registrar shall deliver in the name of the Registered Owner or the transferee, as the case may be, a new fully registered Series \_\_\_\_ Note of the same amount, maturity and interest rate as the Series \_\_\_\_ Note surrendered. Provided however, any assignment or transfer by the Registered Owner of the Series \_\_\_\_ Note shall be in whole and not in part.

The Series \_\_\_\_ Note presented for transfer, exchange, redemption or payment (if so required by the Issuer or the Registrar) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner or by his duly authorized attorney.

The City Administrator and the Registrar may charge the Registered Owner a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer after the first such exchange or transfer following the delivery of such Series \_\_\_\_ Note. The Registrar or the City Administrator may also require payment from the Registered Owner or his transferee, as the case may be, of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto by any governmental entity other than the Issuer. Such charges and expenses shall be paid before any such new Series \_\_\_\_ Note shall be delivered.

The new Series \_\_\_\_ Note delivered upon any transfer or exchange shall be a valid obligation of the Issuer, evidencing the same debt as the Series \_\_\_\_ Note surrendered, shall be secured under this Loan Agreement, and shall be entitled to all of the security and benefits hereof to the same extent as the Series \_\_\_\_ Note surrendered.

Whenever a Series \_\_\_\_ Note shall be delivered to the Registrar for cancellation, upon payment of the principal amount thereof, or for replacement, transfer or exchange, such Series \_\_\_\_ Note shall be cancelled and destroyed by the Registrar, and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the Issuer.

**SECTION 6. SERIES \_\_\_\_ NOTE MUTILATED, DESTROYED, STOLEN OR LOST.** In case the Series \_\_\_\_ Note shall be mutilated, or be destroyed, stolen or lost, upon the Registered Owner furnishing the Registrar 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, the Registrar shall issue and deliver a new Series \_\_\_\_ Note of like tenor as the Series \_\_\_\_ Note so mutilated, destroyed, stolen or lost, in lieu of or substitution for the Series \_\_\_\_ Note, if any, destroyed, stolen or lost, or in exchange and substitution for such mutilated Series \_\_\_\_ Note, upon surrender of such mutilated Series \_\_\_\_ Note, if any, to the Registrar and the cancellation thereof; provided however, if the Series \_\_\_\_ Note shall have matured or be about to mature, instead of issuing a substitute Series \_\_\_\_ Note, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Series \_\_\_\_ Note be lost, stolen or destroyed, without surrender thereof. Any Series \_\_\_\_ Note surrendered under the terms of this Section 6 shall be cancelled by the Registrar.

Any such new Series \_\_\_\_ Note issued pursuant to this section shall constitute an original, additional contractual obligation on the part of the Issuer whether or not, as to the new Series \_\_\_\_ Note, the lost, stolen or destroyed Series \_\_\_\_ Note be at any time found by anyone, and such new Series \_\_\_\_ Note shall be entitled to equal and proportionate benefits and rights as to security for payment to the same extent as the Series \_\_\_\_ Note originally issued hereunder.

**SECTION 7. LOAN AND LOAN LIMIT.** Subject to the terms and conditions hereof, the Lender agrees to make advances to the Issuer from time to time (each, an “Advance,” and together with the outstanding principal balance of all such Advances from time to time, as the context requires, the “Loan”) during the Draw-Down Period in an aggregate principal amount outstanding not to exceed [**Twenty Million Dollars (\$20,000,000)**] (the “Loan Limit”). The Loan shall be evidenced by the Series \_\_\_\_ Note. During the Draw-Down Period, the Issuer may borrow up to the maximum principal amount of the Loan Limit, subject to the terms and conditions set forth herein. The Issuer shall request each Advance by written notice (or telephonic notice promptly confirmed in writing) to the Lender not later than 3:00 P.M. eastern standard time, at least two Business Days prior to the date of the requested funding of the Advance. Such written notice shall be in substantially the form attached hereto as Exhibit B. Each such request for an Advance shall specify aggregate principal amount to be borrowed and describe the costs of the Project, including capitalized interest on the Series \_\_\_\_ Note, to be financed with such Advance. After the expiration of the Draw-Down Period, the Issuer shall not be entitled to receive any further advance under the Loan. The outstanding principal balance of the Loan and interest thereon shall be repaid in accordance with the terms hereof and the Series \_\_\_\_ Note.

**SECTION 8. PROJECT FUND.**

A separate account is hereby created and established to be known as the “City of Pensacola, Florida Taxable Airport Facilities Special Revenue Note, Series \_\_\_\_ Project Fund” (the “Project Fund”). Proceeds of each Advance (other than Advances for the payment of accrued interest on the Series \_\_\_\_ Note which may, at the direction of the Issuer, be paid or credited to the Registered Owner in payment of such accrued interest) shall be deposited to the credit of the Project Fund and shall be applied by the Issuer to pay costs of the Project. Monies in the Project Fund may be invested in Authorized Investments, and all income derived therefrom shall be deposited in the Project Fund.

To the extent there are no other available funds held hereunder, the Issuer shall use any remaining funds in the Project Fund to pay principal and interest on the Series \_\_\_\_ Note when due.

Such fund shall be kept separate and apart from all other funds of the Issuer and the moneys on deposit therein shall be withdrawn, used and applied by the Issuer solely for the purposes set forth herein. Such proceeds shall be and constitute trust funds for such purpose and there is hereby created a lien in favor of the Series \_\_\_\_ Note upon such money until so applied by the Issuer solely for the purposes set forth herein.

**SECTION 9. FORM OF SERIES \_\_\_\_ NOTE.** The Series \_\_\_\_ Note shall be in substantially the form attached hereto as Exhibit A, with such variations, omissions and insertions as may be necessary, desirable and authorized or permitted by this Loan Agreement.

**SECTION 10. SECURITY FOR SERIES \_\_\_\_ NOTE; SERIES \_\_\_\_ NOTE NOT DEBT OF THE ISSUER.** The principal of and interest and redemption premiums, if any, on the Series

\_\_\_\_ Note and all obligations of the Issuer hereunder and under the Series \_\_\_\_ Note shall be payable solely from Non-Ad Valorem Revenues and any other legally available revenues of the Issuer budgeted and appropriated for such purpose pursuant to and in the manner and extent provided in Section 6 of the Resolution, the terms of which are hereby incorporated herein by reference to the same extent as if repeated verbatim herein. The principal of and interest on the Series \_\_\_\_ Note and any other obligations of the Issuer hereunder or under the Series \_\_\_\_ Note shall not constitute a general obligation or indebtedness of the Issuer, but shall be limited obligations of the Issuer payable solely from the Non-Ad Valorem Revenues budgeted and appropriated by the Issuer pursuant to Section 6 of the Resolution. The Registered Owner and the Lender shall never have the right to compel the levy of taxes upon any property of or in the Issuer for the payment of the principal of and interest and redemption premiums, if any, on the Series \_\_\_\_ Note or any obligations of the Issuer hereunder or under the Series \_\_\_\_ or to continue or maintain any services or programs that generate Non-Ad Valorem Revenues.

**SECTION 11. COVENANTS OF THE ISSUER.** Until the principal of and interest on the Series \_\_\_\_ Note shall have been paid in full or provision for payment of the Series \_\_\_\_ Note shall have been made in accordance with the provisions of this Loan Agreement, the Issuer covenants with the Registered Owner of the Series \_\_\_\_ Note as follows:

A. Financial Statements. At no cost to the Lender, the Issuer shall provide to the Lender (i) unaudited quarterly financial statements prepared by the Issuer within 45 days after the end of each fiscal quarter; and (ii) audited year-end financial statements prepared in accordance with generally accepted accounting principles within five days of receipt of such audited statements but not later than 180 days after the end of each Fiscal Year.

B. Annual Budget. The Issuer will prepare its annual budget in accordance with applicable law, and will provide at no cost to the Lender a copy of its final annual budget for each Fiscal Year within 30 days of adoption thereof by the City Council.

C. Other Information. The Issuer will provide the Lender such other financial or public information as the Lender may reasonably request.

D. Maintenance of Existence. The Issuer shall not permit the termination of its existence as a municipal corporation under the laws of the State.

**SECTION 12. REPRESENTATIONS AND WARRANTIES.** The Issuer represents and warrants to the Lender that:

A. Organization. The Issuer is a municipal corporation, duly organized and existing under the laws of the State.

B. Adoption of Resolution, Authorization of Loan Agreement and Related Documents. The Issuer has duly adopted the Resolution, the Issuer has the power and has taken all necessary action to adopt the Resolution and to authorize the execution and delivery of and the performance by the Issuer of its obligations under the Resolution, this Loan Agreement and

the Series \_\_\_\_ Note in accordance with their respective terms. This Loan Agreement and the Series \_\_\_\_ Note have been duly executed and delivered by the Issuer and, together with the Resolution, are valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, except to the extent that such enforcement may be limited by laws regarding bankruptcy, insolvency, reorganization or moratorium applicable to the Issuer or by general principles of equity regarding the availability of specific performance.

C. Non-Ad Valorem Revenues. The Issuer is legally entitled to covenant to budget and appropriate Non-Ad Valorem Revenues sufficient to provide for the payment of the principal of and interest and redemption premiums, if any, on the Series \_\_\_\_ Note and all obligations of the Issuer hereunder and under the Series \_\_\_\_ Note when due as provided in Section 6 of the Resolution. The Issuer estimates that the Non-Ad Valorem Revenues budgeted and appropriated pursuant to Section 6 of the Resolution will be available in amounts sufficient to pay the principal of and interest and redemption premiums, if any, on the Series \_\_\_\_ Note as the same become due prior to and on the Maturity Date, and to pay all other obligations of the Issuer hereunder and under the Series \_\_\_\_ Note.

D. Financial Statements. The audited financial statements of the Issuer for the Fiscal Year ended September 30, \_\_\_\_ (the "Financial Statements"), previously provided to the Lender were prepared in accordance with generally accepted accounting principles, are correct and present fairly the financial condition of the Issuer as of such date and the results of its operations for the period then ended.

**SECTION 13. CONDITIONS PRECEDENT.** The obligation of the Lender to make the Loan is subject to the satisfaction of each of the following conditions precedent on or before the Date of Delivery:

A. Action. The Lender shall have received a copy of the Resolution certified as complete and correct as of the closing date, together with an executed Loan Agreement, the executed Series \_\_\_\_ Note and the customary closing certificates.

B. Incumbency of Officers. The Lender shall have received an incumbency certificate of the Issuer in respect of each of the officers who is authorized to sign this Loan Agreement, the Series \_\_\_\_ Note, and the related financing documents on behalf of the Issuer.

C. Opinion of City Attorney. The Lender shall have received a written opinion of the City Attorney as to (1) the valid existence of the Issuer as a municipal corporation of the State; (2) the due adoption of the Resolution; (3) the due authorization and execution of this Loan Agreement, the Series \_\_\_\_ Note and the transaction contemplated hereby; (4) the Loan Agreement and the Series \_\_\_\_ Note constituting valid and binding obligations of the Issuer, enforceable against the Issuer, in accordance with their respective terms; and (5) the absence of litigation against the Issuer relating to (a) its existence or powers, (b) its authority to issue the Series \_\_\_\_ Note or covenant to budget and appropriate Non-Ad Valorem Revenues as provided in Section 6 of the Resolution, (c) the procedures governing the authorization and issuance of the

Series \_\_\_\_ Note, and (d) any other matter which may result in any material adverse change in the business, properties, assets or financial condition of the Issuer in a form and substance satisfactory to the Lender.

D. Certificate of Chief Financial Officer. The Lender shall have received a certificate from the Chief Financial Officer that: (1) since the date of the Financial Statements, referred to in Section 12.D. above, there has been no material adverse change in the financial condition, revenues, properties or operations of the Issuer; (2) there are no liabilities (of the type required to be reflected on balance sheets prepared in accordance with generally accepted accounting principles), direct or indirect, fixed or contingent, of the Issuer as of the date of such financial information which are not reflected therein, other than its \_\_\_\_\_; (3) there has been no material adverse change in the financial condition or operations of the Issuer since the date of such Financial Statements (and to the Chief Financial Officer's knowledge no such material adverse change is pending or threatened); and (4) the Issuer has not guaranteed the obligations of, or made any investment in or loans to, any person except as disclosed in such information.

E. Representations and Warranties; No Default. The representations and warranties made by the Issuer herein shall be true and correct in all material respects on and as of the Date of Delivery, as if made on and as of such date; no Default shall have occurred and be continuing as of the Date of Delivery or will result from the consummation of the Loan; and the Lender shall have received a certificate from the Issuer to the foregoing effect.

F. Lender Certificates. The Issuer shall have received the fully executed Lender's Certificate substantially in the form attached to the Resolution as Exhibit B and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, substantially in the form attached to the Resolution as Exhibit C.

G. Other Documents. The Lender shall have received such other documents, certificates and opinions as the Lender or its counsel shall have reasonably requested.

**SECTION 14. NOTICES.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered, delivered by telecopier, mailed by registered or certified mail, postage prepaid, or delivered by courier service to the parties at the following addresses:

Issuer: City of Pensacola, Florida  
222 West Main Street  
Pensacola, Florida 32502  
Attention: City Administrator, with a required copy to the City Attorney at the same address, and a required copy to the Clerk at the same address.



Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

Any of the above parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Communication via telecopier shall be confirmed by delivery by hand, mail, or courier, as specified above, of an original promptly after such communication by telecopier.

**SECTION 15. EVENTS OF DEFAULT DEFINED.** The following shall be “Events of Default” under this Loan Agreement, and the terms “Default” and “Events of Default” shall mean (except where the context clearly indicates otherwise), any one or more of the following events:

A. Failure by the Issuer to make any payment of principal of or interest on the Series \_\_\_\_ Note within three (3) days of the date due.

B. Failure by the Issuer to observe and perform any other covenant, condition or agreement on its part to be observed or performed under the Resolution or this Loan Agreement for a period of thirty (30) days after written notice of such failure was or was by the terms hereof required to be delivered to the Issuer by the Lender unless the Lender shall agree in writing to an extension of such time prior to its expiration;

C. The making of any warranty, representation or other statement by the Issuer or by an officer or agent of the Issuer in the Resolution or this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement which is false or misleading in any material adverse respect;

D. The filing of a petition against the Issuer under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, if an order for relief is entered under such petition or such petition is not dismissed within sixty (60) days of such filing;

E. The filing by the Issuer of a voluntary petition in bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or the consent by the Issuer to the filing of any petition against it under such law; or

F. The admission by the Issuer of its insolvency or bankruptcy or its inability to pay its debts as they become due or that it is generally not paying its debts as such debts become due, or the Issuer’s becoming insolvent or bankrupt or making an assignment for the benefit of creditors, or the appointment by court order of a custodian (including without limitation a receiver, liquidator or trustee) of the Issuer or any of its property taking possession thereof and such order remaining in effect or such possession continuing for more than sixty (60) days.

**SECTION 16. NOTICE OF DEFAULTS AND MATERIAL LITIGATION.** The Issuer shall within ten Business Days after it acquires knowledge thereof, notify the Registered Owner of the Series \_\_\_\_ Note in writing (a) of any change in any material fact or circumstance represented or warranted by the Issuer in this Loan Agreement or in connection with the issuance of the Series \_\_\_\_ Note, including any litigation which may result in any material adverse change in the business, properties, assets or financial condition of the Issuer; (b) upon the happening, occurrence, or existence of any Event of Default that the Registered Owner is not otherwise aware of, or (c) any event or condition which with the passage of time or giving notice, or both, would constitute an Event of Default, and shall provide the Registered Owner of the Series \_\_\_\_ Note, with such written notice, a detailed statement by the Chief Financial Officer of all relevant facts and the action being taken or proposed to be taken by the Issuer with respect thereto. Regardless of the date of receipt of such notice by the Registered Owner of the Series \_\_\_\_ Note, such date shall not in any way modify the date of occurrence of the actual Event of Default.

**SECTION 17. REMEDIES.** For all Events of Default, the Lender may sue to protect and enforce any and all rights, including the right to specific performance, existing under the laws of the State, of the United States of America, or granted and contained in this Loan Agreement, and to enforce and compel the performance of all duties required by this Loan Agreement or by any applicable laws to be performed by the Issuer, the City Council or by any officer thereof, and may take all steps to enforce this Loan Agreement to the full extent permitted or authorized by the laws of the State or the United States of America.

The Issuer and the Lender each waives, to the fullest extent permitted by law, any right to trial by jury in respect of any litigation based upon the Series \_\_\_\_ Note or arising out of, under or in conjunction with the Series \_\_\_\_ Note or this Loan Agreement.

**SECTION 18. NO PERSONAL LIABILITY.** No recourse shall be had for the payment of the principal of and interest on the Series \_\_\_\_ Note or for any claim based on the Series \_\_\_\_ Note or on this Loan Agreement, against any present or former Mayor, officer or employee of the Issuer or member or officer of the City Council or any person executing the Series \_\_\_\_ Note.

**SECTION 19. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS.** In any case where the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Loan Agreement, shall be other than a Business Day, then such payment or performance shall be made on the succeeding Business Day with the same force and effect as if done on the nominal date provided in this Loan Agreement, provided that interest on any monetary obligation hereunder shall accrue at the applicable rate to and including the date of such payment.

**SECTION 20. AMENDMENTS, CHANGES AND MODIFICATIONS.** This Loan Agreement may be amended only by a writing approved with the same formality as this Agreement, signed by the Issuer and the Registered Owner.

**SECTION 21. BINDING EFFECT.** To the extent provided herein, this Loan Agreement shall be binding upon the Issuer and the Lender and shall inure to the benefit of the Issuer and the Lender and their respective successors and assigns. This Loan Agreement shall be discharged and neither the Issuer nor the Lender shall have any further obligations hereunder or under the Series \_\_\_\_ Note when the Issuer shall have paid the principal of and interest on the Series \_\_\_\_ Note in full and shall have paid in full all other amounts, if any, due under the Series \_\_\_\_ Note or this Loan Agreement.

**SECTION 22. SEVERABILITY.** In the event any court of competent jurisdiction shall hold any provision of this Loan Agreement invalid or unenforceable such holding shall not invalidate or render unenforceable, any other provision hereof.

**SECTION 23. EXECUTION IN COUNTERPARTS.** This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 24. APPLICABLE LAW.** The laws of the State shall be the law applied in the resolution of any action, claim or other proceeding arising out of the Resolution, the Series \_\_\_\_ Note or this Loan Agreement.

**SECTION 25. VENUE; ATTORNEY'S FEES.** The parties agree that jurisdiction and venue for the enforcement of the Resolution, this Loan Agreement or the Series \_\_\_\_ Note shall be in the state and/or federal courts of Escambia County, Florida. The prevailing party in any action, claim or proceeding arising out of the Resolution, the Loan Agreement or the Series \_\_\_\_ Note shall be entitled to attorney's fees and costs from the losing party

**SECTION 26. ASSIGNMENT.** The Lender may assign its rights hereunder to any party to whom it sells or transfers the Series \_\_\_\_ Note as permitted hereby.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have duly executed this Loan Agreement as of the date first above written.

CITY OF PENSACOLA, FLORIDA

By: \_\_\_\_\_  
Grover C. Robinson, IV, Mayor

(SEAL)

ATTEST:

By: \_\_\_\_\_  
City Clerk

Approved as to Substance:

By: \_\_\_\_\_  
Richard Barker, Jr.  
Chief Financial Officer

Legal in Form and Valid as Drawn:

By: \_\_\_\_\_  
Susan A. Woolf  
City Attorney

*[Signature Page of Loan Agreement]*

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[Signature Page of Loan Agreement]*



This Note is subject to prepayment prior to maturity at any time, **[insert redemption terms]**.

This Note is being issued to finance a portion of the costs of the Project under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Part II, Florida Statutes, as amended, the municipal charter of the Issuer and other applicable provisions of law, and Resolution No. 2019-15, duly adopted by the City Council of the Issuer on March 28, 2019 (the "Resolution"), and pursuant to a Loan Agreement between the Issuer and the Registered Owner, dated \_\_\_\_\_, \_\_\_\_ (the "Loan Agreement"), to which reference should be made to ascertain those terms and conditions. The terms and provisions of the Loan Agreement and the Resolution, including, without limitation, the definitions therein, are hereby incorporated as a part of this Note. The principal of this Note shall be disbursed by the Registered Owner hereof to the Issuer in immediately available funds by making periodic Advances in accordance with the Loan Agreement.

This Note is payable solely from Non-Ad Valorem Revenues budgeted and appropriated by the Issuer, all in the manner and to the extent provided in, and subject to the terms and conditions of, the Resolution and the Loan Agreement. This Note shall not constitute a general obligation or indebtedness of the Issuer, but shall be a limited obligation of the Issuer payable solely from the Non-Ad Valorem Revenues budgeted and appropriated as provided in Section 6 of the Resolution. The Registered Owner hereof shall never have the right to compel the levy of taxes upon any property of or in the Issuer for the payment of the principal of and interest on this Note or any other obligation of the Issuer under the Loan Agreement or to continue or maintain programs or services that generate Non-Ad Valorem Revenues. Reference is made to the Resolution and Loan Agreement for the provisions relating to the source of payment of this Note and the duties and obligations of the Issuer hereunder.

The Registered Owner may sue to protect and enforce any and all rights, including the right to specific performance, existing under the laws of the State of Florida, of the United States of America, or granted and contained in the Loan Agreement, and to enforce and compel the performance of all duties required by the Loan Agreement or by any applicable laws to be performed by the Issuer, the City Council or by any officer thereof, and may take all steps to enforce the Loan Agreement to the full extent permitted or authorized by the laws of the State of Florida or the United States of America. The Issuer waives its right to trial by jury in the event of any proceedings in state or federal courts to enforce the terms of this Note or of the Loan Agreement, and the Registered Owner, by its acceptance of this Note, waives its right to trial by jury in any such proceedings.

This Note is subject to all the terms of the Loan Agreement.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of Florida to be performed, to exist and to happen precedent to and in the issuance of this Note, have been performed, exist and have happened in regular and due form and time as so required.

IN WITNESS WHEREOF, the City of Pensacola, Florida, has issued this Note and has caused the same to be executed by the manual signature of the Mayor, attested under seal by the City Clerk, approved as to substance by the Chief Financial Officer, and designated legal in form and valid as drawn by the City Attorney, as of the Dated Date set forth above.

CITY OF PENSACOLA, FLORIDA

[SEAL]

By: \_\_\_\_\_  
Grover C. Robinson, IV, Mayor

ATTEST:

By: \_\_\_\_\_  
City Clerk

Approved as to Substance:

By: \_\_\_\_\_  
Richard Barker, Jr.  
Chief Financial Officer

Legal in Form and Valid as Drawn:

By: \_\_\_\_\_  
Susan A. Woolf  
City Attorney



CERTIFICATE OF AUTHENTICATION OF REGISTRAR

This Note constitutes the Taxable Airport Facilities Special Revenue Note, Series \_\_\_\_\_, as herein described. The Principal Amount, Interest Rate, Maturity Date and Registered Owner shown above are correct in all respects and have been recorded, along with the applicable federal taxpayer identification number and the address of the Registered Owner, in the Register maintained at the principal office of the undersigned.

CHIEF FINANCIAL OFFICER OF THE  
CITY OF PENSACOLA, FLORIDA, as  
Registrar

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Date of Authentication

SCHEDULE 1 TO SERIES \_\_\_\_ NOTE

PRINCIPAL AMOUNT

<u>Date of Advance</u>	<u>Principal Advance</u>	<u>Outstanding Principal After Advance</u>
__/__/__	\$	\$
__/__/__	\$	\$
__/__/__	\$	\$
__/__/__	\$	\$
__/__/__	\$	\$
__/__/__	\$	\$
__/__/__	\$	\$
__/__/__	\$	\$
__/__/__	\$	\$
Principal Amount		\$

SCHEDULE 2 TO SERIES \_\_\_\_ NOTE

ESTIMATED PRINCIPAL PAYMENTS FOR THE SERIES \_\_\_\_ NOTE

Principal Payment Date (October 1)	Installment
	\$
(1)(2)	
Total <sup>(3)</sup>	\$

(1) Maturity Date

(2) Or remaining Principal Amount outstanding, if less.

(3) Or aggregate principal amount advanced, if less.

EXHIBIT B  
FORM OF ADVANCE REQUEST

**[Lender]**

\_\_\_\_\_  
\_\_\_\_\_

Re: City of Pensacola, Florida Taxable Airport Facilities Special Revenue Note, Series \_\_\_\_

The City of Pensacola, Florida (the "Issuer") does hereby request the following Advance Request made pursuant to a Loan Agreement by and between the Issuer and \_\_\_\_\_ (the "Lender") dated \_\_\_\_\_, 20\_\_ (the "Agreement"). All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto pursuant to the Loan Agreement.

1. This Advance Request shall be designated as the "City of Pensacola, Florida, Taxable Airport Facilities Special Revenue Note, Series \_\_\_\_ - Draw No. \_\_\_\_."
2. The principal amount of this Advance Request shall be \$\_\_\_\_\_ and the Advance Request date shall be \_\_\_\_\_, 20\_\_.
3. The Advance Request is for the payment of the following:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. The requested disbursement(s) has/have not been subject to any previous Advance Request.
5. No notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable herein to any of the persons, firms or corporations named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this Advance Request.
6. Each amount requested for payment in this Advance Request will be used by the Issuer promptly upon the receipt of funds from the Lender to make the payments to third parties described in this Advance Request.

Dated \_\_\_\_\_, 20\_\_ (must be at least one Business Day prior to advance).

CITY OF PENSACOLA, FLORIDA

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT B

### FORM OF LENDER'S CERTIFICATE

This is to certify that \_\_\_\_\_, or its assignee (the "Lender") has not required the City of Pensacola, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Issuer in connection with the issuance by the Issuer of its not to exceed \$20,000,000 Taxable Airport Facilities Special Revenue Note, Series \_\_\_\_ (the "Series \_\_\_\_ Note"), and no inference should be drawn that the Lender, in the acceptance of said Series \_\_\_\_ Note, is relying on Bond Counsel or the City Attorney as to any such matters other than the legal opinions rendered by Bond Counsel and by the City Attorney. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in Resolution No. 2019-15 adopted by the City Council of the Issuer on March 28, 2019 (the "Resolution").

We are aware that investment in the Series \_\_\_\_ Note involves various risks, that the Series \_\_\_\_ Note is not a general obligation of the Issuer or payable from ad valorem tax revenues, and that Series \_\_\_\_ Note and obligation of the Issuer under the Loan Agreement between the Issuer and the Lender dated \_\_\_\_\_, \_\_\_\_ (the "Loan Agreement") are payable solely from the sources described in the Resolution.

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

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

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

The Series \_\_\_\_ Note has been purchased for the account of the Lender for investment purposes only and not with a present view to the distribution, transfer or resale thereof. The Lender intends to hold and book the Series \_\_\_\_ Note as a loan in its loan portfolio; the Lender acknowledges that the use of the word "note" in the name of the debt instrument is not intended

to indicate that the instrument is or is not a security within the meaning of the Securities Act of 1933. The Lender currently intends to hold such Series \_\_\_\_ Note for its own account and for an indefinite period of time and does not currently intend to dispose of all or any portion of such Series \_\_\_\_ Note. The Lender hereby covenants that if the Lender subsequently decides to distribute or resell the Series \_\_\_\_ Note, it shall comply in all respects with all laws then applicable with respect to any such distribution or resale. We understand that the Series \_\_\_\_ Note may not be transferred in a denomination less than the par amount outstanding at the time of transfer.

We are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes. We are not purchasing the Series \_\_\_\_ Note for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

We are an "accredited investor" within the meaning of the Securities Act of 1933, as amended, and Regulation D thereunder.

DATED this \_\_\_\_ of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT C

### FORM OF DISCLOSURE LETTER

The undersigned, as Lender, proposes to negotiate with the City of Pensacola, Florida (the "Issuer") for the private purchase of its not to exceed \$20,000,000 Taxable Airport Facilities Special Revenue Note, Series \_\_\_\_ ("Series \_\_\_\_ Note"). Prior to the award of the Series \_\_\_\_ Note, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to us (the "Lender") in connection with the issuance of the Series \_\_\_\_ Note (such fees and expenses to be paid by the Issuer):

\$[\_\_\_\_]  
Legal Fees

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

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

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

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

5. Truth-in-Bonding Statement:

The Series \_\_\_\_ Note is being issued primarily to finance the cost of the Project, as defined in Resolution No. 2019-15 adopted by the Issuer on March 28, 2019 (the "Resolution"). ~~Unless earlier prepaid, the Series \_\_\_\_ Note is expected to be repaid by October 1, \_\_\_\_ (the "Maturity Date").~~ At an assumed rate of \_\_\_\_%, ~~and~~ assuming all funds are drawn [in accordance with the estimated draw schedule provided by the Issuer] and assuming the Series \_\_\_\_ Note is amortized in substantially level payments of principal and interest commencing 20\_\_ and ending on October 1, \_\_\_\_ (the "Maturity Date"), total interest paid over the life of the Series \_\_\_\_ Note is approximately \$\_\_\_\_\_. Based on the foregoing assumptions, issuance of



the Series \_\_\_\_ Note is estimated to result in an annual average of approximately \$\_\_\_\_\_ of Non-Ad Valorem Revenues of the Issuer not being available to finance other services of the Issuer during the life of the Series \_\_\_\_ Note.

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Lender this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_